AMP KIWISAVER SCHEME PROSPECTUS

22 SEPTEMBER 2015

This Prospectus relates to an offer of securities issued
by AMP Wealth Management New Zealand Limited

In accordance with clause 6 of Schedule 4 to the Financial Markets Conduct Act 2013, this prospectus contains an offer of membership in the AMP KiwiSaver Scheme to which the Securities Act 1978 applies. Accordingly, this prospectus provides, in respect of the AMP KiwiSaver Scheme that is issued by AMP Wealth Management New Zealand Limited ('Manager'), the information required by the Securities Act 1978, Schedule 5A to the Securities Regulations 2009 and the Securities Act (KiwiSaver Employer Participants) Exemption Notice 2012

INDEX

A signed copy of this prospectus and copies of the documents required by regulation 18(1) of the Securities Regulations 2009, namely:

- a copy of the auditor's report on the summary financial statements prepared as at 31 March 2015;
- a copy of the auditor's consent for the inclusion of its report in this prospectus; and
- a copy of the material contracts referred to in this prospectus not previously filed;

were lodged for registration with the Registrar of Financial Service Providers on 22 September 2015 ("Registration Date").

IMPORTANT NOTE

This prospectus refers to a number of statutes, such as the KiwiSaver Act 2006 and the Income Tax Act 2007, and to certain provisions of such statutes. From time to time these statutes will be amended. Up-to-date versions of the KiwiSaver Act, the Income Tax Act and all other statutes referred to in this prospectus can be viewed at www.legislation.govt.nz. Although the Financial Markets Conduct Act amended a number of enactments on 1 December 2014, including the KiwiSaver Act 2006, pursuant to transitional arrangements in respect of the Financial Markets Conduct Act, many aspects of the AMP KiwiSaver Scheme's governance and offering continue to be covered by the law in effect prior to 1 December 2014. Those transitional arrangements will cease to apply to the AMP KiwiSaver Scheme on the earlier of 30 November 2016 or the date that it opts in to the Financial Markets Conduct Act.

Key Information about the AMP KiwiSaver Scheme

The following table briefly summarises some of the key information about the AMP KiwiSaver Scheme ("the Scheme"). You should read it in conjunction with the detailed information set out elsewhere in this prospectus and with the Scheme's investment statement.

Scheme Overview	The Scheme is a KiwiSaver scheme managed by AMP Wealth Management New Zealand Limited. Its trustee is The New Zealand Guardian Trust Company Limited. The Scheme is a default KiwiSaver scheme. The Scheme is a Portfolio Investment Entity (PIE) for tax purposes, meaning that tax is paid on your behalf at your nominated PIE tax rate. For more information on the Scheme, see page 4.
Investment options	The Scheme offers a range of funds for members to invest in. These range from lower-risk weighted conservative funds with greater exposure to income assets, to higher-risk weighted aggressive funds with a greater exposure to growth assets. The Scheme also offers the Lifesteps Investment Programme which is designed to direct members' savings into risk-appropriate investment funds based on the member's age. The funds primarily invest through other underlying managed funds managed by underlying fund managers. The member's contributions are applied to purchase units in their chosen funds, and the value of those units change to reflect the returns attributed to those funds (either positive or negative), as well as the Scheme's fees and expenses. For more information, see page 31.
Contributions	If members are employed and PAYE is deducted from their salary or wages contributions are normally deducted from their gross salary or wages at a rate they select – either 3% (being the minimum contribution rate), 4% or 8%. They can also make additional regular contributions directly to the Scheme or lump sum contributions via Inland Revenue. Most employees are also entitled to a 3% employer contribution. If members are self-employed (and not receiving salary or wages) or not working they can make regular contributions directly to the Scheme, or lump sum contributions via Inland Revenue.

	New Zealand residents aged between 18 and the age they become eligible to withdraw (see below) are usually entitled to receive contributions from the Government to match their own contributions, at the rate of 50c for each dollar contributed, up to a maximum of $521.43 per year. A member contributing $1,042.86 or more each year (1 July to 30 June) will get the maximum $521.43. For more information, see page 12.
Withdrawals **(Member's Benefits)**	Because the Scheme is a KiwiSaver scheme, a member's investment cannot normally be withdrawn until they reach the NZ Super age (currently age 65) subject to first having been a member of a KiwiSaver scheme or complying superannuation fund for five years. Early withdrawals are permitted including for serious illness, significant financial hardship, permanent emigration, and the purchase of a first home. A benefit is also payable to a member's estate if they die. For more information, see page 16.
Material risks	All investments carry risk. There are risks associated with the Scheme that could affect a member's ability to recover the amount of their investment or impact on the level of return. Investments in the Scheme are not guaranteed. For more information, see page 64.
Fees and expenses	The following fees are payable by members of the Scheme from their accounts or from the fund in which they invest: Member fee - $1.95 per month per member Administration fee (includes the Trustee fee) - 0.15% pa (AMP Default Fund) and 0.525% pa for all other funds. An Annual Management Fee of 0.20% pa – 0.60% pa (depending on the fund invested in) is payable from the Scheme. There are no switching fees, entry fees or transfer fees currently charged. Other fees, costs and expenses will from time to time be charged to the funds or member's accounts. These could include costs of maintaining member registers, accounting or audit requirements and regulatory compliance costs for the Scheme and may include fees charged to us by third parties. The underlying funds into which the funds invest also have other fees and expenses, including performance fees and transaction costs charged by their managers and trustees. These will be reflected in each underlying fund's unit price and therefore will affect members' returns. For more information see page 51.
Related Party Transactions	The underlying fund manager for each of the underlying funds in which the Cash Fund and the AMP-named funds are invested is AMP Capital Investors (New Zealand) Limited, which is an associated person of the Manager. These funds were developed by AMP Investment Management (N.Z.) Limited, which is also an associated person of the Manager. The Manager has delegated the administration functions of the Scheme to AMP Services (NZ) Limited, a related company of the Manager. More information can be found on pages 6 and 42.

1 DESCRIPTION OF SCHEME

1.1 This prospectus has been prepared for the AMP KiwiSaver Scheme (the "Scheme"), which was established in Auckland on 30 March 2007 and registered under the KiwiSaver Act 2006 ("KiwiSaver Act") on that date. The Scheme is a "defined contribution" scheme, which means that the benefits payable depend on contributions paid, returns on those contributions, and tax and fees deducted.

1.2 The Scheme is a default KiwiSaver scheme for the purposes of the KiwiSaver Act, pursuant to the KiwiSaver Default Provider (AMP) Notice 2015 ("Instrument of Appointment").

1.3 The Scheme commenced operating and members were accepted into the Scheme from 1 July 2007.

1.4 The Scheme offers pooled investments, represented by units, and a choice of funds ("Funds") as outlined under *Investment objectives and policy* on pages 31 to 39 of this prospectus, for the purpose of saving for retirement.

1.5 Notwithstanding the division of the Scheme's assets into separate Funds, the Scheme comprises a single trust fund (with the value of members' interests in the assets of the Scheme determined by reference to the value of the units they hold in the Fund or Funds that they have selected, or to which they have been allocated).

1.6 No member acquires an interest in any particular asset of the Scheme to which their units in any particular Fund relate.

1.7 As at the Registration Date, the Funds available to members of the Scheme are:

- Cash Fund
- AMP Default Fund
- AMP Conservative Fund
- AMP Moderate Fund
- AMP Moderate Balanced Fund
- AMP Balanced Fund
- AMP Growth Fund
- AMP Aggressive Fund
- Nikko AM Balanced Fund
- ANZ Balanced Plus Fund
- Fisher Balanced Fund

1.8 The Lifesteps Investment Programme ("Lifesteps") is an investment option that automatically reduces expected investment risk (or the potential for investment losses) as the member gets older. Lifesteps works by investing a member's savings in one of six Funds, depending on the member's age. When the member reaches their birthday that corresponds to the minimum age for the next Fund in Lifesteps, their savings are automatically moved to that Fund. Further details about Lifesteps can be found in the Scheme's latest investment statement. The following Funds are utilised within Lifesteps:

- AMP Conservative Fund

- AMP Moderate Fund
- AMP Moderate Balanced Fund
- AMP Balanced Fund
- AMP Growth Fund
- AMP Aggressive Fund

1.9 The Manager may resolve to close, wind up, or alter any Fund at any time.

2 MANAGERS AND PROMOTERS

2.1 The manager of the Scheme is AMP Wealth Management New Zealand Limited ("Manager").

2.2 As at the Registration Date, the Manager's address is:

AMP Wealth Management New Zealand Limited
Level 21, AMP Centre
29 Customs Street West
P O Box 55
Shortland Street
Auckland 1140

2.3 As at the Registration Date, the directors of the Manager are:

- Gregory Paul Bird, of Auckland
- Elaine Jennifer Campbell, of Auckland
- Simon John Hoole, of Auckland
- Anthony George Regan, of Auckland
- Thérèse Mary Singleton, of Auckland

2.4 The directors of the Manager can be contacted at the Manager's address above.

2.5 The directors and the address of the Manager may change from time to time. The current names and address may be obtained from the Companies Office website www.business.govt.nz/companies or by calling the Manager on 0800 267 5494.

2.6 As at the Registration Date, the ultimate holding company of the Manager is AMP Limited, a company incorporated in Australia.

2.7 The Manager is not the manager of any other KiwiSaver scheme.

2.8 AMP Services (NZ) Limited ("AMP Services") and any of its directors that are not also directors of the Manager are promoters of the Scheme. As at the Registration Date, AMP Services' directors are also directors of the Manager and therefore not promoters. The directors may change from time to time. Members can find the current names of the promoters by contacting the Manager as set out in paragraph 2.5.A Participating Employer and the directors of that Participating Employer (refer *Participating Employers* on page 25) will normally be promoters of the Scheme. Under the Securities Act (KiwiSaver Employer Participants) Exemption Notice 2012 it is not necessary to name a Participating Employer or its directors as promoters in this prospectus. The Participating Employer will be identified in a Member's Booklet applying to members who participate in the relevant plan established within the Scheme.

2.9 The Manager is responsible for the administration and investment management of the Scheme in its role as manager of the Scheme. The Manager has delegated the administration functions of the Scheme to AMP Services as an administration manager for the Scheme. AMP Services is a related company of the Manager. The Scheme does not have a separate investment manager.

2.10 None of the Manager, AMP Services or any director of either, has, during the five years preceding the Registration Date, been (as applicable):

- adjudged bankrupt or insolvent;
- convicted of any crime involving dishonesty;
- prohibited from acting as a director of a company; or
- placed in statutory management, voluntary administration, liquidation, or receivership.

Underlying funds and underlying fund managers

2.11 The assets of the Funds are generally invested in underlying wholesale investment funds ("underlying funds"). Fund management services for the underlying funds are performed by each of those underlying funds' fund managers ("underlying fund managers") and not by the Manager.

2.12 The Manager, through the AMP Financial Services Investment Committee[1] ("Committee"), oversees the implementation, monitoring and performance of the investment strategy of the funds within the AMP KiwiSaver Scheme, including appointing and removing underlying fund managers.

2.13 On 24 November 2011, AMP Services and AMP Capital Investors (New Zealand) Limited ("AMP Capital") entered into a Partnership Agreement affecting the investment management decisions made in respect of certain AMP group products including the Scheme.[2] On 22 September 2015, AMP Wealth Management New Zealand Limited became a party to the Partnership Agreement. The Committee utilises the services of AMP Capital to provide advice and recommendations on strategic asset allocation and fund manager selection concerning a range of underlying wholesale funds managed by AMP Capital. As at the Registration Date, the Committee also utilises the services of Mercer (N.Z.) Limited to provide research and recommendations on underlying fund managers.

2.14 Since 21 May 2013, the assets of all AMP-named Funds have invested in a range of wholesale investment funds known as the AMP Capital Diversified Funds. The AMP Capital Diversified Funds were developed by AMP Investment Management (N.Z.) Limited and are managed by AMP Capital. Under the Partnership Agreement, the Manager (through the Committee) seeks advice and recommendations from AMP Capital about matters concerning the AMP Capital Diversified Funds into which the relevant Funds invest (including whether or not to add or remove a fund manager utilised by the AMP Capital Diversified Funds and asset allocation decisions).

---

[1] The Manager is part of a group of AMP entities in New Zealand, which is known as AMP Financial Services ("AFS"). AFS has established governance procedures to oversee the activities carried out by members of the group, and make decisions on behalf of members of the group. Those governance procedures apply to the Manager. The AFS Investment Committee makes investment decisions for the Scheme on the Manager's behalf.

[2] The provisions of the Partnership Agreement that relate to the Scheme took effect on 21 May 2013.

2.15 Details of the Scheme's underlying fund managers as at the Registration Date can be found on pages 31 to 39 of this prospectus, under *Investment objectives and policy*. Updated details of the underlying fund managers, and of the underlying fund (or funds) in which a Fund's assets are invested can be found in the AMP KiwiSaver Scheme *Periodic Disclosure Statements* which are available on www.amp.co.nz. For further information, contact the AMP Customer Services Team on 0800 267 5494.

2.16 Where the assets of the Fund are not invested in the underlying funds, the assets may, from time to time, be placed on deposit with one or more New Zealand registered banks. This could happen when a new Fund is first established or when either the underlying funds or underlying fund managers change.

2.17 None of the Manager, AMP Services, AMP Limited, or any other person (including the Crown) guarantees either the repayment of the units or earnings on the units relating to the Funds.

3 REGISTRAR, CUSTODIAN, AUDITORS, ADVISERS, AND EXPERTS

3.1 AMP Services is the registrar for the Scheme.

3.2 All assets are held in the name of AMP KiwiSaver Scheme Nominees Limited ("Custodian"), which is a nominee company of the Scheme's trustee (see part 5 below for further details of the Scheme's trustee).

3.3 The auditors of the Scheme are Ernst & Young, Wellington. Ernst & Young is registered under the Auditor Regulation Act 2011. Neither Ernst & Young, nor any officer or employee of Ernst & Young, is intended to be a director, officer or employee of the Manager, AMP Services, or the Trustee.

3.4 The solicitors for the Manager that were involved in the preparation of this prospectus are Kensington Swan, Wellington.

3.5 No other professional advisers were involved in the preparation of this prospectus.

3.6 No experts are named in this prospectus.

4 INDEPENDENCE OF KIWISAVER TRUSTEE AND ANY CUSTODIANS

4.1 The Trustee and the Custodian are independent of the Manager, AMP Services, the Participating Employers and the Participating Employers' directors.

5 KIWISAVER TRUSTEE

5.1 The trustee of the Scheme is The New Zealand Guardian Trust Company Limited ("Trustee").

5.2 As at the Registration Date, the Trustee's address is:

Level 14
191 Queen Street
PO Box 274

Shortland Street
Auckland 1140

5.3 As at the Registration Date, the directors of the Trustee are:

- Andrew Howard Barnes, of Waiheke Island
- James Earl Douglas, of Auckland
- Robin Albert Flannagan, of Auckland
- Timothy James Shaw, of Auckland

5.4 The directors of the Trustee can be contacted at the address of the Trustee above.

5.5 The directors of the Trustee and the address of the Trustee may change from time to time. The current names and address may be obtained from the Companies Office website www.business.govt.nz/companies or by calling the Trustee on 0800 878 782.

5.6 The Trustee was incorporated in New Zealand under the Companies Act 1955 on 7 September 1982 and was re-registered under the Companies Act 1993 on 23 April 1997.

5.7 The Trustee has been granted a licence under section 16(1) of the Financial Markets Supervisors Act 2011 ("FMS Act") to act as a trustee in respect of debt securities, unit trusts, and KiwiSaver schemes, and as a statutory supervisor for participatory securities, for a term expiring on 16 March 2018. A copy of the Trustee's licence, including the conditions on the licence, can be obtained at the Financial Markets Authority's website: www.fma.govt.nz, or on the Trustee's website at: www.guardiantrust.co.nz. As at the Registration Date, all conditions and reporting obligations have been duly satisfied by the required dates. If you have queries about the licence please contact the Trustee in the first instance.

5.8 As at the Registration Date, the Trustee's ultimate holding company is Bath Street Capital Limited, a company incorporated in New Zealand.

5.9 If the Trustee is held personally liable to any other person in respect of any debt, liability or obligation incurred by or on behalf of the Scheme or any action taken or omitted in connection with the Scheme, then the Trustee is entitled to indemnity and reimbursement out of the assets of the Scheme to the full extent of such liability and the costs of any litigation or other proceedings in which such liability has been determined (including, without limitation, legal fees and disbursements).

5.10 None of the Trustee, or any director or officer of the Trustee, is indemnified against liability for any breaches of trust to the extent that doing so would be void under legislation (including the KiwiSaver Act).

5.11 None of the Trustee, Bath Street Capital Limited, or any other person (including the Crown) guarantees either the repayment of the units or earnings on the units relating to the Funds comprised in the Scheme.

6 DESCRIPTION OF SCHEME AND ITS DEVELOPMENT

6.1 The Scheme is governed by an amended and consolidated trust deed dated 22 September 2015 ("Trust Deed"). There have not been any amendments to the Trust Deed.

6.2 This part (part 6) of the prospectus covers the following:

Principal Terms of the Trust Deed

Structure

6.3 The Scheme is a trust governed by the Trust Deed. The principal purpose of the Scheme is to provide retirement benefits to natural persons in accordance with the KiwiSaver Act.

6.4 The Manager is appointed as the manager of the Scheme. The Manager is the issuer of the Scheme and is responsible for the administration and investment management of the Scheme and the Funds.

6.5 The Trustee is appointed as the trustee of the Scheme. The Trustee supervises the Manager's performance of the functions of the Manager. All investments and property of the Scheme are vested in the Trustee (or a nominee appointed by the Trustee).

Admission of Members

6.6 A natural person may be admitted to membership of the Scheme:

- by way of automatic enrolment as a "default" member when starting new employment (due to either being allocated to the Scheme by Inland Revenue or the Scheme being their employer's chosen KiwiSaver scheme); or
- by giving an employer a KiwiSaver deduction notice and then not choosing a KiwiSaver scheme within three months after Inland Revenue receives the resulting contributions (where the Scheme is the employer's chosen KiwiSaver scheme, or the employee is allocated to the Scheme by Inland Revenue); or
- by contracting directly with the Manager (in which case the Manager may at its discretion refuse to admit that person to membership);

subject, in each case, to the provisions in the KiwiSaver Act concerning the treatment of mistaken allotments of membership interests (in circumstances where the automatic enrolment or opt-in provisions in the Act have been wrongly applied to that person).

