

# Product Disclosure Statement

## Offer of membership *of* The Presbyterian Church of Aotearoa New Zealand Beneficiary Fund

Issued by Presbyterian Beneficiary Fund Trustee Limited

### **DATED: 6 AUGUST 2024**

This document replaces the Product Disclosure Statement dated 27 September 2023.

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.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose). Presbyterian Beneficiary Fund Trustee Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.



Presbyterian  
**Beneficiary Fund**  
Trustee Limited



# 1 KEY INFORMATION SUMMARY

## What is this?

This is a managed investment scheme. Your money will be pooled with other members' money and invested in various investments. The Trustee will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of the Trustee and of its investment managers and the performance of the investments. The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

## What will your money be invested in?

The Fund has two sections: (1) the New Benefits Section; and (2) the Complying Section, each with different rules and benefits (each a Section, and together referred to in this PDS as the Sections).

The Fund offers you a choice of five investment options for you to invest in. You can choose one investment option for each Section of the Fund you're a member of (you may choose a different investment option for each Section).

If you're a member of the:

- › Complying Section and you haven't made a selection, your Complying Section Balance will be invested in the Balanced option; and/or
- › New Benefits Section and you haven't made a selection, your New Benefits Balance will be invested in the Conservative option.

The investment options are summarised below. More information about the investment target and strategy for each investment option is provided at section 3 "Description of your investment options".

Fund	Investment objective and Risk Indicators							
<p><b>Cash</b></p> <p>Estimated annual fund charges (p.a.):</p> <ul style="list-style-type: none"> <li>• 0.43% until 30 June 2028</li> <li>• 0.81% thereafter, of the net asset value (NAV) of the fund</li> </ul>	<p>Invests entirely in cash and short term interest bearing investments. Designed for members who want no exposure to growth assets or where funds may be required in the short term.</p>							
	<p><b>Potentially lower returns</b> <span style="float: right;"><b>Potentially higher returns</b></span></p>							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 14.28%;">1</td> <td style="width: 14.28%; background-color: #d9d9d9;">2</td> <td style="width: 14.28%;">3</td> <td style="width: 14.28%;">4</td> <td style="width: 14.28%;">5</td> <td style="width: 14.28%;">6</td> <td style="width: 14.28%;">7</td> </tr> </table>	1	2	3	4	5	6	7
	1	2	3	4	5	6	7	
<p><b>Lower risk</b> <span style="float: right;"><b>Higher risk</b></span></p>								
<p><b>Conservative</b></p> <p>Estimated annual fund charges (p.a.):</p> <ul style="list-style-type: none"> <li>• 0.66% until 30 June 2028</li> <li>• 1.04% thereafter, of the NAV of the fund</li> </ul>	<p>Invests mostly in defensive assets such as fixed interest and cash, with only limited investment to growth assets such as shares. May be suitable for members who want to achieve slightly higher returns than those expected from investing solely in the Cash fund. Members need to be comfortable with the possibility of some fluctuations in returns.</p>							
	<p><b>Potentially lower returns</b> <span style="float: right;"><b>Potentially higher returns</b></span></p>							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 14.28%;">1</td> <td style="width: 14.28%;">2</td> <td style="width: 14.28%; background-color: #d9d9d9;">3</td> <td style="width: 14.28%;">4</td> <td style="width: 14.28%;">5</td> <td style="width: 14.28%;">6</td> <td style="width: 14.28%;">7</td> </tr> </table>	1	2	3	4	5	6	7
	1	2	3	4	5	6	7	
<p><b>Lower risk</b> <span style="float: right;"><b>Higher risk</b></span></p>								

