

Booster KiwiSaver Scheme

Product Disclosure Statement

Single-sector and Specialty Funds

Offer of membership in the Booster KiwiSaver Scheme

28 September 2021

Issuer: Booster Investment Management Limited

This document replaces the Product Disclosure Statement dated 3 November 2020

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.disclose-register.companiesoffice.govt.nz. Booster Investment Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you make an investment decision.

1. Key information summary

What is this?

This is a managed investment scheme.

Your money will be pooled with other investors' money and invested in various investments.

Booster Investment Management Limited will invest your money and charge you a fee for its services.

The returns you receive are dependent on the investment decisions of Booster Investment Management Limited and the performance of the investments. The value of those investments may go up or down.

The types of investments and the fees you will be charged are described in this document.

What will your money be invested in?

Booster KiwiSaver Scheme (**Scheme**) has a range of funds for you to choose from.

This Product Disclosure Statement (**PDS**) covers three fund options. These funds are summarised on the following page.

More information about the investment target and strategy for each fund is provided at Section 3 – *Description of your investment options*.

If you'd like to know about the other funds visit www.booster.co.nz, contact us, or ask your financial adviser.

Who manages the Booster KiwiSaver Scheme?

Booster Investment Management Limited (**we, our, or us**) is the manager of the Scheme.

You'll learn more about us in Section 7 – *Who is involved?*

How can you get your money out?

The Scheme is a KiwiSaver scheme. It's primarily designed to help you save for your retirement so usually you can only start taking your money out when you are eligible for a retirement withdrawal.

However, life is never predictable and there are certain circumstances under the KiwiSaver Act 2006 (**KiwiSaver Act**) when money can be taken out earlier, including:

- purchasing your first home or land to build your first home
- significant financial hardship
- serious illness
- life-shortening congenital condition
- permanent emigration
- tax or student loan obligations on savings transferred from an overseas superannuation scheme (excluding Australia)
- law or court order requiring us to release some or all of your savings
- savings transferred from an Australian complying superannuation scheme when you reach age 60 and satisfy the Australian legislative definition of 'retirement'.

Minimum amounts apply to partial withdrawals.

In the event of your death, your money will be paid to your estate.

See Section 2 - *How does this investment work?* for more information about withdrawals.

How will your investment be taxed?

The Scheme is a portfolio investment entity (**PIE**) for tax purposes.

The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (**PIR**). To determine your PIR, go to www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate or the application form.

See Section 6 – *What taxes will you pay?* on page 11 for more information.

Where can you find more key information?

We are required to publish quarterly updates for each fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at www.booster.co.nz.

We will also give you copies of those documents on request.

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2. How does this investment work?

This PDS is for membership of the Scheme.

The Scheme is registered as a KiwiSaver scheme under the Financial Markets Conduct Act 2013 and is a Government-appointed default KiwiSaver scheme.

KiwiSaver is a voluntary savings initiative designed to encourage New Zealanders to save for their retirement. Most Kiwis can join and benefit from KiwiSaver. If you're working, contributions are deducted from your pay. If you're not working or you're self-employed you can contribute directly.

Structure of the Scheme

The Scheme is governed by a trust deed, which is an agreement between us and the Scheme's supervisor, Public Trust.

The Scheme is a managed investment scheme. This means that your money is pooled with other members' money and invested in various assets. A managed investment scheme can give you access to investments that you may not be able to access as an individual.

There are three funds covered by this PDS, each with a different investment objective and strategy. You do have more funds to choose from – see *How to switch between funds* on page 6 for more information.

When you invest your money in a fund, you receive units. Units represent your share of the investments in that fund. The unit price multiplied by the number of units you have in a fund shows what your share of that fund is worth at any time. If the fund's investment value goes up, your units will be worth more. If the value goes down, your units will be worth less.

The investments of each fund are separately accounted for and the assets of one fund cannot be used to meet the liabilities of another.

It's important to note that the Scheme is not guaranteed by the Government, the Supervisor, the Custodian, us, or any other person.

Why invest

The key benefits of investing in the funds covered by this PDS include:

Diversification. Your money is combined with other investors' money, giving you access to a wider variety of investments than you could usually achieve on your own.

Experience. The investments are managed by experienced professionals.

Flexibility. You can choose from a range of funds. You can make voluntary contributions of any amount. There are no establishment, contribution or switching fees.

Responsible investing. We include environmental, social and governance criteria in our assessment of investments for the funds in this document.

Knowledge. We keep you up to date about your investment with regular reporting and communications. You can easily access information about your investment online.

Extras. A free Accidental Death Cover of up to \$50,000 is available to investors who pay the standard member fee or have had the fee waived due to a balance of less than \$500, and meet certain eligibility criteria. For more information, see the Other Material Information (OMI) document available on our website www.booster.co.nz.

Joining the Scheme

Who can join

To join the Scheme, you need to be:

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

Government employees serving outside New Zealand may also be eligible to join in certain circumstances.

If you are already a KiwiSaver member, you can transfer to the Scheme from another KiwiSaver scheme at any time.

How you can join

There are three ways you can join and become a member of the Scheme:

- 1. Joining directly or transferring in.** If you're aged 18 and over and have NZ ID, you can join or transfer in online at www.booster.co.nz. If you don't have NZ ID, prefer not to join online, or are under 18, you can join or transfer in by completing the application form at the back of this PDS.
- 2. Chosen by your employer.** When you start a new job, you may be enrolled automatically if your employer has selected the Scheme as their chosen scheme. If you're already in another KiwiSaver scheme this automatic enrolment won't apply and you'll need to complete the application form at the back of this PDS or join online.
- 3. Allocated by Inland Revenue.** The Scheme is one of the default KiwiSaver schemes. This means that if you start a new job, and neither you nor your employer have chosen a specific KiwiSaver scheme to join, you may be automatically enrolled in the Scheme by Inland Revenue.

Section 10 – *How to apply* has more information on how to join the Scheme.

If you've been automatically enrolled in KiwiSaver when starting a new job, you can opt out, provided you do so between the 14th day and the 56th day after you start your new job. For more information on opting out, visit www.ird.govt.nz/kiwisaver.

Which funds can you choose?

When you join the Scheme you can choose to invest in between 1 and 5 funds. If you choose more than 1 fund, you must invest at least 10% in each fund and total 100% across all funds. If you're automatically enrolled to the Scheme by Inland Revenue, your money will be invested in the Default Saver Fund.

You can either stay in this fund or choose other fund(s) to invest some, or all of your money in, at any time – it's up to you.