6.7 Subject to the requirements of the KiwiSaver Act relating to minors' enrolments, any natural person under the age of eligibility for New Zealand Superannuation (as at the Registration Date, this is age 65), whether employed or not (including a beneficiary, a self-employed individual, and a person aged under 18), can join the Scheme by contracting directly with the Manager if he or she is, or normally is, living in New Zealand and is a New Zealand citizen (or entitled to permanent residence in New Zealand). A person may however join the Scheme over the age of eligibility for New Zealand Superannuation if they transfer to the Scheme from another KiwiSaver scheme provider.

6.8 The Manager may from time to time prescribe differing terms and conditions of membership for persons:

- who become members due to being allocated to the Scheme by Inland Revenue;
- who become members by reason of (respectively) their choosing the Scheme, their employer choosing the Scheme or their transferring from another KiwiSaver scheme or a complying superannuation fund;
- whose employer has made the Scheme the employer's chosen KiwiSaver scheme, but is not a Participating Employer (see *Participating Employers* on page 25); and
- who are employed by a Participating Employer and participate in a plan established within the Scheme for that Participating Employer (see *Participating Employers* on page 25).

Cessation of Membership

6.9 For the purposes of the KiwiSaver Act and this prospectus, a "Member's Accumulation" is the full value of the member's interest in the Scheme (excluding any unvested employer contributions) after taking into account positive or negative investment returns and less costs, expenses, fees and tax payable.

6.10 A member ceases to be a member of the Scheme when:

- receiving from the Scheme the Member's Accumulation in accordance with the KiwiSaver scheme rules prescribed in Schedule 1 to the KiwiSaver Act ("the KiwiSaver Scheme Rules"); or
- transferring the Member's Accumulation from the Scheme to another KiwiSaver scheme, an Australian complying superannuation fund (as defined in paragraph 6.35), or to an overseas superannuation scheme (less, under the legislation applying as at the Registration Date, the Member Tax Credits (if applicable) – see *Members' benefits* on page 16), in accordance with the requirements of the KiwiSaver Act; or
- receiving notice from the Manager that membership is terminated by reason of the balance in all the member's accounts having reached zero; or
- the Manager refunds the Member's Accumulation to Inland Revenue (where the automatic enrolment or opt-in provisions in the KiwiSaver Act have been mistakenly applied, and membership cannot be validated under the provisions relating to confirmed back-dated validation of membership);

whichever occurs first.

6.11 A person may only opt out of a KiwiSaver scheme after having been automatically enrolled into a scheme. To opt out means choosing not to remain in KiwiSaver. A person has from the end of week two until the end of week eight from the date they start new employment to do this. A person can opt out by notifying their employer or Inland Revenue. The opt-out period gives a person time to decide whether to remain in KiwiSaver and to seek financial advice. It is important to remember that if a person opts in to KiwiSaver there is no ability for them to opt out.

Contributions

6.12 Members are required to contribute to the Scheme in accordance with Part 3 of the KiwiSaver Act.

Contributions from Employees

6.13 Subject to the KiwiSaver Act, a member who is in paid employment can choose to contribute to the Scheme from their pay an amount equal to 3%, 4%, or 8% of their gross salary or wages.

6.14 Minimum contributions are 3% of gross salary or wages. If an employed person joins KiwiSaver and does not choose a contribution rate (or starts new employment and does not notify their new employer of a contribution rate) then their contribution rate will be 3%.

6.15 An employed member of a KiwiSaver scheme can change their contribution rate (as a percentage of their gross salary or wages) to another permitted rate at any time, by notifying their employer of the new contribution rate. The new rate applies to the next payment of salary or wages that is calculated after the employer receives that notice. A member may not change their contribution rate in relation to an employer at intervals of less than three months, unless the employer agrees.

6.16 As at the Registration Date, for KiwiSaver Act purposes, "salary or wages" means (with the exceptions shown below) the taxable income paid in respect of a member's employment with:

- the employer through whom the member has been automatically enrolled; or
- if the member has opted into KiwiSaver, the member's employer (or employers, if the member has more than one job, unless the member chooses only one or more employers);

and, in each case, any employer with whom the member later commences employment.

6.17 "Salary or wages" includes:

- overtime, bonuses, and certain allowances; and
- any parental leave payments out of public money, and ACC compensation;

but excludes, for compulsory employer contribution purposes, parental leave payments out of public money and ACC compensation. "Salary or wages" also excludes exempt income payments, employer superannuation contributions, and redundancy payments.

6.18 The member's contributions will be deducted from their gross salary or wages by their employer and paid to Inland Revenue. Inland Revenue will then forward the contributions to the Scheme.

6.19 Money paid to the Manager for things other than the provision of retirement benefits (such as paying life insurance premiums) cannot count as a contribution under the KiwiSaver Act, or towards an employed member's contribution rate, and cannot be paid via Inland Revenue.

6.20 As at the Registration Date, most employed members need not contribute to KiwiSaver from their salary or wages if no PAYE deductions are required.

6.21 The KiwiSaver Act does not impose any minimum amount or rate of contributions with respect to members who are not receiving salary or wages. However, the Manager may from time to time set such a minimum amount or rate of contribution.

6.22 Subject to meeting conditions, an employed member may apply for a contributions holiday for a period of up to five years. See part 16 of this prospectus for further details.

Contributions from Employer

6.23 If a member is aged 18 or older and has not reached his or her KiwiSaver end payment date as defined in the KiwiSaver Act (this is referred to for Scheme purposes as the "Qualifying Date"), their employer is required to make compulsory employer contributions to a KiwiSaver scheme for the member's benefit while the member is contributing from their salary or wages.

6.24 As at Registration Date the compulsory employer contribution rate is 3%.

6.25 All employer contributions made to KiwiSaver are subject to employer's superannuation contribution tax ("ESCT").

6.26 The employer contribution entitlement is subject to the provisions of the KiwiSaver Act. As at the Registration Date, employer contributions to a registered superannuation scheme for a member's benefit will count towards compulsory employer contribution entitlements if the member's employer provided eligible employees with access to that scheme before 17 May 2007 and:

- the employer employed the member before 1 April 2008, and before then made or agreed to make contributions to that scheme for the member's benefit; or
- the member is covered by a collective agreement that was in force before 17 May 2007 and remains in force, under which the employer is required to contribute to that scheme for the member's benefit;

and to the extent that the employer's contributions to the superannuation scheme 'vest' (i.e. are completely allocated to the member) no more than five years after they are paid.

6.27 Employer contributions to a registered superannuation scheme for a member's benefit may count towards compulsory employer contribution entitlements in other limited circumstances set out in the KiwiSaver Act (and if the member is a defined benefit scheme member as defined in the KiwiSaver Act, the member will have no compulsory employer contribution entitlements).

6.28 If a member and his or her employer agree, then the employer's compulsory contributions can be paid to a complying superannuation fund on a KiwiSaver-consistent 'locked-in' basis instead of to a KiwiSaver scheme.

6.29 All employer contributions to a KiwiSaver scheme (both compulsory and voluntary) must be paid via Inland Revenue, except contributions for purposes other than retirement benefits (such as paying life insurance premiums or contributing to the cost of the Scheme itself), which must be paid directly to the Manager.

Member Voluntary Contributions

6.30 Any member of the Scheme may elect to make regular payments of any amount direct to the Scheme by direct debit. These can be made weekly, fortnightly, four-weekly, monthly or annually.

6.31 Members can pay additional lump sums via Inland Revenue or directly to the Manager. As at the Registration Date each lump sum payment via internet banking to the Manager directly must be at least $50. As at the Registration Date no minimum contribution amount applies for other payment methods. Please call the AMP Customer Services Team on 0800 267 5494 for more information.

6.32 The Manager may change the frequency and minimum contribution amounts from time to time. Affected members will be notified.

Accepting Contributions

6.33 Subject to the requirements of the KiwiSaver Act, the Manager must accept into the Scheme:

a) all contributions that are payable by or in respect of a member through Inland Revenue under the KiwiSaver Act, unless the Manager has reasonable cause to believe that those contributions have not been correctly deducted or remitted to the Scheme (or that it has not been given the requisite information from Inland Revenue);

b) Crown contributions (including any kick-start contribution and Member Tax Credits - see Member Tax Credit on page 57 of this prospectus);

c) contributions required to be made to the Scheme under a Participation Agreement (see Participating Employers on page 25); and

d) amounts transferred from other KiwiSaver schemes in accordance with the KiwiSaver Act.

6.34 The Manager may, but need not, accept other contributions and monies payable to the Scheme, and may impose additional fees for accepting voluntary lump sums. The Manager may require that amounts contributed or paid to the Scheme other than those referred to in (a) to (c) above must exceed a minimum amount, and must be made in New Zealand currency. The Manager may also impose other conditions for accepting those amounts.

6.35 As at the Registration Date, members are permitted to transfer funds from an Australian complying superannuation fund to a KiwiSaver scheme if they have permanently emigrated to New Zealand. An Australian complying superannuation fund is an entity that is a complying superannuation fund for the purposes of Part 5, Division 2 of the Superannuation Industry (Supervision) Act 1993 (Aust) and that is regulated by the Australian Prudential Regulation Authority ("Australian complying superannuation fund").

Minimum Threshold Amount

6.36 If Inland Revenue and the Manager agree on a minimum threshold amount for the payment of contributions to the Scheme, then that agreement will override the relevant Trust Deed provisions. Any agreed minimum amount may change from time to time.

Inland Revenue Holding Account

6.37 If the Scheme is the first KiwiSaver scheme that a member joins, then Inland Revenue must retain in an interest-bearing holding account all contributions which it receives for the member's benefit for three months starting from the earlier of the date when Inland Revenue receives the first of those contributions and the date when Inland Revenue is notified (or otherwise knows) that the member is a member of the Scheme.

6.38 Subsequent contributions to the Scheme for the member's benefit will be entered in Inland Revenue's holding account in the member's name, then (subject to Inland Revenue's ability to retain the relevant amounts until they have reached any agreed minimum threshold) paid to the Scheme, together with interest calculated (if any) in the manner prescribed by the KiwiSaver Act, as soon as practicable.

6.39 Other contributions paid to the Scheme through Inland Revenue will be dealt with in the same manner.

6.40 If the Manager's systems fail to meet any of the communications or information technology requirements agreed with Inland Revenue for the Scheme, then Inland Revenue will hold the Scheme's information and contributions until those requirements are met.

Accounts

6.41 As at the Registration Date, the Manager will establish and maintain for each member of the Scheme some or all of the following accounts, each denominated in units (see *Unitisation* on page 23):

- one or more *member accounts*, principally comprising units issued in respect of member contributions. Each member account will be designated, in practice, as either a member account (for members' contributions through, and monies received from, Inland Revenue) or a member direct debit and additional contributions account (for members' contributions direct to the Scheme);
- one or more *employer accounts*, principally comprising units issued in respect of employer contributions;
- a *transfer account*, principally comprising units issued in respect of any amounts transferred to the Scheme from a United Kingdom pension scheme or an Australian complying superannuation fund; and
- a *government account*, comprising units issued in respect of Member Tax Credits and any kick-start contribution (see part 16 of this prospectus).

6.42 The investments in which the aggregate balances in a member's accounts are held from time to time will comprise the member's "portfolio" for Scheme purposes.

6.43 The Manager may also establish and maintain, for a Participating Employer whose contributions (over and above the compulsory minimum) are subject to a vesting period, an *employer reserve account*. This will principally comprise units issued in respect of amounts forfeited from employer accounts after members have left that Participating Employer's employment before completing the vesting period.

6.44 The Manager may from time to time establish other accounts, establish sub-accounts within accounts, or amalgamate two or more accounts, in each case on such terms and conditions as the Manager considers appropriate.

Member's Benefits

6.45 Benefits are payable from the Scheme as lump sums in accordance with the KiwiSaver Scheme Rules (which are implied into the Trust Deed under section 126 of the KiwiSaver Act).

6.46 It is important to note that withdrawals or transfers from (or switches within) the Scheme may be restricted or deferred due to the occurrence or existence of any circumstance or event relating to the Scheme or generally - see *Restrictions of withdrawals, transfers or switches* on page 67.

6.47 The Manager is responsible for:

- considering most types of withdrawal applications (including all applications for permanent emigration and home purchase-based withdrawals);
- determining whether benefits are payable from the Scheme in respect of applications that it is responsible for considering;
- calculating members' benefit entitlements; and
- arranging for benefit payments and transfers.

6.48 The Trustee is responsible for considering significant financial hardship and serious illness withdrawal applications, and determining whether benefits are payable from the Scheme in respect of those applications.

6.49 As at the Registration Date, the withdrawals from the Scheme that are permissible under the KiwiSaver Scheme Rules are summarised below from paragraph 6.50. However be aware in certain cases, none of:

- the nominal amount of the Member Tax Credits (see page 57 of this prospectus) credited or transferred to the Scheme for a member's benefit, disregarding any positive or negative returns on those Member Tax Credits;
- the nominal amount of any transfer from an Australian complying superannuation fund, disregarding any positive or negative returns on that amount; or
- the nominal amount of any kick-start contribution received in respect of the member, disregarding any positive or negative returns on that contribution ("the Kick-start Contribution Amount");

can be withdrawn from the Scheme. Additionally, no withdrawal of a member's Member Tax Credits is permissible:

- before the member (or their personal representative/ the permitted recipient of a death benefit where necessary) gives the Manager a statutory declaration stating the periods for which the member has had their principal place of residence in New Zealand; or
- if the Manager has notice that the member's claim for the Member Tax Credits is wrong because the periods during which the member has met the residency requirement are wrongly advised.

Withdrawal at Qualifying Date

6.50 On or after reaching their Qualifying Date, a member may withdraw part or all of the Member's Accumulation from the Scheme at any time.

6.51 If the member chooses to stay in the Scheme on reaching their Qualifying Date and continues to be employed, they may choose to stop contributing by providing their employer with a non-deduction notice. See paragraphs 16.15 and 16.16 of this prospectus for further details.

6.52 A member's Qualifying Date is the date when the member reaches the qualifying age for New Zealand superannuation (as at the Registration Date, this is age 65) or the date, if later, when:

- the member has been a member of one or more KiwiSaver schemes for five years; or
- if the member transferred to a KiwiSaver scheme from a complying superannuation fund, the member has been a member of one or more complying superannuation funds and KiwiSaver schemes for five years.

6.53 However, for any funds that have been transferred to KiwiSaver from an Australian complying superannuation fund (as defined in paragraph 6.35), a member will be permitted to withdraw these funds when the member has reached age 60 and has "retired" in terms of the relevant Australian legislation. Investment earnings received from these funds since the transfer cannot be withdrawn.

6.54 Subject to the KiwiSaver Act, the Manager may impose or amend such conditions and restrictions (including, without limitation, as to fees and the amount and frequency of withdrawals) on withdrawals from a Member's Accumulation after the member has reached his or her Qualifying Date, or on withdrawals of amounts transferred to the Scheme from any overseas superannuation scheme. As at the Registration Date, the conditions and restrictions for the Scheme in this regard are that:

- the minimum amount for regular withdrawals is $50 per payment, and the minimum amount for all other withdrawals is $250; and
- regular withdrawals are available fortnightly, monthly or quarterly.

Significant Financial Hardship

6.55 If the Trustee is reasonably satisfied that a member of the Scheme is suffering, or is likely to suffer, from significant financial hardship then the member may, on application to the Trustee, make a significant financial hardship withdrawal from the Scheme.

6.56 The application must be in a form required by the Trustee and include a completed statutory declaration in respect of the member's assets and liabilities.

6.57 The amount withdrawn by reason of significant financial hardship may, subject to the Trustee's approval, be up to the value of the Member's Accumulation less:

- any Kick-start Contribution Amount; and
- the Member Tax Credits.

6.58 The Trustee:

- must be reasonably satisfied that reasonable alternative sources of funding have been explored and have been exhausted; and
- may direct that the amount withdrawn be limited to a specified amount that, in the Trustee's opinion, is required to alleviate the particular hardship.

6.59 For the purposes of the KiwiSaver Scheme Rules, "significant financial hardship" includes (but is not limited to) significant financial difficulties that arise because of:

- a member's inability to meet minimum living expenses; or
- a member's inability to meet mortgage repayments on their principal family residence, resulting in the mortgagee seeking to enforce the mortgage on the residence; or
- the cost of modifying a residence to meet special needs arising from a disability of a member or a member's dependant; or
- the cost of medical treatment for an illness or injury of a member or a member's dependant; or
- the cost of palliative care for a member or a member's dependant; or
- the cost of a funeral for a member's dependant; or
- the member suffering from a serious illness (as defined in *Serious Illness* on page 18).

6.60 The Trustee may require any medical matter asserted in support of the application for withdrawal to be verified by medical evidence.

6.61 The Trustee may also require any other documents or information produced in support of the application to be verified by oath, statutory declaration or otherwise.

Serious Illness

6.62 If the Trustee is reasonably satisfied that a member is suffering from serious illness then the member may, on application to the Trustee (in the form required by the Trustee), make a serious illness withdrawal.

6.63 The amount of that serious illness withdrawal may be up to the value of the Member's Accumulation.

6.64 The KiwiSaver Scheme Rules define a "serious illness" as an injury, illness or disability:

a) that results in a member being totally and permanently unable to engage in work for which he or she is suited by reason of experience, education, or training, or any combination of those things; or

b) that poses a serious and imminent risk of death.

6.65 The Trustee may require any medical matter asserted in support of the application for withdrawal to be verified by medical evidence.

6.66 The Trustee may also require any other documents, things or information produced in support of the application to be verified by oath, statutory declaration or otherwise.

Permanent emigration (other than to Australia)

6.67 As at the Registration Date, a member of the Scheme may, on applying to the Manager no earlier than one year after the member's permanent emigration from New Zealand to a country other than Australia, withdraw an amount equal to the value of the Member's Accumulation on the date of withdrawal, less:

- the member's Member Tax Credits (see *Member's benefits* on page 16); and
- any amounts transferred from an Australian complying superannuation fund.

The Member Tax Credits cannot be withdrawn and will be repaid to Inland Revenue.

