

BNZ KiwiSaver Scheme

Cash Fund



Quarterly Disclosure Statement for the period ended 30 September 2013

What is the purpose of this statement?

This statement provides key information about the BNZ KiwiSaver Scheme Cash Fund. It tells you how the fund has performed and what fees it charged, and will help you to compare it with other funds. We prepared this statement in accordance with the KiwiSaver (Periodic Disclosure) Regulations 2013. This information is not audited and may be updated.

Description of the fund

The Cash Fund may suit you if you have a short term investment horizon (for example, someone who may be saving for their first home through the BNZ KiwiSaver Scheme) or if you have a very cautious approach to investing.

The returns from the Cash Fund (before tax, fees and expenses) will be similar to the returns from bank deposits.

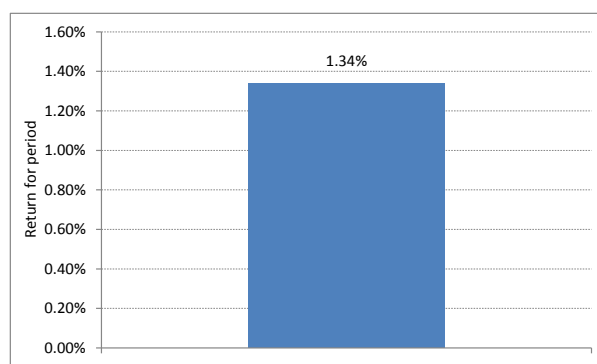
Total value of the fund	\$18,169,690.00
Number of members in the fund	6,356
Date the fund started	11 February 2013

How has the fund performed?

	Past period (11 February to 30 September 2013)
Return¹ (after deductions for fund fees and tax ²)	1.34% ³

How has the fund performed in the past?

The fund has not been in existence for a full tax year. Therefore the graph shows only the return since the fund started⁴. It's important to note that this doesn't tell you how the fund will perform in the future³.



What fees were members charged?

The returns above are after deductions for **fund fees⁵**. These fees were last totalled up for the four week period 2 March 2013 to 31 March 2013⁶ and were:

Total fund fees⁷	0.01% of members' investments
<i>Which are made up of:</i>	
Annual management fee	0.01%
Performance-based fees	0.00%
Other fees and costs	0.00%

Members were also charged **membership fees⁸** of **\$4.00** over the two month period 11 February 2013 to 31 March 2013⁹.

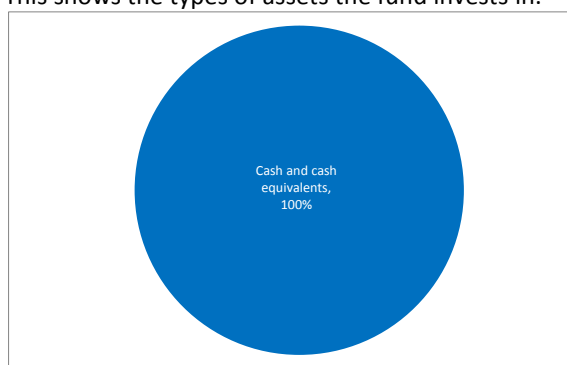
Example of how this applies to a member

John had \$10,000 in the fund at the start of the period commencing 11 February 2013 and didn't make any further contributions. At the end of the period, John received a return after fund fees and tax were deducted of \$134.00¹⁰ (that's 1.34%³ of his initial \$10,000). John also paid \$4.00 in membership fees. This gives John a total return of \$130.00¹¹ for the period¹².

What does the fund invest in?

Actual investment mix

This shows the types of assets the fund invests in.



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Cash and cash equivalents	100.00%
New Zealand fixed interest	0.00%
International fixed interest	0.00%
Australasian equities	0.00%
International equities	0.00%
Listed property	0.00%
Unlisted property	0.00%
Unknown	0.00%
Other	0.00%

Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	BNZ Treasury Call Account	97.66%	Cash and cash equivalents	New Zealand	
2	BNZ on call bank account	2.34%	Cash and cash equivalents	New Zealand	

The top 10 investments make up 100.00% of the fund.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