Making investments

One of the great things about KiwiSaver is that you can choose to invest 3%, 4%, 6%, 8% or 10% of your salary or wages. If you're in employment you may also get an employer contribution (see '*If you're employed*' under '*How you invest*' for more information).

You may also qualify for a government contribution. If you're aged 18 and over, the Government will contribute 50 cents for every dollar you contribute between 1 July and the following 30 June. To get the maximum government contribution of \$521.43, you'll need to contribute \$1,042.86. For more information, visit www.booster.co.nz.

How you invest

Below we explain how much you can invest depending on your situation.

If you're employed. You can choose to contribute 3%, 4%, 6%, 8%, or 10% of your gross (before tax) salary or wages. If you don't choose a rate, or have been automatically enrolled in the Scheme by Inland Revenue, it will be set to 3%.

If you want to change your rate, you'll need to tell your employer. You can do so every three months or more often if your employer agrees.

Your employer will deduct your contributions from your pay and send it to Inland Revenue who pays the contributions (and any interest) to the Scheme.

If you're contributing at least 3%, you will be entitled to an employer contribution of 3% of your gross (before tax) salary or wages, unless:

- you're under age 18; or
- you have reached the age of eligibility for New Zealand superannuation (currently 65) and are eligible to make a retirement withdrawal; or
- your employer is contributing to another eligible registered superannuation scheme for you; or
- you have made a life-shortening congenital condition withdrawal.

Employer's superannuation contribution tax (**ESCT**) will be deducted from any employer contributions before being paid to your account.

You can also make voluntary contributions at any time (see below).

If you're self-employed. If you pay yourself through the PAYE system, you're considered to be both an employee and employer. This means you must contribute at least 3% of your gross (before tax) income and make employer contributions of 3%.

If you don't use the PAYE system, you can make voluntary contributions at any time.

If you're not working or not contributing. You can make voluntary contributions at any time.

Voluntary contributions are a great way to top up your KiwiSaver savings. You can make regular or one-off contributions directly to your Scheme account by direct debit or internet banking. There are no minimum amounts. Other people can also make contributions on your behalf.

Another way to invest in the Scheme is by transferring your savings from another KiwiSaver scheme, or from a New Zealand or overseas superannuation scheme. To transfer savings from an Australian complying superannuation scheme, you must have permanently emigrated to New Zealand.

If you want to take a break from making contributions, you can apply to Inland Revenue to take a 'savings suspension' for a minimum period of 92 days and a maximum period of one year. You need to have made a contribution to KiwiSaver and been a member for 12 months or more to be eligible, however there are exceptions for financial hardship. For more information on taking a savings suspension, visit www.ird.govt.nz/kiwisaver.

Withdrawing your investments

It's important to understand that the purpose of KiwiSaver is to help you save for your retirement. However, early withdrawals are permitted in limited circumstances. The rules around these withdrawals are strict and we encourage you to visit www.booster.co.nz for more information.

This table sets out the main types of withdrawal and what can be withdrawn.

	Member contributions	Employer contributions	Government contributions	\$1000 Kick-start (if any ⁶)	Australian complying superannuation (savings transferred)
Reaching superannuation qualification age ⁷	✓	✓	✓	✓	✓
First home purchase ⁸	✓	✓	✓		
Significant financial hardship	✓	✓			✓
Serious illness	✓	✓	✓	✓	✓
Life-shortening congenital condition ⁹	✓	✓	✓	✓	✓
Permanent emigration to a country other than Australia ¹⁰	✓	✓		✓	
Permanent emigration to Australia ¹¹	✓	✓	✓	✓	✓
Death	✓	✓	✓	✓	✓
Foreign superannuation transfers - paying NZ tax or student loan obligations	✓	✓			
Retirement withdrawal of Australian savings from age 60					✓
As directed by a Court Order	✓	✓	✓	✓	✓

⁶ You will only have received a \$1,000 kick-start contribution from the Government if you first joined KiwiSaver before 2.00pm on 21 May 2015.

⁷ If you joined KiwiSaver before 1 July 2019 and are aged 65 or over, you can opt out of the 5-year lock in period by notifying us. If you do that, from age 65 you will no longer be eligible to receive any government contributions and your employer can stop their contributions.

⁸ You must leave at least \$1,000 in your member account after the withdrawal. Even if you have owned a home before, you may still be eligible – see www.kaingaora.govt.nz for more information.

⁹ If you make a life-shortening congenital condition withdrawal you will be treated as if you have reached the New Zealand superannuation qualification age and you will no longer be entitled to government contributions or compulsory employer contributions.

¹⁰ Withdrawals can only be made one year after your permanent emigration.

¹¹ Your savings will be transferred to an Australian complying superannuation scheme.

A few more important things about withdrawals

We may have to release some or all of your savings if required by law or a court order.

You can transfer your savings to another KiwiSaver scheme; however you can only belong to one KiwiSaver scheme at a time. Transferring may result in a United Kingdom (UK) tax penalty if your savings include money transferred from a UK pension scheme.

You can't borrow against your KiwiSaver savings, nor can you use them as security for a loan. You cannot assign or sell your KiwiSaver account to another person, unless it's required by a court order.

Making a withdrawal

To withdraw some or all of your savings, you'll need to complete the appropriate withdrawal form, available through Booster's online member portal, mybooster, by contacting us, or from your financial adviser.

Neither us, nor the Supervisor can approve a withdrawal request unless it meets the requirements of the KiwiSaver Act.

Withdrawal requests will normally be processed within 10 working days of receiving the request (but could take up to 21 working days). In very unusual circumstances it may take longer and will be managed on a case-by-case basis. We can delay the payment of withdrawals from a fund(s) if we believe that making payments is not practicable or in the best interests of all investors in that fund(s).

When a full withdrawal is made, tax will be deducted or refunded before the money is paid out. For partial withdrawals, while tax will normally be deducted or refunded at the end of the tax year, we may make a deduction from the amount payable to ensure that enough money remains in your account to cover any tax payment.

How to switch between funds

At any time, you can change the funds that your current savings and/or any future contributions are invested in. You can do this online or by completing an investment switch form available in mybooster, by contacting us, or your financial adviser. Remember that you can invest in up to five funds as long as you invest at least 10% of your savings in each fund and total 100% across all funds.