6.68 Alternatively the member may, on application to the Manager at any time after the member's permanent emigration from New Zealand, have the Manager transfer the Member's Accumulation or the permitted portion (less the member's Member Tax Credits and any amounts transferred from an Australian complying superannuation fund) to an overseas superannuation scheme authorised for that purpose under regulations made pursuant to the KiwiSaver Act. As at the Registration Date, no such regulations have yet been made. The Member Tax Credits cannot be transferred and will be repaid to Inland Revenue.

6.69 The member's withdrawal application must be in the form required by the Manager and include:

- a completed statutory declaration in respect of the member, to the effect that the member has permanently emigrated from New Zealand; and
- proof to the satisfaction of the Manager:
  - of the member's departure from New Zealand (for example, evidence of confirmed travel arrangements, passport evidence and evidence of any necessary visas); and
  - that the member has resided at an overseas address at some time during the year following the member's departure from New Zealand.

6.70 Telegraphic transfer fees will apply to the payment of the amount withdrawn to an overseas bank account.

6.71 The Manager may require any other documents, things or information produced in such an application to be verified by oath, statutory declaration or otherwise.

Permanent emigration to Australia

6.72 A KiwiSaver scheme member who has permanently emigrated to Australia:

- is prohibited from making a cash withdrawal;

  but

- may transfer the Member's Accumulation (including the Member Tax Credits) to an Australian complying superannuation fund (as defined in paragraph 6.35) approved for KiwiSaver transfer purposes.

6.73 The member's transfer application must be in the form required by the Manager and include:

- a completed statutory declaration in respect of the member, to the effect that the member has permanently emigrated from New Zealand; and
- proof to the satisfaction of the Manager:
  - of the member's departure from New Zealand (for example, evidence of confirmed travel arrangements, passport evidence and evidence of any necessary visas); and
  - that the member has resided at an overseas address at some time during the year following the member's departure from New Zealand.

6.74 The Manager may require any other documents, things or information produced in such an application to be verified by oath, statutory declaration or otherwise.

6.75 Telegraphic transfer fees will apply to the payment of the amount withdrawn to an overseas bank account.

6.76 A KiwiSaver scheme member emigrating to Australia will remain entitled to leave his or her Member's Accumulation in KiwiSaver until on or after the member's Qualifying Date and then withdraw it in cash.

First Home Withdrawal

6.77 If the member has not previously made a withdrawal under the home purchase withdrawals facility, and:

- at least three years have passed since Inland Revenue received the first KiwiSaver contribution in respect of a member; or
- the member has been a member of one or more KiwiSaver schemes or complying superannuation funds for a combined total period of three years or more,

the member may be entitled to make a withdrawal from the Scheme to purchase a first home located in New Zealand or an interest in a dwelling house on Maori land.

6.78 A member may make a withdrawal to purchase a subsequent home as a previous home owner (see www.hnzc.co.nz for more information and the necessary form) if the other criteria in 6.77 and in 6.80 are met and Housing New Zealand confirms to the Manager in writing that it is satisfied the member's financial position, in terms of income, assets and liabilities, is what would be expected of a person who has never owned a home.

6.79 The amount withdrawn must not exceed the Member's Accumulation, less $1,000. No funds transferred to a KiwiSaver scheme from an Australian complying superannuation fund may be used to assist with a first home purchase (though post-transfer investment earnings on those funds may be used for that purpose).

6.80 As a condition of the withdrawal, the property must be (or be intended as) the principal place of residence for the member (or for the member and his or her family). The member must at no time have held an estate in land, unless he or she qualifies for a withdrawal under the previous home owner's withdrawal facility outlined above.

6.81 A first home withdrawal must be paid:

- first, from the Member's Accumulation excluding any Kick-start Contribution Amount and the Member Tax Credits; and
- second, from the Member Tax Credits.

6.82 If the member qualifies for a first home purchase withdrawal, they may also be eligible to receive a KiwiSaver HomeStart Grant from the Government. See page 59 of the prospectus for further details.

Death

6.83 If a member dies then the Manager must:

- on application by the member's personal representative (i.e. the executors or administrators of the member's estate), pay to the member's estate an amount equal to the Member's Accumulation on the date when the application is accepted; or
- if the Member's Accumulation is less than a prescribed minimum amount (as at the Registration Date, this amount is $15,000) and the requirements of the Administration Act 1969 are met, pay direct to a permitted recipient specified in that Act upon application, the Member's Accumulation on the date when the application is accepted.

Payment of Tax and Student Loan Obligations Following Transfer from a Foreign Superannuation Scheme

6.84 If a member transfers their investment in a foreign superannuation scheme to the Scheme and is liable to pay New Zealand tax in connection with the transfer, or has New Zealand student loan repayment obligations arising from the transfer, the member may make a withdrawal from the Scheme to pay those liabilities. Information on this type of withdrawal is available on Inland Revenue's website www.ird.govt.nz.

6.85 In the case of a withdrawal to meet tax liabilities, the amount withdrawn may not exceed the lesser of the member's tax liability arising from the transfer and their liability for terminal tax in the tax year to which the tax relates. In addition, the total amount withdrawn may not exceed the value of the member's Member's Accumulation less any Kick-Start Contribution Amount.

6.86 The application must be made within two years of the liability for tax or student loan repayments being assessed. The application must be in the form required by the Manager. It must be accompanied by a completed statutory declaration in respect of the transfer and resulting tax liability, and any other documents or information that the Manager requires.

Release of Funds Required Under Other Enactments

6.87 The Manager must comply with the provisions of any enactment that requires it to release funds from the Scheme. Such a requirement includes a requirement by court order made under any enactment (including a property sharing order made under the Property (Relationships) Act 1976).

Invalid Enrolments

6.88 An invalid enrolment in a KiwiSaver scheme will occur if a person:

- does not meet the citizenship or residency requirements prescribed in the KiwiSaver Act; or
- is ineligible to join a KiwiSaver scheme by reason of having reached the qualifying age for New Zealand superannuation (as at the Registration Date, this is age 65);

or if, when automatically enrolled, a person does not meet the requirements of the automatic enrolment rules (by reason of, for example, being aged under 18 or in temporary employment, or not having commenced new employment as defined in the KiwiSaver Act).

6.89 The KiwiSaver Act prescribes invalid enrolment rules providing for those circumstances.

6.90 Once the invalid enrolment is confirmed, the Manager must:

- pay the current market value of the member's investment (i.e. all amounts contributed, plus or minus positive or negative returns and less any permitted withdrawals made), less any

amount that has been transferred to the Scheme from an Australian complying superannuation fund, to Inland Revenue;

- pay any amount that has been transferred to the Scheme from an Australian complying superannuation fund (or, if it is a lesser amount, the current market value of the member's investment) back to that Australian complying superannuation fund, or to another Australian complying superannuation fund chosen by the member (or chosen by Inland Revenue, if the member does not choose an Australian complying superannuation fund and it is not appropriate to pay the transferred amount back to the original scheme); and
- treat any amount that has been transferred to the Scheme from a UK pension scheme on a case-by-case basis and in accordance with applicable legislation.

6.91 Inland Revenue must then refund to the affected person:

- the amount of his or her own contributions (excluding any amount transferred from an Australian complying superannuation fund), less permitted withdrawals; and
- any contributions from that person held by Inland Revenue but not yet passed to the Scheme,

together with interest calculated in the manner prescribed by the KiwiSaver Act.

Transfer to another KiwiSaver scheme

6.92 A member may, at any time during that person's membership of the Scheme, apply to the Manager to transfer the Member's Accumulation to another KiwiSaver scheme.

6.93 If the other KiwiSaver scheme indicates that it will accept that person as a member, then the Manager must transfer the Member's Accumulation to the other KiwiSaver scheme in accordance with the KiwiSaver Act.

6.94 If Inland Revenue is notified that:

- a person has joined a different KiwiSaver scheme; or
- a person has joined the Scheme in contravention of the requirements of the Securities Act 1978; or
- the Scheme is being wound up;

then each affected member (or each Scheme member, in the case of a wind-up) will be required to transfer from the Scheme to another KiwiSaver scheme in accordance with the member's choice and default allocation principles prescribed in the KiwiSaver Act.

Calculation of Benefits

6.95 The Trust Deed prescribes that when required for withdrawal purposes to calculate an amount representing a Member's Accumulation, the Manager must calculate that amount by:

- multiplying the units attributable to the accounts maintained for the member (see *Unitisation,* below) by the relevant unit price(s) applying for the purpose of cancelling units on a day no later than the next valuation day (see *Valuations* on page 24) after the Manager agrees to the withdrawal;

- deducting an amount equal to the unvested portion of any employer account; and
- deducting any further amount that the Manager considers appropriate to deduct with respect to costs, expenses, fees, premiums or tax payable pursuant to the Trust Deed or the relevant Participation Agreement (See *Participating Employers* on page 25).

6.96 The Manager must adopt a different calculation method if it determines that the preceding method does not comply with the KiwiSaver Act, and may adopt a different method if it considers that it is appropriate to do so. Any such differing method must comply with the KiwiSaver Act and must not be adopted until after the Manager has consulted with the Trustee.

Unitisation

6.97 The Funds are operated on a unitised basis. The Manager must determine for each Fund, on each valuation day (see *Valuations* on page 24), one or more of the following:

- a "buy price", which is determined by calculating the estimated cost of investing contributions in that Fund and other administrative costs relating to issuing units in that Fund (this amount is not expected to exceed 0.5% of the gross asset value of the Fund) adding that amount to the gross value of the Fund and dividing the resulting amount by the number of units on issue in that Fund;
- a "sell price", which is determined by calculating the estimated cost of realising investments in that Fund and other administrative costs relating to cancelling units in that Fund (this amount is not expected to exceed 0.5% of the gross asset value of the Fund) subtracting that amount from the gross value of the Fund and dividing the resulting amount by number of units on issue in that Fund; and
- a "mid price", determined by dividing the gross value of the Fund by the number of units comprised in the Fund.

6.98 The Gross Assets of the Scheme as defined under the Trust Deed are the same as the net assets of the Scheme for the purpose of the calculation of the "buy price", "sell price" and "mid price". This is due to the Scheme being a PIE.

6.99 The Manager may then determine at its discretion from time to time whether to apply on each valuation day a single unit price (which may be the buy price, the sell price or the mid price) or:

- for the purpose of issuing units, the buy price; and
- for the purpose of cancelling units, the sell price.

6.100 Currently the Manager only calculates a mid price for each Fund and all member activity is transacted based on that price. However this may change at any time without notice to members.

6.101 The Manager has processes in place to check the accuracy of unit prices.

6.102 The Manager may make adjustments to unit prices in accordance with current commercial practice or regulatory guidelines. Declared unit prices (including any resulting from such adjustments) are final and binding on members in the absence of manifest error.

6.103 When contributions and other amounts are accepted or payable into the Scheme or are switched between Funds, the Manager shall issue units in the relevant Fund(s):

- by the next valuation day; or

- if the Manager determines that it is not reasonably practicable to issue units by the next valuation day (and advises the Trustee accordingly), by what the Manager considers to be the next reasonably practicable valuation day which is not more than five business days after the relevant amounts are accepted, payable or switched; or
- on such later day as the Manager (with the Trustee's agreement) may determine.

6.104 Units issued are based upon the amount accepted, payable or switched (after making appropriate deductions for fees, expenses, tax or other liabilities) and the applicable unit price on the day when the units are issued.

6.105 The Manager may delay unitising contributions received in respect of any member or group of members until reasonably satisfied that those contributions:

- do not exceed the amount payable under the KiwiSaver Act and the Trust Deed; and
- have not otherwise been wrongly paid.

6.106 Subject to the KiwiSaver Act and to the Instrument of Appointment, the Manager may notify the Trustee at any time or times that from a specified date no further units will be issued under the Trust Deed or in relation to a specified Fund or Funds (either for a specified period or until the relevant Fund(s), or the Scheme, is or are terminated).

6.107 In respect of an amount debited, transferred or withdrawn from an account or accounts in the Scheme, once the Manager has approved the relevant request the Manager must cancel the number of units determined by dividing the amount debited in respect of the relevant Fund(s) by the relevant unit price(s) applying on a day no later than the next valuation day. Subject to the KiwiSaver Act, the Manager may defer giving effect to permitted withdrawals or transfers, or to switches between Funds, if (and for so long as) the Manager determines that earlier withdrawals or transfers would be imprudent or are impracticable provided that to the extent that the Manager requires the deferral to exceed 90 days it must obtain the prior written approval of the Trustee.

Valuations

6.108 The Manager must calculate the value of each Fund as frequently as the Manager considers necessary or desirable, but at least once every five business days (or at longer intervals if the Trustee agrees), by deducting the liabilities attributable to that Fund from the market value of its assets. For periods when (due to market or system disruption) the Manager cannot determine unit prices according to its normal calculation process, the Manager may apply the latest available prices and then adjust them using an indexation process.

6.109 The Manager must determine the market value of each asset in a Fund on such basis as the Manager considers fair and equitable having regard to generally accepted accounting practice as defined by the Financial Reporting Act 1993, except to the extent that the Manager, following consultation with the Trustee, elects not to.

6.110 The Manager must determine the liabilities attributable to a Fund on such basis as the Manager considers fair and equitable having regard to generally accepted accounting practice as defined by the Financial Reporting Act 1993, except to the extent that the Manager, following consultation with the Trustee, elects not to. In doing so the Manager may:

- apportion Scheme liabilities generally among the Funds, on such basis as the Manager considers appropriate and fair and equitable for members; and

- take account of each debt, liability, provision, cost, charge, expense, outgoing, tax obligation or other matter as the Manager considers appropriate;

and may exclude certain liabilities from the liabilities taken into account, such as the amounts representing members' interests in the Scheme or expenses charged to accounts (whether or not those amounts must be treated as liabilities for accounting purposes).

Participating Employers

6.111 An employer may enter into a Participation Agreement with the Manager. The Participation Agreement prescribes conditions on which the employer's employees may (subject to the requirements of the KiwiSaver Act) participate in a plan established within the Scheme for that employer. The Manager and employer may amend a Participation Agreement in writing.

6.112 The Participation Agreement may include conditions relating to the rate of employer contributions, the vesting of those contributions, the treatment of unvested contributions and such other matters as the Manager and the employer consider appropriate.

6.113 A Participation Agreement overrides the Trust Deed to the extent of any conflict or inconsistency, but may not contradict the KiwiSaver Act. For example, compulsory employer contributions payable under the KiwiSaver Act must be immediately vested (i.e. fully allocated to members) when paid (refer *Contributions from employer* on page 13 for more details).

6.114 If a member ceases to be employed by the employer (without a new employer agreeing to assume the former employer's obligations under the relevant Participation Agreement), or if the member's employer or the Manager discontinues to be part of the Participation Agreement, then the provisions of the relevant Participation Agreement cease to apply to the member, the terms and conditions prescribed for the member's continuing membership of the Scheme may be modified (subject to the KiwiSaver Act and the Trust Deed) in such manner as the Manager considers appropriate, and the member must be notified accordingly.

Management, Administration, and Supervision

6.115 The Manager is responsible for:

a) offering interests in the Scheme for subscription;

b) issuing interests in the Scheme;

c) managing Scheme assets; and

d) administering the Scheme.

6.116 The Manager, in exercising its powers and performing its duties as the manager of the Scheme, must:

- act in the best interests of the members of the Scheme;
- exercise the care, diligence, and skill that a prudent person engaged in the profession or business of acting as a manager would exercise in managing the affairs of others, unless the manager is exercising a power of investment, in which case the manager must exercise the care, diligence, and skill required of a trustee by section 13B or 13C of the Trustee Act 1956; and

- use the Manager's best endeavours and skill to ensure that the affairs of the Scheme are conducted in a proper and efficient manner.

6.117 The Manager may delegate the performance of any of its powers, authorities, functions or discretions to an officer or an employee or any other nominee, but remains liable (after doing so) for the acts and omissions of those delegates.

6.118 The Trustee is responsible for supervising the Manager's performance of the functions of the Manager as set out above and any other functions the Manager performs in relation to the Scheme under the Trust Deed or an enactment.

6.119 The Trustee, in exercising its powers and performing its duties as the trustee of the Scheme, must:

- act in the best interests of the members of the Scheme; and
- exercise the care, diligence, and skill that a prudent person engaged in the profession or business of acting as a trustee would exercise in acting as the trustee of a KiwiSaver scheme other than a restricted scheme.

6.120 The investments and property of the Scheme must be vested in the Trustee, one or more nominated persons of the Trustee, or one or more nominees of a nominated person of the Trustee (see below).

6.121 The Trustee may, subject to obtaining the prior written approval of the Manager, nominate, in writing, any one or more persons (other than the Manager or an associated person of the Manager) in which any of the investments or property of the Scheme are to be vested. If authorised in writing by the Trustee (subject to obtaining the prior written approval of the Manager), a nominated person appointed by the Trustee may itself appoint one or more nominees (other than the Manager or an associated person of the Manager) in which any of the investments or property of the Scheme are to be vested.

6.122 The Trustee shall be jointly and severally liable with any such nominated person(s) for the due and faithful performance and observance by the nominated person of all the duties and obligations imposed on it.

6.123 The Trust Deed is deemed to include provisions requiring the Trustee to exercise reasonable diligence to ascertain whether or not any breach of the terms of the Trust Deed or of the terms of the offer of interests in the Scheme has occurred, and to do all the things that it is empowered to do to cause any breach of such terms to be remedied (except if it is satisfied that the breach will not materially prejudice the interests of the holders of interests in the Scheme).

Establishment of Funds

6.124 The Manager may establish and maintain separate Funds within the Scheme on such terms and conditions it thinks fit.

6.125 The Scheme does not have separate funds for the purposes of section 9A of the Financial Reporting Act 1993.

6.126 The assets of the Scheme comprise a single trust fund. However, the value of each member's interest in the Scheme is determined by reference to the value of the units held by the member in relation to a Fund or Funds, and:

- all liabilities incurred in relation to a Fund must first be met from that Fund's assets;
- those liabilities may only be met from other Scheme assets (and in such equitable manner as the Manager, with the Trustee's approval, sees fit) if, and to the extent that, the assets held for that Fund are insufficient to meet such liabilities;
- except to that extent, all investments made with the monies of a Fund must be held by the Trustee (or the Trustee's nominee) exclusively for that Fund and for the exclusive benefit of members and Participating Employers with interests in that Fund (provided that the Manager may transfer value between Funds to accommodate the Scheme being a single taxpayer); and
- the Manager must keep separate records and accounts in respect of each Fund, and not permit Funds' assets or liabilities to become intermingled except as outlined above.