Name	Current position	Time in current position	Previous or other position	Time in previous or other position
Peter Gunning	Chief Executive Officer – Asia Pacific, Russell Investments	1 month	Global Chief Investment Officer, Russell Investments	5 years, 7 months
Robert Moore	Research Analyst - Fixed Income Australasia, Russell Investments	2 years, 9 months	Director – Strategic Risk Group, Westpac Institutional Bank	1 year, 2 months
Daniel Mussett	Head of Consulting – Australasia, Russell Investments	2 years, 9 months	Senior Investment Consultant – Europe, Mercer	2 years, 10 months
Martin Boulanger	Consulting Analyst - New Zealand, Russell Investments	2 years, 11 months		
Noah Schiltknecht	Manager, Client Investment Strategies, Russell Investments	5 months	Consultant, Russell Investments	1 year, 9 months

Further information

Information about conflicts of interest

There have not been changes to the nature, or increases in the scale of, the fund's related-party transactions compared with the last quarter. See the BNZ KiwiSaver Scheme annual financial statements for more information about the scheme's related party transactions¹³.

Changes to valuation methods

There have not been changes to the fund's valuation methods in the past three months.

Electronic disclosure of this information

Most of the information contained in this statement, including some additional information, is available in a spreadsheet at: www.bnz.co.nz/personal-banking/investments/kiwisaver/bnz-kiwisaver-scheme/bnz-kiwisaver-scheme-periodic-disclosures

Contact details

Tel: 0800 269 5494

Website: www.bnz.co.nz/kiwisaver

Investment Statement: <http://www.bnz.co.nz/static/www/docs/financials/kiwisaver-investment-statement.pdf>

Notes

¹ The date the fund started was 11 February 2013. This means that the **Return** is for the period 11 February 2013 to 30 September 2013. It does not represent a twelve month return.

² Returns in this statement are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax rate may be lower.

³ This disclosure statement has been changed from the version published on 21 October 2013, by substituting a return of 1.34% for the previously stated return of 0.73%. The change was made following advice from our Administration Manager that the previously stated return was incorrect.

⁴ The date the fund started was 11 February 2013. This means that the **Return** is for the period 11 February 2013 to 30 September 2013. It does not represent a twelve month return.

⁵ **Fund fees** are fees charged as a percentage of a member's interest in the fund (i.e. as a percentage of their KiwiSaver account balance).

⁶ The date the fund started was 11 February 2013. The fund started charging the **Annual management fee** on 2 March 2013. The **Total fund fees** shown reflect the actual fees charged between 2 March 2013 and 31 March 2013.

⁷ The basis for calculating **Total fund fees** for the purposes of this disclosure statement is materially different to how **Total fund fees** are charged in the fund. The **fund fees** disclosed are based on the fees charged in the period 2 March 2013 to 31 March 2013 and the month end net asset values on 28 February 2013 and 31 March 2013. The fund's actual **annual management fee** is charged at 0.30% per annum of the average daily Gross Asset Value.

⁸ **Membership fees** are the fixed dollar charges for membership in the KiwiSaver Scheme.

⁹ **Membership fees** in the BNZ KiwiSaver Scheme are \$2 per member per month and are charged proportionately where a member invests in more than one BNZ KiwiSaver Scheme fund. The BNZ KiwiSaver Scheme started charging **Membership fees** on 11 February 2013. The **Membership fees** shown reflect the actual fees charged between 11 February 2013 and 31 March 2013.

¹⁰ This disclosure statement has been changed from the version published on 21 October 2013, by substituting a return of \$134.00 for the previously stated return of \$73.00. The change was made following advice from our Administration Manager that the previously stated return was incorrect.

¹¹ This disclosure statement has been changed from the version published on 21 October 2013, by substituting a return of \$130.00 for the previously stated return of \$69.00. The change was made following advice from our Administration Manager that the previously stated return was incorrect.

- ¹² The fund started on 11 February 2013. The return in this example is based on the **Return** calculated for the period 11 February 2013 to 30 September 2013 and the **Membership fees** charged in the period 11 February 2013 to 31 March 2013.
- ¹³ The first annual financial statements for the BNZ KiwiSaver Scheme will be issued for the period ended 31 March 2014. These are expected to be publicly available by August 2014.

Manager's Certificate

This disclosure statement has been prepared for the purposes of the KiwiSaver (Periodic Disclosure) Regulations 2013 ("the Regulations").

To the best of BNZ Investment Service's Limited's knowledge, after making reasonable inquiry, all information required by the Regulations has been disclosed in accordance with the Regulations and the information presented is accurate.

This disclosure statement does not contain any matter that is likely to deceive or mislead with regard to any particular that would be material to an offer of an interest in the BNZ KiwiSaver Scheme.

Signed by BNZ Investment Services Limited



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Christopher Harril Reid



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Nicolette Lisa Fowler

Date: 13 December 2013