This PDS provides information on the Booster KiwiSaver Scheme Single-sector and Specialty Funds. There are additional funds you can invest in which are not covered in this document. You can learn about them in the following PDSs available at www.booster.co.nz, by contacting us, or from your financial adviser:

- Booster KiwiSaver Scheme – Default Saver Fund;
- Booster KiwiSaver Scheme – Multi-sector Funds;
- Booster KiwiSaver Scheme – Socially Responsible Investment Funds; and
- Booster KiwiSaver Scheme – Asset Class Funds.

3. Description of your investment options

What we mean when we talk about

- **Income assets** = cash and fixed interest investments.
- **Growth assets** = equities (shares) and property investments.
- **Capital growth** = the profit made (money gained) when a fund's investments increase in value.
- **Gearing/Leverage** – is using borrowed money to buy an investment with the expectation that the profit on the investment will be more than the interest on the loan.

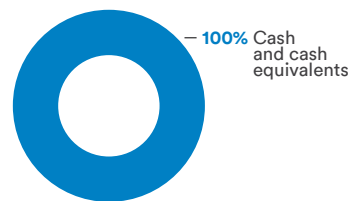
- **Options contract** – where a buyer and seller enter into an agreement which gives the owner of the option contract the right, but not the obligation, to either sell a specified amount of a particular investment (such as a share) at a later date at an agreed upon price (**a put option**), or, to buy a specified amount of a particular investment (such as a share) at a later date at an agreed upon price (**a call option**).

Enhanced Cash Fund

Investment objective and strategy

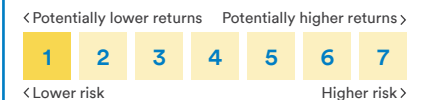
- The fund's objective is to provide a stable return from interest income, that is comparable or above 'on call' bank accounts.
- It aims to achieve returns (after fees but before tax) ahead of the Official Cash Rate over any two year period.
- The fund invests entirely in income assets.

Target investment mix



Growth assets **0%** | Income assets **100%**

Risk indicator



Minimum suggested investment timeframe

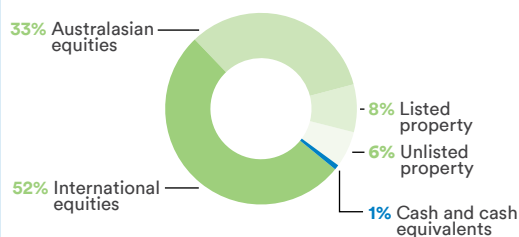
No minimum timeframe

Shielded Growth Fund

Investment objective and strategy

- The fund's objective is to provide long-term capital growth by investing predominantly in growth assets, while partially shielding the fund against some of the more significant short-term downside risks.
- This is achieved by using a strategy which will typically involve, but is not limited to, holding put options which provide protection on around 30% of any fund losses above a 10% fall in global share markets. The level of protection will typically vary between 20% and 50% of the fund, depending on our view of a range of factors such as cost, market volatility and risk.
- It aims to achieve returns (after fees but before tax) of at least 3.5% per year above inflation over any seven year period, after the cost of the options strategy.
- There will be significant movements up and down in the value of the fund, but less significant short-term downward movements than the High Growth Fund.

Target investment mix



Growth assets **99%** | Income assets **1%**

Risk indicator



Minimum suggested investment timeframe

7 years

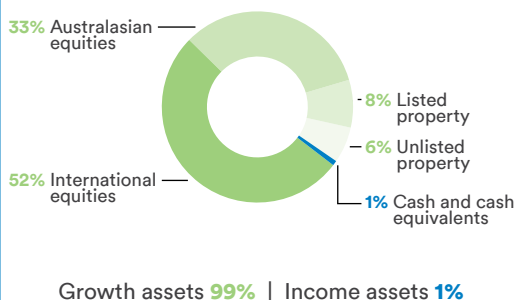
¹² Because the Shielded Growth Fund started in May 2018, the risk indicator has been calculated using market index returns for the period 1 July 2016 to 30 June 2018 and actual returns for the period 1 July 2018 to 30 June 2021. As a result, the risk indicator may provide a less reliable indication of the potential future volatility of the fund.

Geared Growth Fund

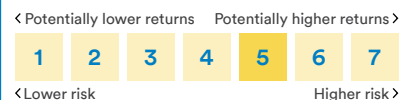
Investment objective and strategy

- The fund's objective is to enhance the expected performance from investing in growth assets by gearing the fund to maximise the returns from capital growth over the long-term. The level of gearing can vary between 0-50% of the fund's value.
- It aims to achieve returns (after fees but before tax) of at least 5.5% per year above inflation over any fifteen year period.
- There will be significant movements up and down in the value of the fund.
- The fund invests predominantly in growth assets, with little or no allocation to income assets and may borrow to leverage up the total exposure to equities.

Target investment mix



Risk indicator



Minimum suggested investment timeframe

15 years

For more information on the risks of investing in the Geared Growth Fund, see Section 4 - *What are the risks of investing - Other specific risks* and the OMI document available on our website.

Responsible investment

Responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this PDS. You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures on our website at www.booster.co.nz.

Statement of Investment Policy and Objectives

If you would like to learn more about the funds, you can read the Statement of Investment Policy and Objectives (SIPO). The most current SIPO for the Scheme can be found on our website www.booster.co.nz.

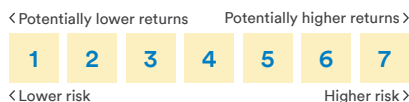
We may change the SIPO from time to time without notifying you. We will consult with the Supervisor and give them written notice of any changes before they take effect. Any material changes will be advised in the Scheme annual report.

Further information about the assets in the funds can be found in the fund updates at www.booster.co.nz.

4. What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.



The risk indicator for each fund covered in this PDS can be found on page 2.

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

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.booster.co.nz/investor-quiz.

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading "Other specific risks") that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 30 June 2021. While risk indicators are usually relatively stable, they do shift from time to time.

You can see the most recent risk indicator in the latest fund update for each fund. Fund updates are published each quarter on www.booster.co.nz.

We believe that the period of returns used to calculate the risk ratings may not be representative of the average investment cycle for the funds and therefore the risk indicators shown may be different if calculated over longer-term investment periods.

General investment risks

Some of the things that may cause the fund's value to move up and down, which affect the risk indicator, are:

Asset class risk. The risk for each fund is largely determined by the mix of assets in the fund. Funds with more growth assets such as shares generally suffer bigger and more frequent losses and gains over the long-term than funds with more income assets such as fixed interest investments.

Market risk. This is the risk that a fund experiences loss due to factors that may impact the overall performance of financial markets. These factors include, but are not limited to, economic and regulatory conditions, political events, environmental and technological issues.