6.127 The Manager may close, wind up or alter any Fund, subject to providing prior notice to the Trustee (unless giving prior notice is not reasonably practicable in the circumstances).

6.128 Members are entitled to choose the Fund (or Funds) in which their savings will be invested, subject to complying with rules prescribed by the Manager regarding the maximum number of Fund options, minimum amounts, switches between Funds and any other matters relating to the choice of Funds by members.

6.129 For the purposes of the Trustee Act 1956, the choice of a default Fund by an employer and the choice of a Fund or Funds by a member are directions given with respect to the investment of trust funds. However, this does not exempt the Manager from its responsibilities to, in exercising a power of investment, exercise the care, diligence, and skill required of a trustee by sections 13B or 13C of the Trustee Act 1956.

6.130 If a Fund is wound up then the Manager must notify each affected member, specifying the Fund to which the Member will be deemed to have elected to transfer the relevant amount if no replacement Fund is chosen within the period prescribed in the notice.

Manager's Investment Powers

6.131 The Manager manages the investments of the Scheme and each Fund, and may, subject to compliance with the relevant investment policy, give the Trustee whatever directions are considered necessary in that regard.

6.132 The Trustee must refuse to act on a direction of the Manager relating to the acquisition or disposal of Scheme investments or property if the Trustee considers that the proposed acquisition or disposal would be in breach of the Trust Deed or an enactment or would be manifestly not in the best interests of the members of the Scheme.

6.133 The Trustee will not be liable to members or the Manager for so refusing to act.

6.134 Provided they have met the standard of care required by the Trust Deed, neither the Manager nor the Trustee will be responsible to any member for any investment performance of the Scheme or a Fund arising from an investment policy.

6.135 In managing the investments of the Scheme, the Manager may engage advisers or brokers. The Manager may also deal with related parties of the Manager on arm's length terms and, other than where such a dealing relates to investments in managed investment schemes managed by the Manager or a related person of the Manager and that investment is provided for in the

investment policy for the relevant Fund, subject to the Trustee's prior approval. Neither the Manager nor any such related party will be liable to account to the Trustee, or to any Scheme member, for any profit arising from such dealings.

6.136 The Manager may undertake the Trustee's entry into derivative financial instruments for either investment or risk management purposes.

6.137 The Trustee may, at the Manager's direction, borrow and raise money for any Scheme purpose as the Manager thinks fit, and secure the repayment of borrowed monies (and interest on those monies) by mortgage over all or any of the assets of the Scheme.

Remuneration

6.138 The Trust Deed prescribes that (in each case subject to the KiwiSaver Act):

- the Trustee may be paid an annual fee from Scheme assets, and the Manager and the Trustee may agree from time to time on changes to that fee (which may be agreed or fixed by arbitration where differences arise);
- the Trustee may charge special fees in certain circumstances; and
- the Manager may charge, and deduct from Scheme assets, annual, monthly and other fees (including transaction fees) and alter (subject to the KiwiSaver Act and the Trust Deed) or waive those fees from time to time.

6.139 The nature and amounts of the fees payable to, respectively, the Trustee and the Manager as at the Registration Date are set out in part 10 of this prospectus.

6.140 The Trustee and the Manager are also entitled to be reimbursed from the assets of the Scheme (and, to the extent applicable, from particular Funds) for and in respect of all direct and indirect expenses, losses, costs, or liabilities incurred by each of them respectively in or about acting as trustee or manager (as applicable) under the Trust Deed (including, without limitation, expenses, costs, or liabilities which may be incurred in bringing or defending any action or suit in respect of the Scheme).

Amendments

6.141 Subject to the KiwiSaver Act, the Trust Deed may be amended at any time by a deed signed by the Manager and the Trustee. The Manager and the Trustee may not make any amendment to the Trust Deed that would result in any provision of paragraphs (a) to (g) of section 84B of the State Sector Act 1988 (which relates to state sector employers) ceasing to apply to the Scheme.

Appointing and Removing the Trustee

6.142 The Trust Deed requires that the Scheme must have a single trustee who:

- must not be an associated person of the Manager; and
- must otherwise be a person entitled by law to act as the trustee of the Scheme.

6.143 The Manager may remove the Trustee from office:

- with immediate effect, by written notice, if the Manager reasonably believes that the Scheme will be adversely affected by the Trustee continuing to hold office; or
- on giving the Trustee not less than six months' written notice of removal.

6.144 However, the Manager must not discharge or remove the Trustee from office unless the Manager does so with the approval of the High Court or under sections 23 or 38 of the FMS Act.

6.145 The Trustee will also cease to hold office if the Financial Markets Authority revokes its licence to act as a KiwiSaver scheme trustee.

6.146 The Trustee may, subject to all applicable laws, retire at any time on giving the Manager not less than three months' written notice if:

- all functions and duties of the position have been performed; or
- another person has been appointed to the position who holds a licence under the FMS Act that covers interests in the Scheme, and that person has accepted the appointment; or
- the High Court consents.

6.147 The Manager may appoint a replacement Trustee.

Appointing and Removing the Manager

6.148 The Scheme must have a manager, who:

- must not be an associated person of the Trustee;
- must be a company within the meaning of the Companies Act 1993;
- must have at least one director who is a New Zealand resident;
- must be designated or appointed as the manager of the Scheme under the Trust Deed; and
- must be a party to the Trust Deed or bound to comply with the relevant provisions of the Trust Deed as if it were a party to the trust deed.

6.149 The Trustee may apply to the High Court for an order to remove the Manager from office if the Trustee is satisfied that there is a significant risk that the interests of members will be materially prejudiced or the provisions of the Trust Deed are no longer adequate to give proper protection to members.

6.150 The Manager may, subject to all applicable laws, retire at any time upon giving not less than three months' notice in writing to the Trustee of its intention to do so (although a one month notice period applies where it is proposed to appoint a related company of the Manager as the replacement manager).

6.151 No removal or retirement will take effect until a new manager that is qualified for appointment has been appointed and has executed a deed under which the new manager undertakes to the Trustee and the members to be bound by all the covenants on the part of the former manager under the Trust Deed from the date of such appointment.

6.152 The power of appointing a new manager of the Scheme shall be vested in the retiring manager, but no new manager shall be so appointed without the approval of the Trustee.

Winding up the Scheme

6.153 The Manager can resolve in writing to wind up the Scheme at any time. The Financial Markets Authority can also order the Manager to wind up the Scheme, on certain grounds prescribed in the KiwiSaver Act.

6.154 If the Scheme is to be wound up then the Trustee must comply with the provisions of the KiwiSaver Act relating to winding up a KiwiSaver scheme. Under those provisions, members will not receive benefit payments and instead their Members' Accumulations (net of wind-up costs) will be transferred from the Scheme to other KiwiSaver schemes in accordance with the member's choice and default allocation principles prescribed in the KiwiSaver Act.

6.155 If the Scheme is wound up then each employer who is a party to a Participation Agreement will be treated as having terminated the relevant Participation Agreement on the wind-up date.

Members bound by the Trust Deed

6.156 The terms and conditions of the Trust Deed are for the benefit of, and are binding on, each member of the Scheme and all persons claiming through that member.

6.157 No member may interfere in the management of the Scheme or (subject to having a choice of Funds) exercise any power in relation to any investment comprised in a Fund.

Notices to Members

6.158 Notices and communications given to members of the Scheme may be left at a registered address, posted or given electronically.

Manager's and Trustee's Indemnities and Liabilities

6.159 If the Trustee or the Manager is held personally liable to any other person in respect of any debt, liability or obligation incurred by or on behalf of the Scheme or any action taken or omitted in connection with the Scheme, then the Trustee or the Manager (as applicable) is entitled to indemnity and reimbursement out of the assets of the Scheme to the full extent of such liability and the costs of any litigation or other proceedings in which such liability has been determined (including, without limitation, legal fees and disbursements).

6.160 The Trustee and the Manager are also entitled to be reimbursed from the assets of the Scheme (and, to the extent applicable, from particular Funds) for and in respect of all direct and indirect expenses, losses, costs or liabilities incurred by each of them respectively in or about acting as Trustee or Manager (as applicable) under the Trust Deed for the Scheme (including, without limitation, expenses, costs or liabilities which may be incurred in bringing or defending any action or suit in respect of the Scheme).

6.161 None of the Trustee, the Manager, or any director or officer of either is exempted from, or is indemnified against, liability for any breaches of trust to the extent that doing so would be void under legislation (including the KiwiSaver Act).

6.162 Unless the Trustee, in exercising its powers and performing its duties as the trustee of the Scheme, has failed to exercise the care, diligence, and skill that a prudent person engaged in the profession or business of acting as a trustee would exercise in acting as the trustee of a KiwiSaver

scheme (other than a restricted scheme), the Trustee is not required to make any payment to members except from Scheme assets.

Member Liability

6.163 If a member's account balances are insufficient to meet any liability for tax which is attributed to the member under the Income Tax Act (or which is determined by the Manager to be attributable to the member) then the member must indemnify the Trustee and the Manager for that shortfall.

6.164 Members of the Scheme otherwise do not incur any liabilities (including contingent liabilities) in respect of the Scheme, other than in relation to contributions payable to the Scheme. Furthermore, under the terms of the Trust Deed:

- no member of the Scheme is liable (by reason solely of being a member, or of the relationship thereby created with the Trustee or the Manager) to indemnify the Trustee or the Manager, or any creditor of either of them, in the event of there being any deficiency in the assets of the Scheme as compared with the liabilities to be met from those assets;
- when the Scheme is wound up, no member will have any liability to contribute to any shortfall in the assets of the Scheme; and
- the rights (if any) of the Trustee or the Manager, or of any creditor, to seek indemnity are limited to having rights to demand payment from the assets of the Scheme, and do not extend to a member personally (in their capacity as a member) except in relation to tax liabilities attributed to the member as outlined above.

Investment Objectives and Policy

6.165 As at the Registration Date, the investment policy for the Scheme is (with exceptions) to invest the amount in each Fund in underlying funds managed by a range of underlying fund managers. The exceptions are that:

- some or all of the Cash Fund, and some or all of the portion of the AMP Default Fund that is allocated exclusively to cash, may from time to time be placed on deposit with one or more New Zealand registered banks; and
- when any new Fund becomes available, its assets may be placed temporarily on deposit with one or more New Zealand registered banks while that Fund builds up sufficient assets to be invested with the underlying fund manager(s); and
- some or all of the assets in any Fund may from time to time be placed temporarily on deposit with one or more New Zealand registered banks if the Manager replaces the underlying fund manager or exits an underlying fund before selecting a replacement underlying fund manager or a replacement underlying fund.

6.166 The Manager is responsible for the investment of the Scheme. As at the Registration Date, the underlying fund managers for the underlying funds in which the relevant assets of the Scheme are invested are shown in the table below paragraph 6.172. The underlying fund managers are regularly monitored and reviewed by the Manager. They may be removed or added without prior notice to members. As a result, the underlying fund managers for the Scheme may vary from time to time.

6.167 As stated in paragraph 2.14, since 21 May 2013, the assets of all AMP-named Funds have invested in the AMP Capital Diversified Funds. The AMP Capital Diversified Funds are developed by AMP Investment Management (N.Z.) Limited and managed by AMP Capital. The Manager (through the

Committee) seeks advice and recommendations from AMP Capital about matters concerning the AMP Capital Diversified Funds into which the relevant Funds invest (including whether or not to add or remove a fund manager utilised by the AMP Capital Diversified Funds and asset allocation decisions). As at the Registration Date, the Committee also utilises the services of Mercer (N.Z.) Limited to provide research and recommendations on underlying fund managers.

6.168 The manner in which the assets of the Cash Fund are invested is also regularly monitored and reviewed by the Manager and may change from time to time without prior notice to Scheme members.

6.169 The investment policy and objective for each Fund comprised in the Scheme, as at the Registration Date, is as shown in the table below paragraph 6.172. There is no guarantee that the investment objectives of any Fund will be achieved. Actual performance to the year ended 31 March 2015 is described on pages 42 to 45. For more information, and for up to date unit prices at any time, please refer to the Manager's website www.amp.co.nz.

6.170 The table below paragraph 6.172 shows, as at the Registration Date, the asset allocation targets (and ranges except for the Nikko AM Balanced Fund, which does not have ranges) for each Fund, the age bands for Lifesteps, the investment objective and policy, currency hedging policy, key investment risks and underlying fund managers that applies for each Fund. In the table, "Income" refers to cash and fixed interest (bond) investments, and "Growth" refers to property, shares and alternative investments. Income assets aim to provide steady interest income and capital preservation but their long term earning potential is lower than growth assets. Growth assets aim to provide capital growth and usually have a higher risk than income assets.

6.171 Investments in any asset class may include both New Zealand and overseas-based assets, and may also include derivatives and hedge funds.

6.172 The information contained in the table below for each Fund is as at the Registration Date and may change from time to time. Ranges indicate the minimum and maximum permissible percentages of income and growth assets for each Fund.

As at the Registration Date, the Scheme comprises of the following Funds which currently achieve their investment objectives as set out below. For each Fund, key information is set out including the two key risks particular to each Fund. For details of these risks as well as other material risks affecting the Funds, refer to paragraphs 16.50 to 16.91 of the Prospectus.

Name of fund	Cash Fund
Investment objective and policy	• To achieve modest, stable returns with a very low level of investment risk – in exchange there will be no significant movements up and down in the value of your investments. • To primarily invest in cash and short-term deposits.
Growth / income target	Growth 0% / Income 100%
Benchmark asset allocations	Cash 100%
Currency hedging policy	To fully hedge any foreign currency exposure.
Key investment risks	Interest rate risk; Credit risk

Underlying fund manager	AMP Capital

Name of fund	AMP Default Fund
Investment objective and policy	• To preserve the value of your investment and achieve modest returns – in exchange there may be small movements up and down in the value of your investments. • To provide a diversified portfolio that has a conservative allocation to growth assets but is primarily invested in lower risk income assets. The fund is limited to a growth asset allocation of between 15% and 25%.
Growth / income target (and permitted ranges)	Growth 20% (15-25%) / Income 80% (75-85%)
Benchmark asset allocations	Cash 45% NZ fixed interest 17.5% International fixed interest 17.5% Australasian shares 7% International shares 13%
Currency hedging policy	To fully hedge foreign currency exposure for all asset classes, with the exception of Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (cash, fixed interest); Market risk
Underlying fund manager	AMP Capital

Name of fund Lifesteps age bracket: Age 65 plus	AMP Conservative Fund
Investment objective and policy	• To achieve modest-to-medium returns - in exchange there may be small movements up and down in the value of your investments. • To provide a well-diversified portfolio that has a conservative allocation to growth assets but is primarily invested in lower risk income assets.
Growth / income target (and permitted ranges)	Growth 25% (5-45%) / Income 75% (55-95%)
Benchmark asset allocations	Cash 25% NZ fixed interest 25% International fixed interest 25%

	Property 4.5% Australasian shares 5% International shares 9.5% Commodities 2% Global infrastructure 2.5% Emerging markets 1.5%
Currency hedging policy	To fully hedge foreign currency exposure for all asset classes, with the exception of emerging markets, where currency exposure is unhedged, and Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (fixed interest); Market risk
Underlying fund manager	AMP Capital

Name of fund Lifesteps age bracket: Ages 57 - 64	AMP Moderate Fund
Investment objective and policy	• To achieve modest-to-medium returns – in exchange there may be small movements up and down in the value of your investments. • To provide a well-diversified portfolio that has a moderate allocation to growth assets but has the highest portion in lower risk income assets.
Growth / income target (and permitted ranges)	Growth 40% (20-60%) / Income 60% (40-80%)
Benchmark asset allocations	Cash 18% NZ fixed interest 21% International fixed interest 21% Property 5.5% Australasian shares 9.5% International shares 16.5% Commodities 2.5% Global infrastructure 3% Emerging markets 3%
Currency hedging policy	To fully hedge foreign currency exposure for all asset classes, with the exception of emerging markets, where currency exposure is unhedged, and Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (fixed interest, shares); Market risk

Underlying fund manager	AMP Capital

Name of fund Lifesteps age bracket: Ages 48 - 56	AMP Moderate Balanced Fund
Investment objective and policy	• To achieve medium returns – in exchange there will be some movements up and down in the value of your investments. • To provide a well-diversified portfolio that has an allocation to growth assets that broadly equals the allocation to lower risk income assets.
Growth / income target (and permitted ranges)	Growth 50% (30-70%) / Income 50% (30-70%)
Benchmark asset allocations	Cash 14% NZ fixed interest 18% International fixed interest 18% Property 6.5% Australasian shares 12.5% International shares 21% Commodities 2.5% Global infrastructure 3.5% Emerging markets 4%
Currency hedging policy	To fully hedge foreign currency exposure for all asset classes, with the exception of emerging markets, where currency exposure is unhedged, and Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (shares, fixed interest); Market risk
Underlying fund manager	AMP Capital

Name of fund Lifesteps age bracket: Ages 40 - 47	AMP Balanced Fund
Investment objective and policy	• To achieve medium returns - in exchange there will be some movements up and down in the value of your investments. • To provide a well-diversified portfolio that has a balance of risk through holding growth assets and an allocation to lower risk income assets.
Growth / income target (and permitted ranges)	Growth 60% (40-80%) / Income 40% (20-60%)

Benchmark asset allocations	Cash 10% NZ fixed interest 15% International fixed interest 15% Property 7% Australasian shares 15% International shares 26.5% Commodities 3% Global infrastructure 4% Emerging markets 4.5%
Currency hedging policy	To fully hedge foreign currency exposure for all asset classes, with the exception of emerging markets, where currency exposure is unhedged, and Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (shares, fixed interest); Market risk
Underlying fund manager	AMP Capital

Name of fund Lifesteps age bracket: Ages 31 - 39	AMP Growth Fund
Investment objective and policy	• To achieve medium-to-high returns - in exchange there will be larger movements up and down in the value of your investments. • To provide a well-diversified portfolio that aims to provide growth, primarily through holding growth assets diversified with a lower allocation to lower risk income assets.
Growth / income target (and permitted ranges)	Growth 80% (60-100%) / Income 20% (0-40%)
Benchmark asset allocations	Cash 6% NZ fixed interest 7% International fixed interest 7% Property 9% Australasian shares 19% International shares 36.5% Commodities 4% Global infrastructure 5% Emerging markets 6.5%
Currency hedging policy	To fully hedge foreign currency exposure for all asset

	classes, with the exception of emerging markets, where currency exposure is unhedged, and Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (shares); Market risk
Underlying fund manager	AMP Capital