Fund	Investment objective and Risk Indicators																					
<p><b>Moderate</b></p> <p>Estimated annual fund charges (p.a.):</p> <ul style="list-style-type: none"> <li>• 0.76% until 30 June 2028</li> <li>• 1.14% thereafter, of the NAV of the fund</li> </ul>	<p>Invests mainly in defensive assets such as fixed interest and cash, with about 40% invested in growth assets such as shares and real assets. This fund may be suitable for members who want to invest in a fund with a broad mix of assets and who are comfortable with a higher degree of volatility in returns than can be expected from the Conservative fund.</p> <table border="1" data-bbox="568 600 1359 786"> <thead> <tr> <th colspan="4">Potentially lower returns</th> <th colspan="3">Potentially higher returns</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4*</td> <td>5</td> <td>6</td> <td>7</td> </tr> <tr> <td colspan="4">Lower risk</td> <td colspan="3">Higher risk</td> </tr> </tbody> </table>	Potentially lower returns				Potentially higher returns			1	2	3	4*	5	6	7	Lower risk				Higher risk		
Potentially lower returns				Potentially higher returns																		
1	2	3	4*	5	6	7																
Lower risk				Higher risk																		
<p><b>Balanced</b></p> <p>Estimated annual fund charges (p.a.):</p> <ul style="list-style-type: none"> <li>• 0.84% until 30 June 2028</li> <li>• 1.22% thereafter, of the NAV of the fund</li> </ul>	<p>Invests mainly in growth assets such as shares and real assets, with about 40% invested in defensive assets such as fixed interest and cash. May be suitable for members who want a diversified investment with exposure to shares, real assets, fixed interest and cash. This fund can expect to have a higher degree of volatility in returns than can be expected from the Moderate fund and is more suited to members who can invest for the long term.</p> <table border="1" data-bbox="568 1064 1359 1249"> <thead> <tr> <th colspan="4">Potentially lower returns</th> <th colspan="3">Potentially higher returns</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> <td>7</td> </tr> <tr> <td colspan="4">Lower risk</td> <td colspan="3">Higher risk</td> </tr> </tbody> </table>	Potentially lower returns				Potentially higher returns			1	2	3	4	5	6	7	Lower risk				Higher risk		
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Lower risk				Higher risk																		
<p><b>Growth</b></p> <p>Estimated annual fund charges (p.a.):</p> <ul style="list-style-type: none"> <li>• 0.91% until 30 June 2028</li> <li>• 1.29% thereafter, of the NAV of the fund</li> </ul>	<p>Invests predominantly in growth assets such as shares and real assets, with only a limited amount in defensive assets such as fixed interest and cash. This fund may be suited to members wanting to invest mostly in growth assets who are comfortable accepting more volatile returns than those expected from the Balanced fund with a view to achieving higher longer-term returns.</p> <table border="1" data-bbox="568 1489 1359 1671"> <thead> <tr> <th colspan="4">Potentially lower returns</th> <th colspan="3">Potentially higher returns</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> <td>7</td> </tr> <tr> <td colspan="4">Lower risk</td> <td colspan="3">Higher risk</td> </tr> </tbody> </table>	Potentially lower returns				Potentially higher returns			1	2	3	4	5	6	7	Lower risk				Higher risk		
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See section 4 “What are the risks of investing?” for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.sorted.org.nz](http://www.sorted.org.nz).

\* A combination of actual fund returns and market index returns have been used to determine this risk indicator as the Moderate option does not have five years of actual returns. The risk indicator may therefore provide a less reliable indicator of the potential future volatility of the fund. For the five-year period ending 30 June 2024, market index returns have been used for the Moderate option up to 31 March 2021, with actual fund returns used for the balance of the period to 30 June 2024.

## Who manages the Fund?

The manager and trustee of the Fund is Presbyterian Beneficiary Fund Trustee Limited.

See section 7 “Who is involved?” for more information.

## How can you get your money out?

### Complying Section

The Complying Section has rules and benefits that are similar to a KiwiSaver Scheme.

In most cases you’ll not be able to withdraw from the Complying Section until you reach NZ Super Age.

If you meet the eligibility criteria, you may also be allowed to withdraw money early for one of these reasons: (a) serious illness; (b) significant financial hardship; (c) permanent emigration; (d) to buy a property; or (e) life-shortening congenital condition.

### New Benefits Section

The New Benefits Section allows more flexible withdrawal options than the Complying Section.