Manager risk. This is the risk that a fund underperforms because of the way we, or an investment manager that we have selected, manages the fund's investments.

Currency risk. This is the risk that the value of international investments may fall if the value of the foreign currencies in which these investments are held falls (relative to the New Zealand dollar).

Interest rate risk. This is the risk that interest rates on fixed interest investments increase, causing a drop in their value. This has more impact on funds with a higher exposure to longer term fixed interest investments.

Share market risk. This is the risk that share markets or the value of specific shares drop in response to negative information. This has more impact on funds with a higher exposure to shares.

Credit risk. This is the risk that the value of a fixed interest investment drops because there are doubts about the ability of a borrower to meet their future payment obligations. This has more impact on funds with a higher exposure to fixed interest investments.

Liquidity risk. This is the risk that a fund is unable to sell an investment at the desired time, or will be sold at a lower value than would be expected in normal market conditions, which could impact the value of the investment and returns.

Settlement risk. This is the risk that the other party to a transaction by a fund, or an intermediary used, fails to deliver on their obligations, which may result in a loss of value to the fund.

Other specific risks

There are other factors, not already reflected in the risk indicators that may significantly impact returns for investors.

Geared Growth Fund risk. The risk that if the income from investments does not change but interest payments on borrowed funds increase, the fund will incur additional interest costs that need to be covered. We take this into account when setting the level of gearing, by aiming to limit the amount of borrowing so that total net borrowing costs do not exceed total net returns. Gearing also magnifies the short-term movements in the value of the fund.

For more information on the risks of investing in the Scheme, see the OMI document available on our website www.booster.co.nz.

5. What are the fees?

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

- regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long-term;
- one-off fees (for example, account closure fee).

Fund	Annual fund charges (AFC)	AFC on balance between \$200k - \$500k	AFC on balance between \$500k - \$1m	AFC on balance between \$1m - \$2m	AFC on balance over \$2m	Interest costs on geared funds
	<i>(estimated)</i>	<i>(estimated)</i>	<i>(estimated)</i>	<i>(estimated)</i>	<i>(estimated)</i>	<i>(estimated)</i>
Enhanced Cash Fund	0.82%	0.52%	0.32%	0.22%	0.00%	
Shielded Growth Fund	1.36%	1.06%	0.86%	0.76%	0.54%	
Geared Growth Fund	1.75%	1.45%	1.25%	1.15%	0.93%	1.48% p.a
Member fee	The standard member fee is \$36 per year (\$3 per month). This fee is only charged if the balance of your account is over \$500.					
Account closure fee	If you close your account, you'll be charged a fee of \$30.					

Goods and services tax (GST) is not included in any of the fees stated. GST will be added to any fees where applicable.

To learn more about these fee discounts, we recommend you read the 'annual fund charges' section below and the examples in the OMI document available on our website.

Annual fund charges

The annual fund charges include all charges associated with investing in the funds excluding one-off fees relating to individual member actions (such as an account closure fee). The annual fund charges include:

An annual management fee. This fee covers our administration and investment management fees, the Supervisor's fee, and the regular costs and expenses of running the Scheme (such as audit fees and legal fees). It is calculated daily as a percentage of the net asset value of the fund and paid monthly. This fee also covers the fees of any funds in which the funds invest other than performance-based fees which currently only apply in relation to the funds that invest into the Booster Tahī LP and the Booster Innovation Fund. 0.50% of our annual management fee will be rebated on the amount invested in Booster Tahī LP. No rebate applies to the Booster Innovation Fund performance fee.

If you have more than \$200,000 invested in the Scheme, you may be eligible for a discounted annual fund charge on your investments in the Scheme above this amount. The fee discount will be paid as a rebate and will be calculated daily as a percentage of the total value of your relevant investments in the Scheme and applied at the end of each month to buy additional units in the relevant fund(s). The discounted fees that apply are outlined in the table above.

If you hold any portion of your investment in one or more of the Asset Class Conservative Fund, Asset Class Balanced Fund, or Asset Class Growth Fund an alternative discounted fee structure will be applied to your entire balance in the Scheme. Please refer to the Booster KiwiSaver Scheme – Asset Class Funds PDS for more information about the alternative fee structure.

Please note: if you hold any portion of your investment in the Default Saver Fund or the Conservative Fund, no fee rebates will be applied to any of your balance.

A foreign exchange facilitation fee. This fee, of up to 0.50% of any net foreign exchange transaction, may be charged directly or indirectly to the funds which invest in funds managed by us. It is deducted from the relevant fund or underlying fund and paid to Booster Custodial Administration Services Limited.

This fee does not apply to the Enhanced Cash Fund. For all other funds, the annual fund charges include an estimate for this fee.

Performance-based fees. The Shielded Growth and Geared Growth Funds may each invest a portion of their net asset value in the Booster Tahī LP and the Booster Innovation Fund. The Booster Tahī LP is a limited partnership which invests in private (or unlisted) small to medium sized New Zealand companies. The Booster Innovation Fund is a managed investment scheme which invests indirectly in unlisted shares in early-stage companies founded on New Zealand developed intellectual property. The managers of the Booster Tahī LP and the Booster Innovation Fund are paid performance fees and an estimate of these performance-based fees is included in the annual fund charges above.

The performance fees payable to Booster Tahī LP and the Booster Innovation Fund, and charged indirectly to each relevant fund, are based on the calculations described below rather than the market index of the relevant fund. This means that you may pay these performance fees even

if the fund does not match or beat the return of its market index.

Any performance fee charged will be reflected in the unit price of each relevant fund.

Details of the Booster Tahī LP and Booster Innovation Fund performance-based fee are detailed below.

In addition, us and the Supervisor are entitled, under the Scheme's trust deed, to be reimbursed for all non-regular and extraordinary costs and expenses incurred whilst acting as the manager or supervisor of the Scheme, that are not covered by the annual management fee.

Geared Growth Fund

The Geared Growth Fund's total annual fund charge includes an estimate for the gearing fee (which is 1.1% of the amount borrowed, calculated daily). The estimate used in the annual fund charge is 0.39% which takes into account the actual costs charged to the fund in the last financial year. However, this cost may be higher or lower each year, depending on the level of gearing (which can vary between 0-50% of the fund's value – with a typical ratio of approximately 35%).

Interest costs on geared funds

Interest paid on the money borrowed by a fund is separately disclosed in the fees table. The interest cost in respect of the Geared Growth Fund is estimated to be 1.48% p.a. which takes into account the actual costs charged to that fund in the last financial year. However, interest cost will vary in each year, depending on the level of gearing. The Geared Growth Fund gearing can vary between 0-50% of the fund's value and the interest paid on the amount borrowed. For the most current charges, please refer to the Geared Growth Fund update on www.booster.co.nz.