Name of fund Lifesteps age bracket: Up to age 31	AMP Aggressive Fund
Investment objective and policy	• To achieve high returns – in exchange there will be larger movements up and down in the value of your investments. • To provide a well-diversified portfolio that aims to provide growth, primarily through holding growth assets. The fund has a low allocation to income assets.
Growth / income target (and permitted ranges)	Growth 90% (70-100%) / Income 10% (0-30%)
Benchmark asset allocations	Cash 5% NZ fixed interest 2.5% International fixed interest 2.5% Property 9.5% Australasian shares 22.5% International shares 41% Commodities 4% Global infrastructure 5.5% Emerging markets 7.5%
Currency hedging policy	To fully hedge foreign currency exposure for all asset classes, with the exception of emerging markets, where currency exposure is unhedged, and Australasian and International shares where currency exposure is actively managed.
Key investment risks	Investment sector risk (shares); Market risk
Underlying fund manager	AMP Capital

Name of fund	ANZ Balanced Plus Fund
Investment objective and policy	• To generate capital growth and mitigate risk by diversifying across different asset categories and markets. • To provide a well diversified portfolio that has the highest portion allocated to growth assets but has a

	significant portion to lower risk income assets.
Growth / income target (and permitted ranges)	Growth 62% (42-82%) / Income 38% (18-58%)
Benchmark asset allocations	Cash 6% NZ fixed interest 10% International fixed interest 22% Property 10% Australasian shares 16% International shares 36%
Currency hedging policy	To fully hedge foreign currency exposure for International Fixed Interest, International Property and Australian Shares, for Australasian Shares the benchmark is 50% with a range of 0% - 100% and International Shares has a benchmark of 65% with a range of 0% - 100%.
Key investment risks	Investment sector risk (shares, fixed interest); Market risk
Underlying fund manager	ANZ New Zealand Investments Limited

Name of fund	Fisher Balanced Fund
Investment objective and policy	• To achieve returns in between those of stable, income producing assets and higher growth but more volatile assets. • To provide a well-diversified portfolio that has a higher allocation to growth assets and a lower allocation to income assets.
Growth / income target (and permitted ranges)	Growth 57% (35-75%) / Income 43% (25-65%)
Benchmark asset allocations	Cash 16% NZ fixed interest 12% International fixed interest 15% Property 10% Australasian shares 23.5% International shares 23.5%
Currency hedging policy	To fully hedge foreign currency exposure for global bonds and international shares are partially hedged.
Key investment risks	Investment sector risk (shares, fixed interest); Market risk
Underlying fund manager	Fisher Funds Management Limited

Name of fund	Nikko AM Balanced Fund
Investment objective and policy	• To achieve medium level returns with medium levels of volatility and investment risk. • To provide a well-diversified portfolio that has an allocation to growth and income assets. The fund aims to be widely diversified not only between asset classes, but also within asset classes and between domestic and global investments.
Growth / income target (and permitted ranges)	Growth 62% / Income 38%
Benchmark asset allocations	NZ Cash 5% NZ fixed interest 10% International fixed interest 13% Property 5% Australasian shares 21% International shares 26% Alternative investments (income) 10% Alternative investments (growth) 10%
Currency hedging policy	To fully hedge to NZ dollars all foreign currency exposure for global bonds and alternative assets. Hedging for all other asset classes are at the discretion of the manager and may change from time to time.
Key investment risks	Investment sector risk (shares, fixed interest); Market risk
Underlying fund manager	Nikko Asset Management New Zealand Limited

6.173 For more information concerning the suitability, style, investment objective and asset allocation benchmarks from time to time for each respective Fund summarised in the above table, members should call the AMP Customer Services Team on 0800 267 5494, or contact the Manager at the address shown in part 2 of this prospectus. This additional information, along with details of the underlying funds in which each Fund's assets are invested, is available in the *Periodic Disclosure Statements*, available on www.amp.co.nz.

6.174 The preceding details are correct as at the Registration Date. However, the Manager may change the Funds offered to members and the underlying fund (or funds) in which any Fund invests. Additionally:

- the underlying fund managers; and
- the investment objectives and policy for each Fund; and

- the manner in which cash assets are invested with New Zealand registered banks and the investment objective;

may each change at any time and from time to time.

6.175 A list of underlying fund managers, and a description of the manner in which cash assets that are not held in underlying funds are invested, at any time is available by contacting the AMP Customer Services Team at the address of the Manager shown in part 2 of this prospectus.

Default Investment Strategies

6.176 If a person becomes a "default" member of the Scheme by way of automatic enrolment (due to being allocated to the Scheme by Inland Revenue when starting new employment) and does not choose an investment option, all contributions to the Scheme by and in respect of that member will automatically be invested in the AMP Default Fund. The person will remain a "default member" until they choose a fund (including for the avoidance of doubt, choosing to remain in the AMP Default Fund).

6.177 If the Scheme is the employee's employer chosen KiwiSaver scheme and the employee either:

- becomes a member of the Scheme on starting new employment; or
- gives the employer a KiwiSaver deduction notice but does not choose a KiwiSaver scheme within three months after Inland Revenue receives the resulting contributions;

then, if the member does not choose an investment option, all contributions to the Scheme by and in respect of the member will automatically be invested in the relevant Fund comprised in Lifesteps (or in the Conservative Fund, if the member has not provided his or her age).

6.178 This will be subject, in each case, to the Manager having the ability to make that allocation, and having received sufficient information from Inland Revenue for the Manager to identify the member as having defaulted into the Scheme by reason of the Scheme being the employer's chosen KiwiSaver scheme. If the Manager does not receive that information, then contributions will instead be invested in the AMP Default Fund. At any time after receiving the relevant information, the Manager may switch those members into Lifesteps.

Material Developments

6.179 Money was first accepted into the Scheme on 1 October 2007. Since then, each Fund has been invested in the relevant authorised investments in accordance with the applicable investment objectives.

6.180 The Trust Deed was amended on 12 September 2012 to effect the restructure of the Scheme as a retail KiwiSaver Scheme under the KiwiSaver Amendment Act 2011 and make a number of other minor amendments. As a result of the changes:

- Effective from 12 September 2012, the manager of the Scheme has become the "issuer" of the Scheme for the purposes of the Securities Act 1978, and has primary responsibility for management and administration of the Scheme and direct duties to Scheme members; and
- The Trustee has become the independent trustee with supervision responsibilities (although it remains responsible for assessing significant financial hardship and serious illness withdrawal applications).

6.181 Since 21 May 2013, the assets of all AMP-named Funds have invested in a new range of wholesale investment funds known as the AMP Capital Diversified Funds. The AMP Capital Diversified Funds are developed by AMP Investment Management (N.Z.) Limited and managed by AMP Capital. The Manager (through the Committee) seeks advice and recommendations from AMP Capital about matters concerning the AMP Capital Diversified Funds into which the relevant Funds invest (including whether or not to add or remove a fund manager utilised by the AMP Capital Diversified Funds and asset allocation decisions).

6.182 In December 2010, the ING Balanced Fund was renamed OnePath Balanced Plus Fund as a result of the underlying fund manager's name change from ING (NZ) Limited to OnePath (NZ) Limited. Subsequently, on 20 September 2013 OnePath (NZ) Limited changed its name to ANZ New Zealand Investments Limited, and on 12 February 2014 the name of the relevant AMP KiwiSaver Scheme Fund was changed from the OnePath Balanced Plus Fund to the ANZ Balanced Plus Fund.

6.183 On 29 January 2014 TOWER Asset Management Limited (one of the underlying fund managers) was amalgamated into Fisher Funds Management Limited, and on 12 February 2014 the name of the relevant AMP KiwiSaver Scheme Fund was changed from the Tower Balanced Fund to the Fisher Balanced Fund.

6.184 On 16 April 2014, the Government reappointed the AMP Services as a default KiwiSaver provider for a further 7 years under the instrument of appointment. The reappointment took effect from 1 July 2014 and means:

- the AMP KiwiSaver Scheme remains a default KiwiSaver scheme;
- the AMP Default Fund is open as an investment option for all members;
- changes to the AMP Default Fund's fee and charges structure (the annual management fee increased from 0.184% per annum to 0.20% per annum, the administration fee decreased from 0.35% per annum to 0.15% per annum and the membership fee reduced from $2.95 per month to $1.95 per month); and
- the total amount of any other fees, costs and expenses charged directly or indirectly to the AMP Default Fund or default members' accounts in that fund (excluding transaction costs and performance fees of underlying funds) is capped at 0.04% per annum of the AMP Default Fund's net asset value.

6.185 From 1 July 2014:

- the membership fee reduced from $2.95 per month to $1.95 per month for all members; and
- some or all of Scheme fees, costs and expenses that the Manager and the Trustee are entitled to be reimbursed for are being met from the Scheme (see paragraphs 10.7 and 10.26).

6.186 On 18 September 2014 Tyndall Investment Management New Zealand Limited (one of the underlying fund managers) changed its name to Nikko Asset Management New Zealand Limited, and on 22 December 2014 the name of the relevant AMP KiwiSaver Scheme Fund was changed from the Tyndall Balanced Fund to the Nikko AM Balanced Fund.

6.187 On 1 December 2014 the Financial Markets Conduct Act 2013, which fundamentally changes the laws that regulate the governance and offering of KiwiSaver schemes, came into full force. This is

subject to a two year transition period which ends on 30 November 2016, although the Manager may opt-in to the new regime in respect of the Scheme prior to that date. For practical purposes, the law that applied prior to 1 December 2014 generally continues to apply to the Scheme during the transition period.

6.188 As a result of the Taxation (KiwiSaver HomeStart and Remedial Matters) Act 2015, from 1 April 2015, several changes were made to the first home withdrawals facility, including allowing members to withdraw Member Tax Credits, extending the facility to include an interest in a dwelling house on Maori land, and confirming that the property purchased must be in New Zealand.

6.189 On 1 April 2015, the KiwiSaver first home deposit subsidy was renamed the KiwiSaver HomeStart Grant and the maximum grant available for people wanting to build their first home or purchase land to build their home on was doubled. The regional house price caps (which determine eligibility for the Grant) were also increased with effect from 1 April 2015.

6.190 Following a legislative change in the United Kingdom which took effect on 6 April 2015, KiwiSaver schemes no longer meet the requirements under United Kingdom law to qualify as Qualifying Recognised Overseas Pension Schemes (QROPS). As a result, as at the Registration Date, the Scheme does not have QROPS status and is not accepting any new UK pension transfers. However, this may change in the future.

6.191 As a result of the KiwiSaver Budget Measures Act 2015, the $1,000 KiwiSaver government kick-start contribution was removed with effect from 2:00pm on 21 May 2015. The KiwiSaver Budget Measures Act 2015 also made consequential amendments to the KiwiSaver rules regarding first home withdrawals regarding the order of payment of the withdrawal (see paragraph 6.81).

6.192 On 22 September 2015 the Manager replaced AMP Services as the manager (and therefore 'issuer' under the Securities Act 1978) of the Scheme, and subsequently delegated the administration functions of the Scheme to AMP Services as an administration manager for the Scheme. The existing trust deed for the Scheme was amended on 22 September 2015 to reflect the change of manager and legislative and other developments since the trust deed was last amended. Other contractual arrangements were entered into to reflect the change of manager. See part 11 of this prospectus for more information.

6.193 There have been no other material developments relating to the Scheme in the five years preceding the Registration Date, other than those set out in part 11 of this prospectus.

Investment Performance

6.194 The date on which money was first accepted into the Scheme, and on which the Scheme therefore commenced its investment activity, was 1 October 2007.

6.195 The investment returns quoted in the tables below are based on the percentage change in the unit price for each Fund comprised in the Scheme over each relevant period.

6.196 The returns have been calculated using two methodologies:

a) The investment returns shown in paragraph 6.197 are the investment performance figures for each Fund with respect to an amount invested at the start of each period (assuming no subsequent contributions or withdrawals) and are calculated as follows:

- after deducting the annual management fee; but

- before deducting the administration fees, member fees (described under *Manager* on page 51 of this prospectus) and any member specific fees; and net tax liabilities at individual members' PIE tax rates (as outlined under *PIE tax rates* and *Member expenses* on page 61 and 62 of this prospectus).

b) The investment returns shown in paragraph 6.198 are the investment performance figures for each Fund with respect to an amount invested at the start of each period (assuming no subsequent contributions or withdrawals) and are calculated as follows:

- after deducting the annual management fee and administration fee and net tax liabilities (applying the applicable maximum PIE tax rate to taxable income after allowing for tax credits and deductible expenses); but
- before deducting member fees and any member specific fees.

The difference in calculation between this methodology and the one explained in subparagraph (a) above are that this methodology takes into account the administration fee and net tax liabilities which are deducted from a Fund's investment performance figures.

Under the KiwiSaver (Periodic Disclosure) Regulations 2013, the Manager is required to prepare and make publicly available annual and quarterly disclosure statements for each Fund in the Scheme. These disclosure statements include investment returns calculated in accordance with a prescribed methodology and can be viewed at the Manager's website www.amp.co.nz. The investment returns shown at paragraph 6.198 are calculated in accordance with the methodology prescribed by those regulations.

6.197 The investment returns calculated under the methodology outlined in subparagraph (a) of paragraph 6.196 for the reporting periods from 1 April 2010 to 31 March 2015 were as follows:

Investment returns before tax and after management fees					
Return period					
Fund	**1 April 2014 to 31 March 2015**	**1 April 2013 to 31 March 2014**	**1 April 2012 to 31 March 2013**	**1 April 2011 to 31 March 2012**	**1 April 2010 to 31 March 2011**
Cash Fund	3.8%	3.3%	3.3%	3.4%	4.0%
AMP Default Fund	8.5%	5.2%	6.2%	3.7%	5.1%
AMP Conservative Fund	8.8%	4.4%	7.9%	5.6%	6.0%
AMP Moderate Fund	9.9%	5.8%	9.1%	4.7%	6.3%
AMP Moderate Balanced Fund	10.8%	6.7%	10.3%	3.8%	6.6%
AMP Balanced Fund	11.6%	7.8%	11.6%	3.9%	6.7%
ANZ Balanced Plus Fund	16.4%	10.5%	14.5%	5.0%	8.2%
Fisher Balanced Fund	11.1%	8.9%	11.0%	2.5%	6.5%
Nikko AM Balanced Fund	14.0%	9.3%	11.8%	1.5%	7.1%
AMP Growth Fund	12.9%	9.7%	12.7%	2.1%	7.2%
AMP Aggressive Fund	13.7%	10.7%	13.9%	1.1%	7.4%

6.198 The investment returns calculated under the methodology outlined in subparagraph (b) of paragraph 6.196 for the reporting periods from 1 April 2010 to 31 March 2015 were as follows:

Investment returns after tax and fees and assuming the maximum PIE tax rate					
	Return period				
Fund	**1 April 2014 to 31 March 2015**	**1 April 2013 to 31 March 2014**	**1 April 2012 to 31 March 2013**	**1 April 2011 to 31 March 2012**	**1 April 2010 to 31 March 2011**
Cash Fund	2.3%	2.0%	2.0%	2.0%	2.5%
AMP Default Fund	6.7%	3.9%	4.6%	1.9%	3.4%
AMP Conservative Fund	6.9%	3.1%	5.8%	3.0%	4.0%
AMP Moderate Fund	8.3%	4.3%	6.9%	2.0%	4.3%
AMP Moderate Balanced Fund	9.4%	5.1%	8.0%	1.1%	4.6%
AMP Balanced Fund	10.3%	6.0%	9.2%	1.1%	4.7%
ANZ Balanced Plus Fund	14.6%	8.6%	12.2%	3.0%	6.2%
Fisher Balanced Fund	9.4%	7.3%	9.0%	0.5%	4.7%
Nikko AM Balanced Fund	12.3%	7.6%	9.8%	-0.1%	5.0%
AMP Growth Fund	12.1%	7.6%	10.3%	-0.7%	5.2%
AMP Aggressive Fund	13.0%	8.5%	11.4%	-1.7%	5.4%

6.199 Investment returns will fluctuate from time to time based on the performance of the Scheme's underlying funds. Members should not place undue reliance on short term investment returns. For more information, and for up to date unit prices at any time, please refer to the Manager's website www.amp.co.nz.

6.200 The investment return figures shown above reflect the returns for the Funds for the relevant periods. The underlying fund managers may have similar funds available outside the Scheme, which may perform differently over the same periods due to size, cash flow, and investment timing differences.

6.201 The returns are also a reflection of past performance and not an indication of future performance, and none of the Trustee, the Manager, any related company of the Trustee or the

Manager (including AMP Services) or any director of any of them, or any of the underlying fund managers, the Crown or any other person, guarantees the performance of the Scheme or any of the Funds.

7 SUMMARY FINANCIAL STATEMENTS

7.1 Summary financial statements prepared in respect of the Scheme for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012, and 31 March 2011 are set out below.

7.2 The Scheme is a retail KiwiSaver scheme the assets of which are held in the Funds described on pages 31 to 39 of this prospectus. Notwithstanding the division of the Scheme's assets into Funds, the Scheme comprises a single trust fund (see paragraph 1.5) with the value of members' interests in the Scheme determined by reference to the value of the units they hold in the Funds.

7.3 The amounts included in the summary of financial statements have been taken from, and should be read in conjunction with, audited full financial statements for the Scheme for each relevant period which complied with and have been registered under the Financial Reporting Act 1993. No auditor's report in respect of those financial statements was qualified or referred to any fundamental uncertainty.

7.4 In the summary financial statements 'Total Assets' is equivalent to total tangible assets and 'Total Income' is equivalent to total investment revenues.

7.5 Items in the summary financial statements that are of such incidence and size, or of such a nature, that an additional description of them is necessary to explain the performance of the Scheme are described in the footnotes to the summary financial statements.

7.6 The audited full financial statements for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, were prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), International Financial Reporting Standards (IFRS) and other applicable Financial Reporting Standards as appropriate for profit-oriented entities. The Scheme has applied NZ IFRS since inception.

7.7 The full financial statements for the year ended 31 March 2015 have been audited by Ernst & Young and an unmodified opinion was signed on 9 June 2015. The audited full financial statements for the year ended 31 March 2015 were registered with the Companies Office on 25 June 2015.

7.8 There have been no material changes in the activities of the Scheme or in the accounting policies used.

7.9 See part 15 of this prospectus to find out how to obtain a copy of the full financial statements.

AMP KIWISAVER SCHEME
SUMMARY STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the year ended 31 March

	2015 $000's	2014 $000's	2013 $000's	2012 $000's	2011 $000's
INCOME					
Dividend and distribution income	1,777	1,431	8,171	7,502	6,422
Interest income	1,762	836	258	208	195
Net gains on financial assets at fair value through profit or loss	330,916	158,351	135,698	32,402	53,199
TOTAL INCOME	**334,455**	**160,618**	**144,127**	**40,112**	**59,816**
EXPENSES					
Member fees	6,713	7,656	5,438	5,102	4,546
Administration fees	12,335	9,927	5,965	4,653	3,262
Management fees	12,438	8,876	5,550	4,359	3,000
Audit Fees	85	-	-	-	-
Other Expenses	454	-	-	-	2
TOTAL EXPENSES	**32,025**	**26,459**	**16,953**	**14,114**	**10,810**
NET PROFIT BEFORE TAX	**302,430**	**134,159**	**127,174**	**25,998**	**49,006**
Tax expense	-	-	-	-	-
NET PROFIT AFTER TAX	**302,430**	**134,159**	**127,174**	**25,998**	**49,006**
MEMBERSHIP ACTIVITIES					
Contributions					
Members' contributions	365,266	285,198	162,078	156,329	138,657
Crown contributions	88,763	65,909	62,315	103,523	99,593
Employer contributions	197,984	164,728	87,096	101,367	86,643
Transfers from other superannuation schemes	35,229	1,019,819	10,410	8,897	10,732
Members' PIE tax rebates	186	59	38	53	21
Total Contributions	**687,428**	**1,535,713**	**321,937**	**370,169**	**335,646**
Withdrawals					
Withdrawal benefits	88,661	71,600	44,693	15,139	6,225
Transfers to other superannuation schemes *	223,383	175,169	88,451	62,334	52,712
Inland Revenue refunds	2,408	2,929	1,752	1,782	2,349
Members' PIE tax withdrawals	29,160	17,415	16,106	4,258	12,839
Total Withdrawals	**343,612**	**267,113**	**151,002**	**83,513**	**74,125**
NET CONTRIBUTIONS	**343,816**	**1,268,600**	**170,935**	**286,656**	**261,521**
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS	**646,246**	**1,402,759**	**298,109**	**312,654**	**310,527**

* On 2 August 2013 the members of the AMP Wealth KiwiSaver Scheme were transferred into the AMP KiwiSaver Scheme under S119H of the KiwiSaver Act 2006.

Trustee fees are included in the administration fees and paid by the Manager. Trustee fees for the year ended 31 March 2015 amounted to $941,557 (2014: $704,898; 2013: $508,530; 2012: $477,977; 2011: $424,203).Audit fees for the year ended 31 March 2015 amounted to $73,992, of which $23,047 related to other assurance services (2014: $72,680, of which $22,665 related to other assurance services; 2013: $70,932, of which $22,172 related to other assurance services; 2012: $70,478 and $21,988 respectively; 2011: $68,938 and $21,089 respectively).

These summary financial statements should be read in conjunction with the accompanying notes.

AMP KIWISAVER SCHEME
SUMMARY STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
As at 31 March

	2015 $000's	2014 $000's	2013 $000's	2012 $000's	2011 $000's
ASSETS					
Cash and cash equivalents	75,911	46,706	23,453	34,815	5,060
Financial assets at fair value through profit or loss	3,551,656	2,931,090	1,550,356	1,241,469	957,319
Receivables	25,413	27,002	19,265	17,140	5,472
TOTAL ASSETS	**3,652,980**	**3,004,798**	**1,593,074**	**1,293,424**	**967,851**
LIABILITIES					
Payables	28,612	26,676	17,711	16,170	3,251
TOTAL LIABILITIES	**28,612**	**26,676**	**17,711**	**16,170**	**3,251**
AMOUNTS AVAILABLE FOR BENEFITS	**3,624,368**	**2,978,122**	**1,575,363**	**1,277,254**	**964,600**
Represented by:					
Opening balance	2,978,122	1,575,363	1,277,254	964,600	654,073
Allocated to Member accounts	646,246	1,402,759	298,109	312,654	310,527
NET ASSETS AVAILABLE FOR BENEFITS	**3,624,368**	**2,978,122**	**1,575,363**	**1,277,254**	**964,600**

SUMMARY STATEMENT OF CASH FLOWS
For the year ended 31 March

	2015 $000's	2014 $000's	2013 $000's	2012 $000's	2011 $000's
Net cash outflow from operating activities	(317,768)	(246,856)	(182,178)	(257,758)	(271,451)
Net cash inflow from financing activities	346,973	270,109	170,816	287,513	261,521
Net increase/(decrease) in cash and cash equivalents	**29,205**	**23,253**	**(11,362)**	**29,755**	**(9,930)**
Cash and cash equivalents at the beginning of the year	46,706	23,453	34,815	5,060	14,990
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**75,911**	**46,706**	**23,453**	**34,815**	**5,060**

These summary financial statements should be read in conjunction with the accompanying notes.

8 GUARANTORS

8.1 No person guarantees the payment of any monies payable from the Scheme. In particular, but without limitation, there is no Crown guarantee in respect of any KiwiSaver scheme or any investment product of a KiwiSaver scheme.

9 ACQUISTION OF BUSINESS OR EQUITY SECURITIES

9.1 No business or equity securities of the kind to which clause 9 of Schedule 5A of the Securities Regulations 2009 applies have been acquired for the Scheme.

10 INTERESTED PERSONS

This part (part 10) of the prospectus covers the following:

Interested Persons	Paragraph references
Trustee	10.1
Manager	10.13
Other	10.32

Trustee

10.1 The Trustee is entitled to an annual fee for performing its services under the Trust Deed. This fee is calculated daily and paid quarterly in arrears.

10.2 As at the Registration Date, the Trustee's annual fee is a maximum of 0.03% of the net asset value of each Fund. This fee is included in the administration fee paid by each Fund to the Manager. The administration fee is further detailed in paragraph 10.13.

10.3 A Fund's net asset value is the market value of its assets less its liabilities.

10.4 The Trustee is also entitled to charge in respect of the Scheme such special fees, charged based on a time cost and reasonable disbursements basis, as the Manager may agree from time to time (the Manager's agreement must not be unreasonably withheld).

10.5 The Trustee is entitled to charge, in addition to the fees under paragraphs 10.1 and 10.2, any GST or similar tax or duty payable in respect of such fees.

10.6 The above fees may change from time to time.

10.7 The Trustee is entitled to be reimbursed from the assets of the Scheme (and, to the extent applicable, from the assets of particular Funds) for and in respect of all direct and indirect expenses, losses, costs, or liabilities incurred by it in acting as Trustee under the Trust Deed.

10.8 The Trustee's entitlements to remuneration, and to recover expenses and costs, from the Scheme are subject to the "reasonable fees" restrictions prescribed in the KiwiSaver Act, and to other terms and conditions prescribed in the Instrument of Appointment.

10.9 Other than as set out above, as at the Registration Date, there are no limits on the fees that the Trustee can charge or on the amount of expenses or costs that may be reimbursed to the Trustee from the assets of the Scheme.

10.10 The Trustee provides (or has provided, during the currency of this prospectus) trustee services for the following underlying funds and receives (or has received, during the currency of this prospectus) additional fees for those services:

- the AMP Capital NZ Cash Fund;
- the underlying funds into which the AMP Capital Diversified Funds (being the AMP Capital Diversified Funds 1 to 7) invest; and
- the underlying funds into which the ANZ Balanced Plus Fund invests.

10.11 As at the Registration Date, those additional fees do not exceed 0.1% per annum of the average gross asset value in each of the relevant underlying funds, and may be deducted from each underlying fund's assets. Each such fee is based on a scale agreed between the Trustee and the underlying fund manager.

10.12 The additional fees which the Trustee receives for providing services with respect to underlying funds, pursuant to paragraph 10.10, are not rebated to the Scheme.

Manager

10.13 The Manager is entitled to charge fees for administration and management of the Scheme under the Trust Deed. As at the Registration Date, the Manager charges each member the following fees:

- Member fee, charged at $1.95 a month, deducted from a member's account each month by cashing up units; and
- Administration fee – this annual fee is calculated daily and paid monthly in arrears. The fee is 0.15% of the net asset value of the AMP Default Fund and 0.525% of the net asset value of every other Fund and is apportioned equally to each member of the relevant Fund. This is deducted from each member's account by cashing up units.

The Manager may deduct these fees the next month if there are operational delays.

10.14 As at the Registration Date, the Manager also charges each Fund an annual management fee (calculated daily and deducted within the calculation of unit prices each day) as follows:

Fund	Annual management fee
AMP Default Fund	0.20%
Cash Fund	0.20%
Nikko AM Balanced Fund	0.55%
ANZ Balanced Plus Fund	0.55%
Fisher Balanced Fund	0.60%
Lifesteps	*Depends on the specific Fund invested in (below)*
AMP Conservative Fund	0.35%
AMP Moderate Fund	0.45%
AMP Moderate Balanced Fund	0.50%
AMP Balanced Fund	0.50%
AMP Growth Fund	0.508%
AMP Aggressive Fund	0.60%

The amount of the annual management fee as shown in each Fund's quarterly and annual disclosure statements when issued will differ from the amounts shown above. This is because in those statements, the administration fee is included within the annual management fee.

10.15 Lesser fees may apply to employees of employers who have established a plan within the Scheme under a Participation Agreement, or who have made the Scheme their chosen KiwiSaver Scheme.

10.16 From each annual management fee (except during periods when the Cash Fund does not have an underlying fund manager), the Manager pays investment management fees to the underlying fund managers for managing the underlying funds into which the assets of the Scheme are invested.

10.17 The Manager may, either generally or in respect of any particular member or members, waive part or all of any fee or decrease any fee, and (subject to the KiwiSaver Act and the Instrument of Appointment) may increase fees payable in respect of the Scheme or a Fund or by some or all members. The Manager may also (subject to the KiwiSaver Act and the Instrument of Appointment and provided that any such fee is permitted under the Trust Deed) commence charging any fee which is not currently being charged.

10.18 The Manager is entitled to receive, in addition to its fees, any GST or similar tax or duty payable in respect of such fees.

10.19 The underlying fund manager for each of the underlying funds in which the Cash Fund, the AMP Default Fund, and the Funds comprised in Lifesteps are invested is AMP Capital, which is an associated person of the Manager and AMP Services and these funds were developed by AMP Investment Management (N.Z.) Limited, which is also an associated person of the Manager and AMP Services. The underlying funds for the Cash Fund, the AMP Default Fund, and the Funds comprised in Lifesteps are:

- the AMP Capital NZ Cash Fund;

- the AMP Capital Diversified Funds (being the AMP Capital Diversified Funds 1 to 7).

10.20 As at the Registration Date, any transaction costs are reflected in the Funds' unit prices and therefore could affect your returns. The transaction costs reflect the actual cost of buying units in the relevant underlying funds. As at the Registration Date, there is no allowance in any Funds' unit price for transaction costs incurred when the Fund sells units in underlying funds but this could change in the future. The underlying fund managers referred to in this prospectus incur and may charge for or recover fees and expenses (including trustee fees, custodian fees, transaction costs, performance fees, accounting and audit costs, administration costs and other expenses reasonably incurred) and taxes. Those will be reflected in the relevant underlying funds' unit prices and will not be rebated to the Scheme.

10.21 Since 1 October 2007, being the date when money was first accepted into the Scheme, more than 10% of the Scheme's assets have been invested in underlying funds that are developed by AMP Investment Management (N.Z.) Limited (an associated person of the Manager and AMP Services) and managed by AMP Capital, which (as noted above) is the manager of the funds underlying those comprised in the Lifesteps Investment Programme, the Cash Fund and the AMP Default Fund and is an associated person of the Manager and AMP Services. The relevant underlying funds may themselves gain investment exposure through investment funds managed by AMP Capital or other associated persons of the Manager and AMP Services.

10.22 As disclosed in paragraph 2.14, AMP Capital is one of the underlying fund managers which the Manager utilises to manage the assets of the Scheme. AMP Capital, the Manager and AMP Services are ultimately owned by AMP Limited. A Partnership Agreement is in place between AMP Services, the Manager and AMP Capital to acknowledge AMP Capital's investment management support provided to the Manager in managing the assets of the Scheme.

10.23 The underlying funds may change from time to time.

10.24 The Manager may from time to time pay a member's adviser, a distributor or another intermediary up to 0.20% per annum from the administration fee for administrative support and services they may provide on the Manager's behalf.

10.25 Each of the Manager's fees may change from time to time.

10.26 The Manager is entitled to be reimbursed from the assets of the Scheme (and, to the extent applicable, from the assets of particular Funds) for and in respect of all direct and indirect expenses, losses, costs, or liabilities incurred by it in acting as Manager under the Trust Deed. The Manager has delegated the administration functions of the Scheme to AMP Services as an administration manager for the Scheme, and AMP Services charges costs for those services. AMP Services is a related company of the Manager. The Manager will pay out of the Manager's fee the administration manager's costs that relate to the functions that are covered by the Manager's fee. Costs charged by the administration manager to the Manager that relate to functions that are not covered by the Manager's fee may be recovered by the Manager out of the Scheme as an expense of the Scheme.

10.27 As at the Registration Date, there are no additional charges payable when you switch or change your investment options. The Manager reserves the right to introduce a switch and/or change fee.

10.28 As at the Registration Date, the Manager may also charge a $500 fee when funds are transferred direct to the Scheme from an overseas superannuation scheme (or vice versa), including from an

Australian complying superannuation fund. This fee will be deducted from the amount transferred into the Scheme, and may change from time to time. The Manager may waive the fee at its discretion.

10.29 The Manager's entitlements to remuneration, and to recover expenses and costs, from the Scheme are subject to the "reasonable fees" restrictions prescribed in the KiwiSaver Act, and to other terms and conditions prescribed in the Instrument of Appointment. Under the Instrument of Appointment, the Manager must ensure that any fees, costs, or other similar amounts indirectly charged to persons who become default members of the Scheme under Inland Revenue's default allocation process, and who do not choose an investment option, are no higher than would usually be charged in accordance with good industry practice.

10.30 Since 1 July 2014 the total amount of any fees, costs and expenses charged directly or indirectly to the AMP Default Fund or members' accounts in that fund, (excluding certain fees, costs and expenses such as, the members fee, administration fee, annual management fee and transaction costs and performance fees of underlying funds) are capped at 0.04% per annum of the AMP Default Fund's net asset value. Although, under the Instrument of Appointment, the restriction on fees charged directly or indirectly to members' accounts only applies to default members, the Manager currently applies this cap to all members in the default fund. This policy may change at any time.

10.31 There are otherwise no limits on the fees that the Manager can charge, or on the amount of expenses and costs that may be reimbursed to the Manager from the assets of the Scheme.

Other

10.32 Directors and employees of AMP Services, the Manager, and the Trustee may from time to time hold units in the Scheme. As at the Registration Date, Thérèse Mary Singleton,Gregory Paul Bird, and Elaine Jennifer Campbell, who are directors of the Manager, and AMP Services, are contributing members of the Scheme.

11 MATERIAL CONTRACTS

11.1 On 31 July 2014, AMP Services and AMP Capital entered into an agreement amending a Partnership Agreement dated 24 November 2011, as subsequently amended. The Partnership Agreement affects the investment management decisions made in respect of certain AMP group products including the Scheme. The provisions of the Agreement that relate to the Scheme took effect on 21 May 2013. Under the Agreement, AMP Capital provides advice and recommendations to the Manager about matters concerning the AMP Capital Diversified Funds into which the relevant Funds (as outlined in paragraph 2.14) invest (including whether or not to add or remove a fund manager utilised by the AMP Capital Diversified Funds and asset allocation decisions). The amendment updated the schedule of retail products (unrelated to the Scheme) that are permitted to invest in the portfolios covered by the Partnership Agreement.

11.2 On 16 April 2014, the Minister of Commerce and the Minister of Finance reappointed AMP Services as a default KiwiSaver provider for a further 7 years under the instrument of appointment. The reappointment took effect from 1 July 2014 and means:

- the AMP KiwiSaver Scheme remains a default KiwiSaver scheme;

- the AMP Default Fund is open as an investment option for all members;
- changes to the AMP Default Fund's fee and charges structure (the annual management fee increased from 0.184% per annum to 0.20% per annum, the administration fee decreased from 0.35% per annum to 0.15% per annum and the membership fee reduced from $2.95 per month to $1.95 per month); and
- the total amount of any other fees, costs and expenses charged directly or indirectly to the AMP Default Fund or default members' accounts in that fund (excluding transaction costs and performance fees of underlying funds) is capped at 0.04% per annum of the AMP Default Fund's net asset value.

11.3 The following material contracts were entered into in respect of the change of manager described in paragraph 6.192:

a) The Manager, AMP Services, and the Trustee entered into a deed of retirement and appointment of manager dated 22 September 2015 under which AMP Services retired, and the Manager was appointed, as manager of the Scheme.

b) Immediately following the change of manager, the existing trust deed was amended and consolidated into the Trust Deed on 22 September 2015 by the Manager and the Trustee to reflect the change of manager and legislative and other developments since the trust deed was last amended.

c) The Manager and AMP Services entered into a management services agreement dated 22 September 2015. That agreement sets out the key terms on which AMP Services provides various administration services, including unit pricing and registry services, in respect of the Scheme and other managed funds that the Manager is the issuer of.

d) The Scheme Provider Agreement ("SPA") dated 27 March 2007, as subsequently amended, between AMP Services and Inland Revenue setting out certain of the terms on which the manager of the Scheme and the Trustee operate the Scheme and (in particular) how they interact and exchange information with Inland Revenue was novated to the Manager by a deed of novation dated 22 September 2015.

e) The Minister of Commerce and the Minister of Finance revoked the previous instrument of appointment (as referred to in paragraph 11.2) in relation to AMP Services with effect from 22 September 2015 and appointed AMP Wealth Management New Zealand Limited as a default KiwiSaver provider under the current Instrument of Appointment with effect from 22 September 2015. The Instrument of Appointment continues to apply to the AMP KiwiSaver scheme as set out in the 4 bullet points in paragraph 11.2.

f) AMP Services, the Manager, and AMP Capital entered into a novation dated 22 September 2015 of the Partnership Agreement under which the Manager became a party to the Partnership Agreement. The provisions of the novation that relate to the Scheme took effect on that date.