Performance-based fees – Booster Tahī LP

Booster Tahī LP's performance-based fee is described below:

- Hurdle rate of return.** A performance fee is payable to Booster Funds Management Limited, as manager of Booster Tahī LP, where the combination of income before tax and fees (income return) and capital gains on its investments (capital gains), together referred to as the total return, over the financial year ended 31 March is more than 5% above the New Zealand 90-day bank bill rate.
- Amount of the performance fee.** To the extent the total return of Booster Tahī LP exceeds the hurdle rate of return (subject to the high-water mark described below) (the 'excess'):
 - 33% of the excess that relates to the income return is payable in cash; plus
 - 10% of the excess that relates to capital gains on its investments is payable in the form of bonus units in Booster Tahī LP.

When calculating the fee, the income return is applied against the hurdle return first.

- High-water mark.** The performance fee payable on capital gains in Booster Tahī LP is subject to a high-water mark. No performance fee is payable on capital gains until both:
 - the total return exceeds the hurdle rate, and
 - the investment value exceeds the higher of:

- i. the value when a performance fee was last paid; and
- ii. the value last set when the total return fell below the hurdle rate (in each case adjusted where any performance fee has been refunded).

This means a performance fee will not be payable for the same performance twice, nor where the performance falls below the hurdle rate of return in a year. Because the performance fee is payable on the total return of Booster Tahī LP, any return that was part of the calculation of the income return portion of any performance fee cannot also be part of the calculation of a capital gain performance fee.

Refund of performance fees. If the value of Booster Tahī LP's investments has fallen over the financial year, Booster Funds Management Limited will repay to Booster Tahī LP 10% of the fall in value, up to a maximum of the total income performance fees paid during the relevant year. If any of Booster Tahī LP's investments are sold for less than its cost, Booster Funds Management Limited will repay to Booster Tahī LP 10% of the loss in value from the bonus units issued to it (to the extent the loss has not already been refunded from fees). Any repayment will be limited to the bonus units held by Booster Funds Management Limited.

4. Frequency of calculation and payment.

The performance fee is calculated annually. The fee is estimated daily, and provisional payments may be made quarterly.

Performance-based fees—Booster Innovation Fund

Booster Innovation Fund's performance-based fee is described below.

1. **Hurdle rate of return.** A performance fee is payable to us, as manager of the Booster Innovation Fund (BIF), where the BIF's return is in excess of 10% p.a. which approximates the 30 year New Zealand equity market return.
2. **Amount of the performance fee.** 20% of the return above the hurdle rate is payable as a performance fee.
3. **High-water mark.** The fee is only payable for returns in excess of the hurdle rate after any prior year losses have been covered (i.e. the manager cannot be rewarded for the same performance twice).
4. **Frequency of calculation and payment.** The fee is calculated and accrued in the unit price on a daily basis. The fee is paid only in the form of units in the BIF on an annual basis. We are restricted from redeeming those units to the BIF, and can only sell our units to other investors.

Maximum limit of the fee

Shielded Growth Fund. To limit the impact of the performance fee payable to Booster Tahī LP and Booster Innovation Fund, there is a cap on the annual fund charge of 1.99%.

If the amount of the fee paid to the managers of Booster Tahī LP and Booster Innovation Fund would result in the fund paying a total fee across all its investments higher than this amount, then a rebate is paid to the fund to ensure the capped fee is not exceeded.

Geared Growth Fund. To limit the impact of the performance fee payable to Booster Tahī LP and Booster Innovation Fund, there is a cap on part of the Geared Growth Fund's total annual fund charge. The cap of 1.99% applies to all fees other than the gearing fee charged and interest paid on any amount borrowed by the fund. The portion of the fee subject to a cap is currently estimated at 1.37%. If the amount of the fee paid to the manager of Booster Tahī LP and Booster Innovation Fund would result in the capped portion of the fee being higher than 1.99%, then a rebate is paid to the Geared Growth Fund to ensure the capped portion of the fee is not exceeded.

Other charges

Member fee

This fee covers the costs of administering your account, including the cost of compliance imposed by legislation and regulation; and costs associated with member onboarding, maintenance and ongoing reporting activities. This fee also covers costs associated with the development and provision of technology tools such as apps and educational tools. The member fee is deducted from your account each month and paid to us.

Individual action fees

Account closure fee

This fee covers the administration costs of closing your account when you make a full withdrawal of your savings. It's deducted from the withdrawal amount and paid to us.

Other individual action fees

There is currently no contribution, establishment, or withdrawal fee charged (other than when your account is closed). You may be charged fees on an individual basis for investor-specific decisions or actions (such as a switching fee).

Transaction costs

We may, at our discretion, apply transaction costs to a fund's unit price where these have been incurred as a result of a fund buying or selling investments due to member applications or redemptions. Transaction costs are retained within the funds and are not a fee that is paid to us.

For more information on the Scheme fees and charges see the OMI document on our website www.booster.co.nz.

The fees can be changed

Any new fees or changes to existing fees are subject to the Scheme's trust deed, the KiwiSaver Act, and the Instrument of Appointment. The Financial Markets Authority must be satisfied that any fee charged is reasonable.

We must publish a quarterly fund update for each fund showing the fees actually charged during the most recent year.

Fund updates, including past updates, are available at www.booster.co.nz.

Example of how fees apply to an investor

John invests \$10,000 in the Shielded Growth Fund. He is not charged an establishment fee or a contribution fee. This means that the starting value of his investment is **\$10,000**.

He is charged management and administration fees, which works out to about **\$136 (1.36% of \$10,000)**. These fees might be more or less if his account balance has increased or decreased over the year.

As the Shielded Growth Fund invests in Booster Tahi LP and Booster Innovation Fund it may pay performance fees as described above. Any performance fees paid will be reflected in the value of his investment in the Shielded Growth Fund.

Over the next year, John pays other charges of **\$36**.

Estimated total fees for the first year

Fund charges: **\$136**

Other charges: **\$36**

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

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

6. What taxes will you pay?

The Scheme is a portfolio investment entity. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate or the application form. If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue.

It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied.

If the rate applied to your PIE income is lower than your correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you.

7. Who is involved?

About Booster

We've been involved with KiwiSaver since its beginnings in 2007 and we're one of the largest New Zealand owned and operated KiwiSaver scheme providers. We're also a Government-appointed default KiwiSaver scheme provider.