11.4 There have been no other material contracts entered into in the two years preceding the Registration Date.

12 PENDING PROCEEDINGS

12.1 There were no legal proceedings or arbitrations pending at the Registration Date that may have a material adverse effect on the Scheme.

13 OTHER TERMS OF OFFER AND SCHEME

13.1 All other terms of the offer of the Scheme (other than terms relating to amounts payable by or to individuals and terms implied by law and terms set out in the SPA and the Instrument of Appointment) applying as at the Registration Date are set out in the Trust Deed, a copy of which has been lodged with the Registrar of Financial Service Providers and is available for public inspection as specified in part 15 of this prospectus.

14 FINANCIAL STATEMENTS AND AUDITOR'S REPORT

14.1 A copy of the audited financial statements for the Scheme for the year ended 31 March 2015, which comply with the Financial Reporting Act 1993, was registered under that Act on 25 June 2015. The auditor's report in respect of the financial statements was dated 9 June 2015, did not refer to any fundamental uncertainty, and was not qualified in any respect.

14.2 The auditor's report required by clause 14(4) of schedule 5A of the Securities Regulations 2009 is attached to this prospectus.

14.3 Ernst & Young has given and has not withdrawn its consent to be named in this prospectus as auditor of the Scheme and to the issue of the prospectus with its audit report included in the form and context in which it appears. Ernst & Young takes no responsibility for, nor has it authorised the issue of, any part of the prospectus, except for the auditor's report. While Ernst & Young is a professional adviser, in its capacity as auditor, to the Manager and AMP Services, neither Ernst & Young nor any director, officer or employee of Ernst & Young is intended to be a director, officer, or employee of the Manager or AMP Services.

15 PLACES OF INSPECTION OF DOCUMENTS

15.1 Copies of the Trust Deed, and copies of the latest financial statements for the Scheme, may be inspected at no cost at the Manager's office as follows during normal business hours:

AMP Wealth Management New Zealand Limited
Level 21, AMP Centre
29 Customs Street West
P O Box 55
Shortland Street
Auckland 1140

15.2 Copies of the Trust Deed, the material contracts referred to in part 11, and the financial statements may be obtained from the Manager free of charge by contacting the Manager at the address outlined above during normal business hours.

15.3 Copies of the Trust Deed, any material contracts and the financial statements may also be obtained from the Companies Office website www.business.govt.nz/companies.

15.4 A copy of the latest annual report for the Scheme may be inspected at the Manager's office during normal business hours free of charge, or viewed at www.amp.co.nz.

16 OTHER MATERIAL MATTERS

This part (part 16) of the prospectus covers the following:

Transfer of members into the AMP KiwiSaver Scheme

16.1 On 2 August 2013, over 100,000 members and approximately $1 billion of funds under management of the AMP Wealth KiwiSaver Scheme were transferred into the Scheme. This transfer was approved by the Financial Markets Authority.

KiwiSaver

Member Tax Credit

16.2 Under the provisions of the Income Tax Act as at the Registration Date, subject to the conditions outlined below a member will be eligible, for the period between when he or she reaches age 18 and the Qualifying Date (see *Withdrawal at Qualifying Date* on page 16), for a Crown contribution known as the "Member Tax Credit".

16.3 As at the Registration Date, the Member Tax Credit is equal to 50 cents for every dollar of member contributions to the Scheme, and to any other KiwiSaver Scheme from which the member has transferred during the relevant year, excluding any contributions that were diverted into repaying a mortgage. The maximum Member Tax Credit is $521.43 a year (less any Member Tax Credits that are instead paid to a complying superannuation fund for a member's benefit). A member contributing $1,042.86 or more each year will get the maximum Member Tax Credit.

16.4 If you join KiwiSaver part way through the Member Tax Credit year (1 July to 30 June) then your Member Tax Credit entitlements for that year will be calculated on a proportional basis.

16.5 The Member Tax Credit will be available to a member, regardless of their employment status, for periods during which the member is:

- principally resident in New Zealand (i.e. residing mainly in New Zealand); or

- a Government employee living overseas; or
- volunteering overseas or working for token payment for specified charitable organisations.

16.6 The Manager will claim a Member Tax Credit annually on the member's behalf, and when the member withdraws from the Scheme the Manager will be able to claim for the member's benefit a Member Tax Credit for the period for which the member is a member of the Scheme.

16.7 When the Manager receives each Member Tax Credit paid to the Scheme for a member's benefit, the Manager will:

- apply it to purchase units in the Fund or Funds that the member has chosen (or the Fund to which the member has been allocated) in the same proportions as other contributions; or
- add it to the member's benefit if he or she is withdrawing their full entitlement from the Scheme.

16.8 As at the Registration Date, if a member has withdrawn from the Scheme without transferring to another KiwiSaver scheme (or has died or suffered Serious Illness) then, if it would be impracticable to pay the Member Tax Credit for the relevant Scheme year to the Manager, Inland Revenue may pay it direct to the member (or to the member's estate or another permitted recipient in the case of death).

16.9 There are restrictions on when a member can withdraw their Member Tax Credits (see *Members' benefits* on page 16 of this prospectus).

16.10 Contributions which qualified for the Member Tax Credit when paid to the Scheme will continue qualifying even if, before the Member Tax Credit for the relevant Member Tax Credit year is paid to the Manager, those amounts have been withdrawn from the Scheme as part of a permitted withdrawal.

Contributions Holiday

16.11 An employed member may apply to Inland Revenue for a contributions holiday (i.e. to suspend contributions to the Scheme) if:

- at any time after Inland Revenue receives the first contribution in respect of that member, the member is suffering (or is likely to suffer) financial hardship. If a contribution holiday is granted, the duration of that holiday will be three months (or a longer period if Inland Revenue agrees); or
- twelve or more months have passed since the date when Inland Revenue received the first KiwiSaver contribution in respect of that member or the date (if earlier) when a KiwiSaver scheme first received a contribution in respect of the person's membership or the person first joined a complying superannuation fund. If a contribution holiday is granted, the duration of the holiday will be a minimum of three months and a maximum of five years.

16.12 An application for a contributions holiday must include a member's and the relevant employer's (or each relevant employer's) name and address, the member's IRD number, the duration sought, details (if relevant) of the financial hardship and any other information that Inland Revenue requires.

16.13 If Inland Revenue grants a contribution holiday it must notify the applicant, each relevant employer and the Manager.

16.14 When the contributions holiday period expires, a member can apply to Inland Revenue for another contributions holiday (there is no limit on the number of successive contribution holidays).

Non-Deduction Notice

16.15 A member who has reached the Qualifying Date (see paragraph 6.51) may give their employer a notice (called a 'non-deduction notice') requiring the employer to stop deducting contributions from the member's salary or wages.

16.16 A non-deduction notice will be valid for the first payment of salary or wages after the notice is given to the employer and will apply until it is revoked by the member. A member will not be able to revoke a non-deduction notice within three months of giving it, unless the employer agrees.

KiwiSaver HomeStart Grant

16.17 Under Government policy applying as at the Registration Date, a member who qualifies for a first home withdrawal and has contributed regularly to a KiwiSaver scheme, complying superannuation fund or exempt employer scheme for at least three years after 1 July 2007 may also be eligible for a first home grant ("KiwiSaver HomeStart Grant") to assist with the cost of purchasing or building a first home, or buying land to build that home on.

16.18 For details about the required contribution levels and the other eligibility criteria for the KiwiSaver HomeStart Grant, visit the Housing New Zealand website www.hnzc.co.nz.

16.19 Under Government policy applying as at the Registration Date, a member who qualifies for the KiwiSaver HomeStart Grant will be entitled to a tax-free grant of:

- $1,000 for each year of qualifying contributions, up to a maximum of $5,000 for purchasing an existing home; and
- $2,000 for each year of qualifying contributions, up to a maximum of $10,000, for purchasing a new home.

If a member's partner is also entitled to the grant, the member and their partner may combine their grants, receiving up to $10,000 (for an existing home) or $20,000 (for a new home) in total.

16.20 For more information and up-to-date details, visit the Government's website www.kiwisaver.govt.nz, or visit www.hnzc.co.nz.

16.21 Housing New Zealand administers the KiwiSaver HomeStart Grant, and grants are not payable from the Scheme. Neither the Manager nor the Trustee has any liability in relation to the KiwiSaver HomeStart Grant facility.

Tax

16.22 Neither the Trustee nor the Manager accepts any responsibility for the taxation implications of members investing in the Scheme. Tax legislation, its interpretation and the rates and bases of taxation are subject to change, and the application of tax laws depends on a member's individual

circumstances. Members are advised to consult their own professional tax advisers as to the tax consequences of investing in the Scheme or any Fund.

16.23 The following is a general statement describing the Manager's understanding of New Zealand tax legislation as it affects the Scheme and New Zealand-resident members as at the Registration Date. Non-resident members should seek their own tax advice in applicable jurisdictions, including as to the tax treatment in those jurisdictions of payments or transfers to or from the Scheme.

Tax rules applying to the Scheme

16.24 As at the Registration Date, the Scheme is a Portfolio Investment Entity ("PIE") under the Income Tax Act 2007.

16.25 The PIE tax rules in the Income Tax Act determine the tax treatment of all income and expenses of the Scheme. Generally, assets are taxed as described below. The Fund(s) may be indirectly invested in some or all of these:

Asset	**Tax on capital gains/losses**	**Tax on dividends and interest**	**'Fair Dividend Rate' method**
New Zealand shares	No	Yes	No
Australian shares	No	Yes	No
Global shares	No	No	Yes
Cash, fixed interest, currency hedges* and other financial instruments.	Yes	Yes	No

Australian shares – must be listed on an approved Australian Securities Exchange (ASX) index and meet certain other technical criteria.

Global shares – The Fair Dividend Rate method calculates taxable income at 5% of the average daily opening market value of global share investments for the relevant tax year.

*The Fair Dividend Rate method will also be applied to some currency hedges.

16.26 The PIE tax rules provide that all taxable income, deductible expenses and tax credits related to the Scheme's investments must be attributed to members in proportion to their daily unit holdings in each Fund, with tax payable at each member's PIE tax rate (see below).

16.27 PIEs have restrictions on the percentage of units that any one investor and associated parties can hold in a PIE. The Manager may refuse to accept, or may reject, contributions (other than those required under the KiwiSaver Act, amounts transferred from another KiwiSaver scheme, Member Tax Credits payable in respect of a member, and contributions required to be made under a Participation Agreement) and would exercise that power if accepting such amounts would result in a breach of those PIE requirements.

Calculation of Tax by the Scheme

16.28 The amount of tax payable by the Scheme to Inland Revenue is the sum of the tax payable by each member on their attributed income in a tax return period.

16.29 The tax payable by each member depends on the PIE tax rate applied to them (see *PIE tax rates* at paragraph 16.34).

16.30 Where more New Zealand tax credits are attributed to a member than are required to meet the member's share of the Scheme's tax liability in a tax return period, or where a taxable loss is attributed to a member in a tax return period, the Scheme will claim a rebate of tax from Inland Revenue on the member's behalf.

16.31 Tax is calculated for each account held by each member in each fund, for each tax return period. Tax may be collected any time a member makes a withdrawal or switches between funds. Where tax needs to be paid from a member's account, the tax will be collected by redeeming units which the member holds in the Fund and paid to Inland Revenue by the due date. Where a member is entitled to a tax rebate, the rebate will be passed through to the member by issuing additional units in the relevant Fund to the member (or by paying it out to the member's nominated bank account if the member has fully exited from the Scheme). Tax rebates for members who have transferred to another KiwiSaver scheme will be paid to the new scheme.

16.32 The Scheme's tax return period is generally 1 April to 31 March. On occasion the tax return period may differ, for example in response to changes in PIE tax rates.

PIE Tax Rates

16.33 PIE tax rates (known as Prescribed Investor Rates or PIRs, and Notified Investor Rates) are prescribed by the Income Tax Act and are based on each member's taxable income and attributable PIE income in either of the two tax years preceding the current tax year (with each tax year commencing on 1 April and ending on the following 31 March).

16.34 As at the Registration Date, there are three PIE tax rates available for New Zealand tax resident individuals who provide their IRD numbers to the Scheme. These rates are 10.5%, 17.5% and 28%. The PIE tax rate for non-residents is 28%. Members who do not provide their IRD number and/or a PIE tax rate to the Manager will default to a 28% PIE tax rate.

PIE tax rate	Eligibility criteria (as at Registration Date)
10.5%	NZ tax resident members who provide their IRD number and who had in either of the 2 tax years immediately before the current tax year: $14,000 or less in taxable income (excluding PIE income); and $48,000 or less in taxable income and net attributed income from PIEs (i.e. after subtracting any attributed tax losses from PIEs).
17.5%	NZ tax resident members who provide their IRD number and who had in either of the 2 tax years immediately before the current tax year: $48,000 or less in taxable income (excluding PIE income); and $70,000 or less in taxable income and net attributed income from PIEs (i.e. after subtracting any attributed tax losses from PIEs).

PIE tax rate	Eligibility criteria (as at Registration Date)
28%	NZ tax resident members who do not meet the criteria for a 10.5% or 17.5% PIE tax rate
28%	Non-resident members
28%	Default tax rate for members who do not provide their IRD number to the Manager and/or do not elect a PIE tax rate.

16.35 When calculating a member's PIE tax rate, taxable income includes worldwide income, including where the member was not resident in New Zealand when that income was earned. If a newly-resident member chooses not to include their worldwide income when calculating their PIE tax rate, the PIE income must be included in an income tax return.

16.36 A member is responsible for providing their PIE tax rate for a particular tax return period to the Scheme. The Manager will remind members to check their PIE tax rates annually. A member must notify the Manager as soon as practicable if their PIE tax rate changes.

16.37 If a member is eligible to elect a lower PIE tax rate and notifies a higher PIE tax rate to the Manager in error, or fails to advise a change to a lower PIE tax rate, Inland Revenue will not refund any excess tax paid.

16.38 If a member notifies a lower PIE tax rate to the Manager in error, or does not advise a change to a higher PIE tax rate, the member may be required to file an income tax return on the shortfall for the relevant tax year, and tax may be payable at the member's marginal tax rate plus any interest and penalties. If a tax return is required to be filed, the member will receive a tax credit for tax paid by the Scheme on their behalf.

Member Expenses

16.39 Annual management fees are charged against each Fund. These fees are attributed to each member based on the member's unit holdings and are deductible when calculating the member's tax liability.

16.40 The Manager may also include fees that are charged directly to members, such as the monthly membership fee, and the administration fee in calculating each members PIE tax liability, where the Manager considers these fees are deductible.

Tax on Contributions to the Scheme

16.41 Members' regular contributions to the Scheme are calculated as a percentage of their before-tax Salary and Wages and are paid from after-tax income through the member's employer payroll system.

16.42 ESCT will be deducted from all employer contributions before they are credited to the Scheme at the following rates:

ESCT rate threshold amount*	Tax rate
$0 - $16,800	10.5%
$16,801 - $57,600	17.5%
$57,601 - $84,000	30%
$84,001 upwards	33%

*The ESCT rate threshold amount comprises the total of the member's taxable earnings and the before-tax employer superannuation contributions (comprising KiwiSaver scheme and any registered superannuation scheme contributions) made for the member's benefit in the previous income year (that is, the 12 months to the last 31 March). ESCT rates and thresholds may change in the future.

16.43 If the member's current employer did not employ him or her for all of the previous income year then the above rates will be based on estimates of the member's expected taxable earnings and employer superannuation contributions for the current income year.

Tax on Withdrawals from the Scheme

16.44 All withdrawals from the Scheme will be treated as redemptions of units. Tax has already been calculated and collected (or rebated) on attributed income, therefore withdrawals made from the Scheme are not subject to further tax.

Tax Reporting to Members

16.45 The Manager will provide each member with a PIE tax statement for each tax year ended 31 March. The statement will be provided by the 30 June following the end of the tax year. The statement will include all the information prescribed by Inland Revenue.

Non-Resident Members

16.46 As at the Registration Date, the PIE tax rate for non-resident members in the Scheme is 28%.

16.47 PIE tax will be collected for non-resident members in the same manner as detailed above. No further taxes will be deducted from amounts payable to non-resident members.

UK Pension Transfers

16.48 Prior to 6 April 2015, the Scheme was a qualifying recognised overseas pension scheme (QROPS) and could accept UK pension transfers. Following a legislation change in the United Kingdom UK pension transfers can no longer be made into the AMP KiwiSaver Scheme. However, this position may change in the future.

16.49 The Manager may be required to report certain matters to Her Majesty's Revenue and Customs (HMRC) when a member who has transferred amounts to the Scheme which have UK tax- relieved status withdraws or transfers to another KiwiSaver scheme or an overseas superannuation scheme.

Risks

16.50 All investments carry risk. There are risks associated with the Scheme that could affect a member's ability to recover the amount of their investment or impact on the level of return. It is important to note that events affecting investments cannot always be foreseen. The market volatility in recent years that has impacted on global and domestic markets has affected, and may continue to affect, the investment performance of some of the Scheme's Funds.

16.51 The following is a summary of the material risks applying to the Scheme that could impact on the level of return from a member's investment or the ability to recover the full amount of their investment in the Scheme.

16.52 This is not an exhaustive summary and it is recommended that potential members seek advice from a financial adviser for further information.

Investment Risk

16.53 Investment risk is the risk of negative or lower than expected returns from the Scheme Funds. It is also possible that the returns for a particular Fund will be insufficient to meet its expenses.

16.54 Generally, the level of risk is related to the potential return from the investment. Lower risk investments such as cash and fixed interest (known as 'income assets') typically provide more consistent yet lower returns. Higher risk investments such as commodities, infrastructure, property and shares (known as 'growth assets') have the potential to fluctuate significantly in value with a greater possibility of a negative return. However, over the long term, higher risk investments are expected to deliver greater returns than lower risk investments.