We are part of the Booster Group which currently administers superannuation and investment funds of over \$4.5 billion on behalf of more than 130,000 New Zealanders.

You can contact us at:

Call: **0800 336 338**

Monday to Thursday 8.00am-8.00pm
Friday 8.00am-5.30pm

Email: kiwisaver@booster.co.nz

Write: **Booster Investment Management Limited
PO Box 11872, Wellington 6142**

Who else is involved

	Name	Role
Supervisor	Public Trust	Supervises us to make sure we meet our responsibilities and obligations.
Custodian	PT (Booster KiwiSaver) Nominees Limited	Appointed by the Supervisor to hold the assets of the funds on behalf of the investors. The Custodian is a wholly owned subsidiary of the Supervisor.
Other	Booster Custodial Administration Services Limited	Appointed by the Custodian and the Supervisor to provide custodial administration services.

8. How to complain

Any complaints about your investment in the Scheme, can be made to us (in the first instance), or the Supervisor, at the contact details below:

Manager

Booster Investment Management Limited

Attn Chief Operating Officer
Level 19, Aon Centre, 1 Willis Street
PO Box 11872, Manners Street
Wellington 6142

Phone: **0800 336 338**

Email: **kiwisaver@booster.co.nz**

Supervisor

Public Trust

Attn General Manager, Corporate Trustee Services
Level 8, Public Trust Building
22-28 Willeston St
Private Bag 5902
Wellington 6140

Phone: **0800 371 471**

Email: **CTS.Enquiry@PublicTrust.co.nz**

If your complaint can't be resolved, you can refer it to one of the following approved dispute resolution schemes. They won't charge you a fee to investigate or resolve your complaint.

Booster's approved dispute resolution scheme

Financial Dispute Resolution Service

Level 4, 142 Lambton Quay
Freepost 231075
PO Box 2272
Wellington 6140

Phone: **0508 337 337**

Email: **enquiries@fdrs.org.nz**

Web: **www.fdrs.org.nz**

Public Trust's approved dispute resolution scheme

Financial Services Complaints Limited

Level 4, 101 Lambton Quay
PO Box 5967
Wellington 6140

Phone: **0800 347 257**

Email: **complaints@fscl.org.nz**

Web: **www.fscl.org.nz**

9. Where you can find more information

More information relating to the Scheme, including quarterly fund updates, financial statements, annual reports, the Scheme's trust deed, SIPO, and OMI, is available on the scheme register and the offer register at **www.disclose-register.companiesoffice.govt.nz**. A copy of this information is available on request from the Registrar of Financial Service Providers.

The above information is also available free of charge at **www.booster.co.nz** or by contacting us through one of the ways listed in Section 7 – *Who is involved?*

mybooster

When you join the Scheme, you can register for online access to your account at **www.booster.co.nz**. This is a convenient way to view your account balance, the fund(s) you're invested in, contributions received, transaction history, your indicative government contribution entitlement, annual statements, tax statements and your personal details (which you can update online). You can also view your account details by using the Booster NZ app.

Each year, we'll provide you with an annual statement and tax statement and we'll let you know when the annual report for the Scheme is available.

10. How to apply

To join the Scheme, you can apply online at **www.booster.co.nz** if you're over 18 and have NZ ID documents. If you're under 18 or prefer not to join online, please complete the attached application form and send it to:

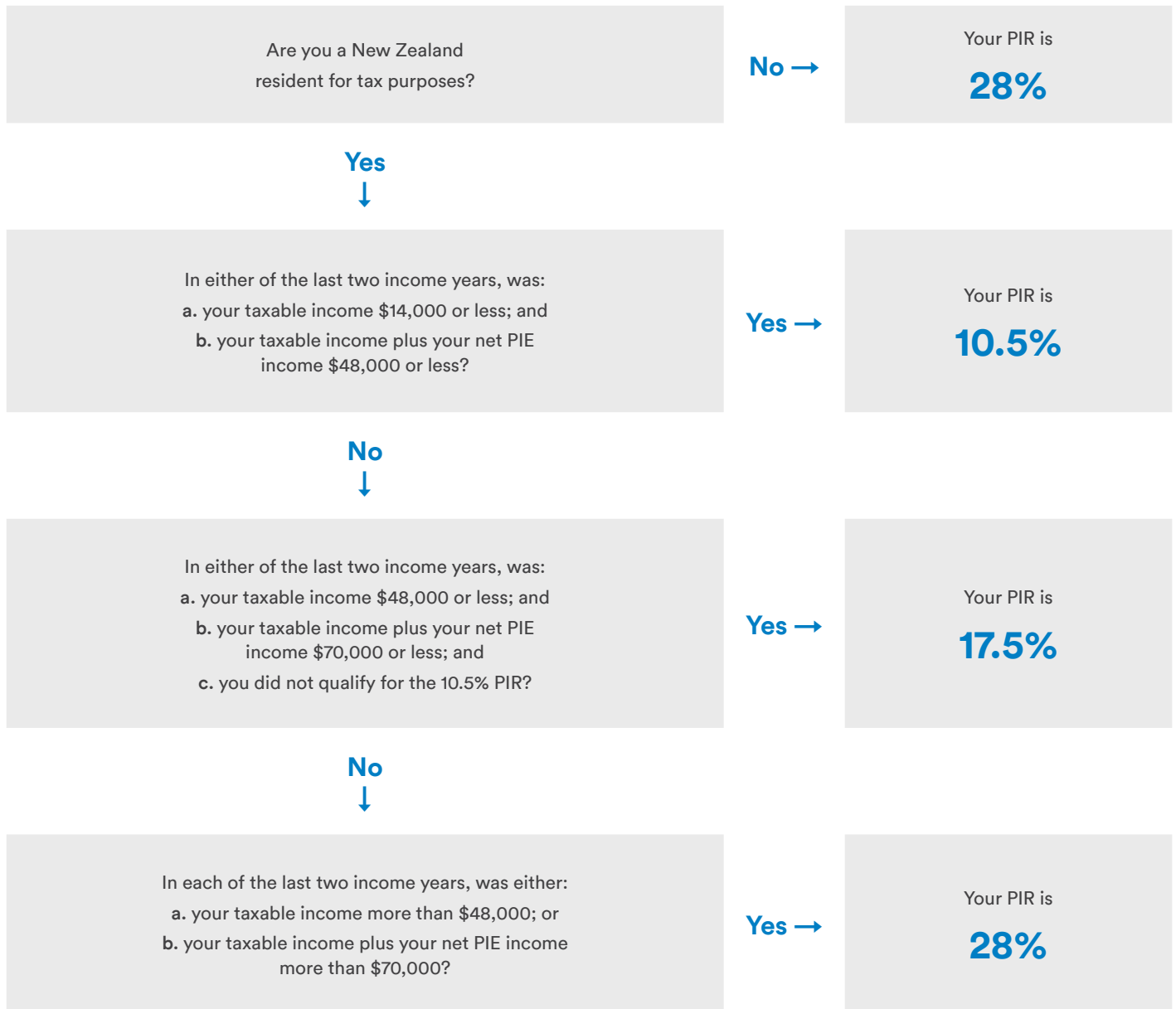
Booster Investment Management Limited
PO Box 11872
Manners Street Wellington 6142

You can also apply via a financial adviser. If you would like to get in touch with a financial adviser, call us on **0800 336 338**.

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Application form for the Booster KiwiSaver Scheme

The following guide forms part of the application form. It will help you work out your Prescribed Investor Rate (PIR), which you need to tell us in Section 1 of the application form under the heading Personal Details.



If you do not advise us of your PIR, your PIR will default to 28%.

Taxable income includes, but is not limited to, salary or wages, rental income, income from non-PIE investments (e.g. bank accounts, term deposits, shares, bonds and non-PIE managed funds) and income earned outside of New Zealand.

Net PIE income is the net (after tax) investment income which you have earned from a portfolio investment entity (PIE) during the year.

Income year is the period from 1 April to 31 March in the following year.

Application form

Booster KiwiSaver Scheme



Product Disclosure Statement dated 28 September 2021

1. Personal details

IRD number

Date of birth

Day

Month

Year

Title

First name(s)

Last name

Address

Postcode

Home phone

Mobile phone

Email

Gender

Female Male Non-binary

Prescribed Investor Rate (PIR)

10.5% 17.5% 28%

2. Investment election

Tell us how you would like your contributions invested. You can choose to invest in up to five funds*. The minimum percentage of your contributions you can invest in a fund is 10%. The percentages must be shown as whole numbers and add up to 100%. We recommend you talk to a financial adviser before selecting your funds.

Single-sector and Specialty Funds

Enhanced Cash Fund	%
--------------------	---

Shielded Growth Fund	%
----------------------	---

Gearred Growth Fund	%
---------------------	---

*There are additional Booster KiwiSaver Scheme funds that you can invest in. You can learn more about them in the following Product Disclosure Statements:

- Default Saver Fund
- Multi-sector Funds
- Socially Responsible Investment Funds
- Asset Class Funds

These Product Disclosure Statements and an application form which includes all the Booster KiwiSaver Scheme funds are available at www.booster.co.nz, by contacting Booster, or from your financial adviser.

3. Financial adviser (to be completed by your financial adviser (if applicable))

I confirm that:

- I have a business relationship with the applicant.
- Based on my knowledge of the applicant, and, if applicable, their parents and guardians, I don't believe a direct relative or a close business associate of theirs has held a prominent position in a foreign country in the past 12 months.
- I have verified the attached copies of the identification documents for the application, and, if applicable, their parents and/or guardians.

Adviser name

Adviser stamp

4. Applicant's Declaration

By signing this application form, I am applying to join the Booster KiwiSaver Scheme.

- I understand and agree that I am bound by the trust deed which governs the Booster KiwiSaver Scheme; and
- I confirm that I meet the eligibility criteria specified on page 3 of this Product Disclosure Statement to join the Booster KiwiSaver Scheme; and
- I acknowledge that I have received, read and understood the Product Disclosure Statement for the Booster KiwiSaver Scheme Single-sector and Specialty Funds; and
- I understand that my personal information which is held by Booster will be used to administer the Booster KiwiSaver Scheme, maintain relevant statistical records, enable the provision of financial advice, and provide me with information about other products and services offered by the Booster Group; and
- I acknowledge the requirement to provide information about me and my membership in the Booster KiwiSaver Scheme to my financial adviser and authorise you to do this for any of the purposes above; and
- I understand that I have the right to access and request the correction of my personal information held by Booster; and
- I consent to my personal information, including information relating to my membership in the Booster KiwiSaver Scheme, being disclosed to any other person, including a related company to Booster, to enable Booster to use the information to be reported and used in compliance with relevant law and regulations in force in New Zealand (such as Inland Revenue and the Financial Markets Authority); and
- I understand that if I transfer my savings from another KiwiSaver scheme or superannuation scheme, I authorise Booster to arrange the transfer of those savings to the Booster KiwiSaver Scheme; and
- I consent to receiving information about my investment in the Booster KiwiSaver Scheme or any other products, services or promotions offered by Booster (or related company of Booster) electronically; and
- I confirm that the information provided by me on this application form is true and correct.

Applicant's signature (if 16 years or older)

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Day	Month	Year			

5. Verification and certification of identity

We are required by law to verify the identity of the applicant and all persons signing this application form on behalf of the applicant. In addition, copies of the identity documents must be either certified by an AML Trusted Referee or verified by an authorised agent of Booster.

Identity documents when investing for minors:

- Please provide a birth certificate on behalf of the minor which includes the name(s) of the parent(s).
- Guardians who are not listed on the minor's birth certificate must provide proof of guardianship.

Full details of our verification and certification requirements are outlined on the inside back cover of this Product Disclosure Statement.

6. Parent/Guardian declaration

If the applicant is age 16 or 17, the application form must be signed by the applicant and one parent/guardian.

If the applicant is under age 16, the form must be signed by all parents/all guardians.

Booster is entitled to rely on the instructions of any one person named as the parent/guardian in this application form including an appointment or change of adviser.

I confirm that:

- I am a parent/guardian of the applicant.
- I have read and accepted the declaration contained in Section 4 on behalf of the applicant.
- I have consulted and am acting with the agreement of the Applicant's other parent/guardian.

Full name

Full name

Date of birth

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Day	Month	Year			

Date of birth

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Day	Month	Year			

Address

<input type="text"/>
<input type="text"/> Postcode <input type="text"/>

Address

<input type="text"/>
<input type="text"/> Postcode <input type="text"/>

Relationship to applicant

Signature

Relationship to applicant

Signature

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Day	Month	Year			

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Day	Month	Year			

Direct Debit form

Booster KiwiSaver Scheme



Please note that not all accounts are available for direct debit. If you are unsure about your account, please check with your bank.