16.55 The main risk of a member receiving less than they invested or lower returns than expected from the Fund(s) chosen is adverse market performance. Underlying assets held by the Funds will rise and fall in value and returns will (with exceptions), from time to time be negative. Depending on the length of time that a member has invested and market movements, it is possible that a member may receive less than their initial investment on withdrawal.

16.56 There are different types of risk that contribute to investment risk. The examples that follow are believed to be the most important in respect of the Scheme as at the Registration Date. Certain risks may be linked (for example, a political event could cause a liquidity risk.)

Market Risk

16.57 Market risk is the risk that the value of investments may be affected by economic and regulatory conditions (including market sentiment, inflation, interest rates and employment), political events, environmental and technological issues, natural disaster, and consumer demand in both New Zealand and overseas, which could result in the loss of capital or returns being reduced. This risk may affect all the Funds.

Fund of Funds Risk

16.58 Fund managers have their own approaches to picking which investments to buy or sell. There will be times when market conditions result in a particular 'style' doing better than others and times when it does not do as well. These fund managers in turn invest into a range of underlying fund managers. By having a range of fund managers, the effects of a particular manager under-performing are lessened.

16.59 An underlying fund manager of a Fund may close its investment fund without notice or on limited notice, and this may result in investments being held in cash pending the replacement of the underlying fund manager. Similarly, an underlying fund manager may close its investment fund to new applications, resulting in investments also being held in cash. This risk may affect all the Funds.

Credit Risk

16.60 Credit risk is the risk that a borrower may default on their loan or is otherwise unable to meet their financial obligations. The impact of this will be a reduction on the level of returns or the full amount of the investment not being recovered. This risk may affect all the Funds. Funds with greater exposure to cash and fixed interest assets will be more affected by credit risk.

Most affected: Cash Fund, AMP Default Fund, AMP Conservative Fund, AMP Moderate Fund.

Least affected: AMP Aggressive Fund, AMP Growth Fund.

Currency Risk

16.61 Currency risk is the risk that movements in currency exchange rates may affect returns from international investments. The value of investments denominated in foreign currencies may fall if the New Zealand dollar strengthens against those currencies or rise if the New Zealand dollar weakens against those currencies. This risk may affect all the Funds (other than the Cash Fund). Funds may have hedging which reduces their exposure to currency risk. All the Funds (other than the Cash Fund) have a degree of hedging which reduces their exposure to currency risk. Funds with greater exposure to assets denominated in foreign currencies will be more affected by currency risk.

Most affected: AMP Growth Fund, AMP Aggressive Fund.

Least affected: AMP Default Fund, AMP Conservative Fund, AMP Moderate Fund.

Liquidity Risk

16.62 Liquidity risk is the risk that an investment cannot be sold at the desired time at fair value. This may be caused, or contributed to, by one or more of the risks described elsewhere in this section. This risk may affect all the Funds. It is generally accepted that real property has the highest liquidity risk while cash investments have the least liquidity risk.

Most affected: Fisher Balanced Fund, AMP Aggressive Fund, AMP Growth Fund, Nikko AM Balanced Fund.

Least affected: Cash Fund, AMP Default Fund.

Counterparty Risk

16.63 Counterparty risk is the risk that a party to a financial contract (including an investment contract) defaults or is otherwise unable to fulfil their obligations. If this occurs the full amount of the investment may not be recovered. This risk may affect all the Funds.

Derivative Risk

16.64 A derivative is a financial contract the value of which depends on the current or future value of underlying assets such as shares, bonds, currency or cash. Derivatives may be used for two main purposes: as a risk management tool (particularly in managing market and currency risk) or as an alternative to investing in physical assets by providing an exposure to an underlying investment which is similar to buying or selling the assets. This risk may affect all the Funds (other than the Cash Fund).

16.65 The performance of derivatives will vary depending on movements in underlying variables, such as interest and foreign exchange rates, and the amount of the derivative relative to underlying investments.

16.66 A high degree of leverage is typical for trading in derivative instruments. As a result, a relatively small price movement in any underlying security of a derivative contract may result in substantial gains or losses.

Interest Rate Risk

16.67 Interest rate risk is the risk that unexpected changes in interest rates may positively or negatively affect the value of and returns from cash and fixed interest investments. This risk may affect all the Funds. Funds with greater exposure to cash and fixed interest assets will be more affected by interest rate risk.

Most affected: Cash Fund, AMP Default Fund, AMP Conservative Fund, AMP Moderate Fund.

Least affected: AMP Aggressive Fund, AMP Growth Fund.

Investment Sector Risk

16.68 As indicated earlier, each investment sector has risks that are typical of that sector:

a) Cash

The main risk with cash is that inflation will erode value. Where cash assets included in a Fund are placed on bank deposit there is also a small risk of the bank defaulting, meaning that some or all of the cash may be lost. Funds with greater exposure to cash assets will be more affected by this risk.

Most affected: Cash Fund, AMP Default Fund, AMP Conservative Fund.

Least affected: AMP Aggressive Fund, AMP Growth Fund.

b) Fixed Interest

For any particular fixed interest security, changes to interest rates in the market affect its value and there is the risk of the borrower not making the interest payments and/or not repaying the loan. Funds with greater exposure to fixed interest assets will be more affected by this risk.

Most affected: Cash Fund, AMP Default Fund, AMP Conservative Fund.

Least affected: AMP Aggressive Fund, AMP Growth Fund.

c) Property

There is the possibility of financial loss occurring as the result of owning any real estate investment. The value of property investments may be affected by demand, location, the quality of the property, market conditions, opinion and the market for property investments. Funds with greater exposure to real property assets will be more affected by this risk.

Most affected: Fisher Balanced Fund, AMP Aggressive Fund, AMP Growth Fund.

Least affected: AMP Conservative Fund, AMP Moderate Fund.

d) Shares

The value of an individual share is influenced by many factors including the performance of the relevant company, market opinion and the economic performance of the country or sector. Funds with greater exposure to shares will be more affected by this risk.

Most affected: AMP Aggressive Fund, AMP Growth Fund.

Least affected: AMP Default Fund, AMP Conservative Fund.

Other Scheme Risks

The value of a member's investment, and a member's ability to withdraw, may also be affected by some or all of the following risks. These risks may affect any of the Funds:

Risk of administrative failures

16.69 This is the risk of a technological or other failure or event affecting the Scheme or the financial markets in general. If that occurs, it may affect returns.

Regulatory Risk

16.70 Regulatory risk is the risk that the Scheme is affected by future changes to tax, superannuation, KiwiSaver or other legislation. These changes could affect the Scheme's investments by impacting on the operation of the Scheme, returns and benefits available. In particular, a change to the KiwiSaver Act may affect minimum contribution rates, the level of Member Tax Credits, withdrawal options (including first home withdrawals) or the ability to opt out of KiwiSaver.

Service Provider Risk

16.71 Service provider risk is the risk that if any of the parties involved in the operation of the Scheme (including the Trustee, the Manager, AMP Services and from time to time underlying administration or fund managers) fail to perform their obligations, it could adversely affect members of the Scheme.

16.72 In addition, employers are responsible for collecting contributions from members and passing them to Inland Revenue who will pass them to the Manager, together with any employer contributions. There is a risk that an employer will fail to do so. If this occurs, it could adversely affect some or all of the members employed by that employer.

Risk of Losing PIE Tax Status

16.73 Although the Scheme comprises a number of Funds, it is structured as a single PIE for tax purposes. Accordingly there is a risk in respect of the Scheme that if a Fund fails to satisfy PIE eligibility criteria, and that failure is not remedied within the period permitted under the Income Tax Act 2007, all Funds may lose PIE status and revert to a widely held superannuation scheme taxed at a flat rate of 28% rather than at members' own PIE tax rates. The Manager has implemented processes to monitor ongoing PIE eligibility compliance within each Fund, and there are a number of powers available to proactively manage this risk.

Restrictions of withdrawals, transfers or switches

16.74 Subject to the requirements of the Trust Deed, as outlined on page 16, the Manager may determine at any time that to allow a withdrawal, a transfer from the Scheme or a switch between Funds would be impractical or imprudent. The Manager may then defer processing withdrawal, transfer or switch requests. Such a deferral may only exceed 90 days if the Trustee

has given its prior approval. Such delays may occur, for example, following the end of an income tax period, while the Manager finalises its tax calculations for the Scheme.

16.75 The managers and/or trustees of the underlying investment funds into which any Fund invests may suspend or defer giving effect to withdrawal requests in certain circumstances (and for an indefinite period of time in some cases). This may in turn restrict a member's ability to withdraw (or transfer) from the Scheme (or switch between Funds). For more information on suspension or deferral of withdrawals from the underlying investment funds, please contact the Manager.

Insolvency Risk

16.76 Insolvency risk is the risk of the Scheme becoming insolvent and being placed into receivership, liquidation or statutory management or being otherwise unable to meet its financial obligations. If this occurs, members may not recover the full amount of their interest in the Scheme.

Scheme Liquidity Risk

16.77 Scheme liquidity risk is the risk that the Scheme cannot meet payments on time and arises where there is a mismatch between the maturity profile of investments and the amounts required to meet withdrawal requests.

Borrowing Risk

16.78 Subject to certain conditions the Trustee must borrow if directed by the Manager to do so. As at the Registration Date, there is no borrowing and no intention of borrowing except to provide liquidity for the repayment or redemption of any units from time to time. Where borrowing has occurred in relation to a Fund, the lender will have the right to demand payment from that Fund and if there are insufficient assets in the Fund to repay the loan, the assets of other Funds in the Scheme could be used to meet the repayment.

Single Trust Fund Risk

16.79 Despite the Trustee and Manager having established separate Funds within the Scheme, which are designed to enable members to have their savings invested by reference to particular asset classes or mixes of asset classes, the assets of the Scheme comprise a single trust fund as at the Registration Date.

16.80 This means that although all liabilities incurred in relation to a Fund must be met in the first instance from the assets held for that Fund, in the unlikely event that the assets attributable to a particular Fund are insufficient to meet the liabilities attributable to that Fund, the assets of any other Fund may be called on to meet those liabilities.

16.81 Despite the assets of the Scheme comprising one single trust fund, the Manager keeps separate records for each Fund.

Switching and Changing Funds

16.82 As at the Registration Date members can switch their investment to another fund (or any two funds).

16.83 As at the Registration Date, the total amount of all switches requested at any one time must be at least $1,000 although the Manager may waive this requirement.

16.84 A member can also change funds by leaving their existing balance (and earnings on that balance) in their current fund and changing future contributions to another fund.

16.85 If a member has previously selected more than two funds, the member will need to reduce their choice to a maximum of two funds if they want to switch or change funds.

16.86 There are no restrictions on the number of switches a member can request.

16.87 Subject to the KiwiSaver Act, the Manager may defer giving effect to switches between Funds if it would be imprudent or is impracticable, due to the occurrence or existence of any circumstance or event relating to the Scheme or generally. Such a deferral may only exceed 90 days if the Trustee has given its prior approval.

Law Changes

16.88 A number of aspects of the Scheme, and of the KiwiSaver regime, described in this prospectus reflect the terms of the KiwiSaver Act, the KiwiSaver Regulations and income tax legislation (and Government policy) as at the Registration Date. The Trust Deed was also prepared having regard to the PIE tax rules, and to the securities and other legislation governing KiwiSaver schemes, as at the date when the Scheme was established.

16.89 When legislation or Government policy changes, the Manager and the Trustee will cooperate to make such amendments to the Trust Deed, and such other changes to the administration of the Scheme, as they may consider necessary or desirable in light of those changes.

16.90 An example is the Financial Markets Conduct Act, the first stage of which came into effect on 1 April 2014 and which came into full effect on 1 December 2014, subject to a transition period of up to two years. For more details see paragraph 6.187.

16.91 Certain aspects of the legislation, such as contribution rates, Government incentives, withdrawal rules and the tax treatment of investment income, will change from time to time.

General

16.92 Except as set out in this prospectus there are no other material matters relating to the Scheme.

17 MANAGER'S STATEMENT

17.1 The directors of the Manager, after due enquiry by them, hereby certify that in their opinion:

a) the value of the Scheme's assets relative to its liabilities (including contingent liabilities); and

b) the ability of the Scheme to pay its debts as they become due in the normal course of business;

have not materially and adversely changed during the period between the balance date of the latest financial statements referred to in this prospectus and the Registration Date.

18 KIWISAVER TRUSTEE'S STATEMENT

18.1 The trustee's statement required by clause 18 of schedule 5A of the Securities Regulations 2009 is attached to this prospectus.

SIGNED by each director of **AMP WEALTH MANAGEMENT NEW ZEALAND LIMITED**

as the Manager of the Scheme:

as agent

Gregory Paul Bird (or by his duly appointed agent)

Anthony George Regan (or by his duly appointed agent)

Thérèse Mary Singleton (or by her duly appointed agent)

Simon John Hoole (or by his duly appointed agent)

Elaine Jennifer Campbell (or by her duly appointed agent)

SIGNED on behalf of AMP SERVICES (NZ) LIMITED by two of its directors or by their agents authorised in writing as promoter:

Building a better working world

Ernst & Young
100 Willis Street
Wellington 6011 New Zealand
PO Box 490 Wellington 6140

Tel: +64 4 499 4888
Fax: +64 4 495 7400
ey.com

The Directors
AMP Wealth Management New Zealand Limited
Level 21 AMP Centre
29 Customs Street West
Auckland

22 September 2015

Ref: 60433941

Dear Directors

This report is issued in respect of the public offer by AMP Wealth Management New Zealand Limited, ("the Manager") of interests in the AMP KiwiSaver Scheme ("the Scheme"), in terms of the Prospectus dated 22 September 2015.

This report is made solely to the directors, in accordance with clause 14(4) of Schedule 5A to the Securities Regulations 2009 ("Schedule 5A"). Our work has been undertaken so that we might state to the directors those matters we are required to state to them in a report from the auditor and for no other purpose. To the fullest extent permitted by law and subject to Section 61 of the Securities Act 1978, we do not accept or assume responsibility to anyone other than the directors for this report, or for the opinions we have formed.

Managers' Responsibilities

The Manager is responsible for the preparation and presentation of the summary of financial statements of the Scheme for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 as required by clause 7 of Schedule 5A.

Auditor's Responsibilities

We are responsible for reporting, in accordance with clause 14(4) of Schedule 5A, on the amounts included in the summary of financial statements.

This report has been prepared for inclusion in the Prospectus for the purpose of meeting the requirements of clause 14(4) of Schedule 5A. We disclaim any assumption of responsibility for reliance on this report or the amounts included in the summary of financial statements for any purpose other than that for which they were prepared. In addition, we take no responsibility for, nor do we report on, any part of the Prospectus not mentioned in this report.

Ernst & Young provides other assurance services and agreed upon procedures services to the Scheme. We have no other relationship, or interest, in the Scheme.

Basis of Opinion

We have undertaken procedures to provide reasonable assurance that the amounts in the summary of financial statements, pursuant to clause 7 of Schedule 5A, have been correctly taken from the audited financial statements.

Unqualified Opinion

In our opinion the amounts in the summary of financial statements, on pages 47 to 49, pursuant to clause 7 of Schedule 5A have been correctly taken from audited financial statements of the Scheme for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

We completed our work for the purposes of this report on 22 September 2015 and our unqualified opinion is expressed as at that date.

Yours faithfully

Ernst & Young

Building a better working world

Ernst & Young
100 Willis Street
Wellington 6011 New Zealand
PO Box 490 Wellington 6140

Tel: +64 4 499 4888
Fax: +64 4 495 7400
ey.com

The Directors
AMP Wealth Management New Zealand Limited
Level 21 AMP Centre
29 Customs Street West
Auckland

22 September 2015

Ref: 60433941

Dear Directors

We hereby consent to the inclusion of our report dated 22 September 2015 in the prospectus of the AMP KiwiSaver Scheme dated 22 September 2015 in the form and the context in which it is included.

Yours faithfully
Ernst & Young

David Morrow
Partner

guardian trust

22 September 2015

The Directors
AMP Wealth Management New Zealand Limited

AMP KiwiSaver Scheme (the "Scheme") – Prospectus Dated 22 September 2015

In accordance with the requirements of clause 18 of Schedule 5A to the Securities Regulations 2009 we confirm that in the Trustee's opinion, in respect of the year ended 31 March 2015, AMP Services (NZ) Limited (the Manager during the relevant period) has managed the Scheme in accordance with the provisions of the Trust Deed for the Scheme and the offer of membership interests in the Scheme.

In connection with this opinion note that:

1. The Manager is responsible for managing the Scheme and issuing the Prospectus and the Investment Statement.

2. Our responsibility is to express an opinion on the management of the Scheme based on our supervisory role under the KiwiSaver Act 2006 (the "Act"). Under the Act our supervisory role involves supervision of the Manager's performance of its statutory functions and any other functions set out in the Scheme's Trust Deed. We do not provide any guarantees or assurances about the offer of interests in the Scheme.

3. We have obtained sufficient assurance from undertaking our supervisory activities to provide a basis for our opinion. However, there are inherent limitations in performing a supervisory role and we cannot provide an absolute assurance regarding the management of the Scheme.

4. We have disregarded any matter which we consider to be immaterial to members in the Scheme.

5. The inclusion of this Trustee's statement in the Prospectus should not be taken to imply that the Trustee has responsibility for the material in this Prospectus or the Investment Statement other than the Trustee's statement.

Signed for an on behalf of the Trustee
The New Zealand Guardian Trust Company Limited

M Tucker

M. L Tucker
Relationship Manager, Corporate Trusts

Authority for agent to sign a prospectus

(Pursuant to section 41(1)(b)(i) of the Securities Act 1978)

Issuer name: **AMP Wealth Management New Zealand Limited**

I, **Gregory Paul Bird**, being a director of **AMP Wealth Management New Zealand Limited**, hereby appoint and authorise each of:

a) Therese Mary Singleton;

b) Simon John Hoole,

c) Elaine Jennifer Campbell,

d) Anthony George Regan

being directors of **AMP Wealth Management New Zealand Limited**, severally to sign on my behalf as my agent:

(i) A prospectus dated on or about **22 September 2015** containing an offer of interests in the KiwiSaver scheme known as the **AMP KiwiSaver Scheme**, of which **AMP Wealth Management New Zealand Limited** is the Issuer; and

(ii) such reports, certificates, statements, documents or other papers referred in, or ancillary to, the prospectus as my agent may consider necessary or desirable for the purposes of issue and distribution of the prospectus.

_____ on 18/9/2015

Gregory Paul Bird