Instructions to the Manager

New Amended

Member number

IRD number

Member name

Amount to pay

Start date

Day

Month

Year

End date (if applicable)

Day

Month

Year

Select the frequency (select one only)

Fortnightly Monthly Half yearly Yearly

Please tick

I have attached a bank coded deposit slip. (Required)

I also wish to make contributions from this bank account for other Booster KiwiSaver Scheme members. (Enter their details over the page)

Address of bank account holder (for correspondence regarding this direct debit)

Direct Debit Authority

Name of my account to be debited (acceptor)

Name of my bank

Bank

Branch number

Account number

Suffix

Initiator's Authorisation Code

Approved

From the acceptor to my/our bank

I/We authorise you to debit my/our account with the amounts of direct debit instructions received from PT (Booster KiwiSaver) Nominees Limited (the Initiator) with the authorisation code specified on this authority and in accordance with this authority until further notice from me.

I/We agree that this authority is subject to:

- My/Our bank's terms and conditions that relate to my/our account; and
- The terms and conditions listed below.

Authorised signature(s)

Date

Day

Month

Year

Specific conditions relating to notices and disputes

1. I/We agree that the Initiator must give me/us at least 10 days' prior notice of each direct debit, including the first direct debit in a series.
2. Changes to the amounts or dates of a series of direct debits require 30 day's prior notice to me.
3. I/We can also agree with the Initiator to receive a same day notice for direct debits specifically requested by me.
4. All notices must be in writing, but can be delivered electronically, if I/we have agreed that with the Initiator.
5. I/We can also ask you to reverse a direct debit up to 120 days after the direct debit if:
 - I/We didn't receive proper notice of the amount and date of the direct debit; or
 - I/We received notice but the amount or date of the direct debit is different from the amount or date on the notice.
6. If you dishonour a direct debit but the Initiator retries it within 5 business days of the original direct debit, I/we understand that the Initiator doesn't need to notify me again about that direct debit.

Deduction details for additional Booster KiwiSaver Scheme Members

Member number

IRD number

Member name

Amount to pay

Start date

Day

Month

Year

End date (if applicable)

Day

Month

Year

Select the frequency (select one only)

Fortnightly Monthly Half yearly Yearly

Member number

IRD number

Member name

Amount to pay

Start date

Day

Month

Year

End date (if applicable)

Day

Month

Year

Select the frequency (select one only)

Fortnightly Monthly Half yearly Yearly

Member number

IRD number

Member name

Amount to pay

Start date

Day

Month

Year

End date (if applicable)

Day

Month

Year

Select the frequency (select one only)

Fortnightly Monthly Half yearly Yearly

Member number

IRD number

Member name

Amount to pay

Start date

Day

Month

Year

End date (if applicable)

Day

Month

Year

Select the frequency (select one only)

Fortnightly Monthly Half yearly Yearly

Guide to verification and certification of identity documents

Member	Adults 18 or over	Minors 16 and 17	Minors 16 and 17	Minors under 16	Minors under 16
Age based scenarios	Join or transfer to Booster KiwiSaver Scheme	Join KiwiSaver for the first time	Transferring an existing KiwiSaver account to Booster KiwiSaver Scheme	Join KiwiSaver for the first time	Transferring an existing KiwiSaver account to Booster KiwiSaver Scheme
Signature required (for paper applications)	Applicant only (NB: Adults 18 or over with NZ ID can also apply online via www.booster.co.nz)	Applicant and one parent/guardian or two guardians	Applicant or one parent/guardian and evidence of KiwiSaver Scheme	Both parents and/or all guardians	One parent/guardian and evidence of KiwiSaver Scheme
ID required	Verified copy of Option 1 or 2 or 3 and proof of address	Applicant (minor): A certified / verified copy of Birth Certificate (this must show who the child's parents are or if guardians applying evidence of guardianship must be provided) For all parents or guardians that have signed the application form: Verified copy of Option 1 or 2 or 3 and proof of address			

Option 1

One form of the following primary photographic identification:

- New Zealand passport (that includes the person's name)
- New Zealand firearms licence
- Passport issued by a foreign government (including the name, date of birth, photograph, New Zealand visa and signature of the person). If this is not in English we will require an official translation

Option 2

One form of the following primary non photographic identification:

- New Zealand full birth certificate
- Certificate of New Zealand citizenship
- Birth certificate issued by a foreign government, the United Nations or an agency of the United Nations

Plus one form of the following secondary or supporting form of photographic identification:

- New Zealand driver licence (that includes the person's name and signature)
- 18+/Kiwi Access Card
- Valid International driving permit (that includes the person's name and signature)

Option 3

New Zealand driver licence (that includes the person's name and signature)

Plus one of the following:

- Credit, debit or eftpos card, that includes the person's name and signature (any numbers on the front and back of the card should be redacted)
- A bank statement issued to the person that is not more than 12 months old issued by a registered bank
- Super Gold Card (that includes the person's name and signature)
- A statement from a government department issued to the person that is not more than 12 months old

Proof of residential address

Provide a photocopy of one of the following, *issued and dated within the last 6 months*, showing your current residential address:

- Utility letter
- Bank account statement
- Rates bill
- Government agency statement (e.g. Inland Revenue)
- a print out from www.whitepages.co.nz or a print out from a bank confirming name and address (stamped by the bank)

Verification of identity documents

All copies of identification must be current and either certified by an 'AML Trusted Referee' or verified by an authorised agent of Booster (i.e. your financial adviser). Verified copies must be legible and all photos must be clear. *Verification is valid for three months.*

The certifier/verifier must view the original document and compare it with the copy. The certifier/verifier can then sign and date the copy and print their name, occupation and a statement as follows:

"I verify that this is a true copy of the original document sighted by me today and represents the identity of the named individual".

Persons able to certify documents

- Chartered accountant
- Registered medical doctor
- Registered teacher
- Kaumatua
- Member of the Police
- An NZ Honorary Consul
- Minister of Religion
- A person who has legal authority to take statutory declarations in New Zealand

Persons able to clarify documents and witness statutory declarations

- Lawyer
- Justice of the Peace
- Notary Public
- Member of Parliament

A certifier cannot:

- be related to you (e.g. be your parent, child, brother, sister, uncle, aunty, cousin)
- be your spouse or partner
- live at the same address as you
- certify their own documents



We're here to help.

To find out more about the
Booster KiwiSaver Scheme visit our
website, call us on 0800 336 338 or
talk to your financial adviser.

booster.co.nz

Booster Investment Management
Limited, PO Box 11872, Manners Street,
Wellington 6142, New Zealand