In most cases you’ll not be able to withdraw from the New Benefits Section unless you leave active ministry with the Church or reach NZ Super Age.

If you meet the eligibility criteria, you may also be allowed to withdraw money early for one of these reasons: (a) serious illness; (b) significant hardship; or (c) to buy a property.

Both Sections allow you to take your money out (once eligible) as a lump sum or, in some cases, regular installments.

See section 2 “How does this investment work?” for more information.

## How will your investment be taxed?

Currently the Fund is exempt from tax on its investment income as it is a registered charity.

The Fund is not a PIE. See section 6 “What taxes will you pay?” for more information.

## Where can you find more key information?

We are required to publish annual updates for each investment option. 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.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund](http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund). We will also give you copies of those documents on request.

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## 2 HOW DOES THIS INVESTMENT WORK?

The Fund is a restricted workplace savings scheme registered under the Act. The Fund is a trust and is governed by a trust deed. The main purpose of the Fund is to advance religion by providing you with retirement support, so that you may devote your time and energies to the service of the Church, so that others may derive spiritual benefit from the exercise of your functions.

Your money is pooled with other members' money for investment purposes. We are responsible for the administration of the Fund and the management of the investments. Currently, we invest all of the Fund's assets in funds within Mercer Investment Trusts New Zealand ("MITNZ"). Professional investment managers are appointed to manage the assets of MITNZ either directly or via external investment vehicles.

The key benefits from investing in the Fund are: (a) your investment will be invested by underlying professional managers who would not normally be available to individuals; (b) currently the Fund is exempt from tax on its investment income because it is a registered charity; and (c) in the case of the Complying Section, the Government will make a contribution.

The Fund has two Sections that you can be a member of: (1) Complying Section; and (2) New Benefits Section. Each Section has different rules and benefits. You can be a member of one or both Sections.

The Complying Section has rules and benefits that are similar to a KiwiSaver scheme. If you contribute to the Complying Section, the Government will also make a contribution.

The New Benefits Section is not required to meet certain requirements that are imposed on the Complying Section, so it allows more flexibility in accessing funds (including allowing full withdrawal if a member leaves the active ministry of the Church).

If you have not selected to be a member of a particular Section, you'll be a member of the New Benefits Section.

### Accounts

Certain accounts are set up for you in the New Benefits Section or the Complying Section (as applicable).

These accounts ("**Accounts**") are explained further in the Other Material Information Document on the offer register at [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose).

The sum of all amounts held in your New Benefits Section accounts is your "**New Benefits Balance**" and the sum of all amounts held in your Complying Section accounts is your "**Complying Section Balance**". Your "**Balance**" is the sum of all amounts held in your New Benefits Section accounts and/or your Complying Section accounts.

### Investments

Your Balance is invested into the investment option(s) you select. It is pooled with other members' Balances and invested in assets, such as shares, fixed interest and cash. Over time, the value of your Balance increases or decreases depending on the performance of the investment option(s) you have chosen and other factors, such as any fees you pay and the expenses of running the Fund.

The Fund provides five investment options: Cash, Conservative, Moderate, Balanced, and Growth. You can choose one investment option for each Section of the Fund you're a member of. You may choose a different investment option for each Section.

If you're a member of the:

- › Complying Section and you haven't made a selection, your Complying Section Balance will be invested in the Balanced option; and/or
- › New Benefits Section and you haven't made a selection, your New Benefits Balance will be invested in the Conservative option.

Responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the Fund 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 at our internet site at [www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund](http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund).

Your Accounts record the investments in the external investment funds into which the Fund invests attributable to you (e.g. units in MITNZ) and any cash held on your behalf. These investments are denominated in units of the underlying external investment funds. Where your Accounts are credited or debited with any amounts, units in the underlying external investment funds attributable to you will be issued or redeemed in respect of you, and this will be reflected in your Accounts. You don't have legal ownership of any underlying investments recorded in your Accounts.

No one guarantees the performance of the investment options.

Assets of an investment option are available to be applied to meet liabilities of other investment options. However, because of the way each option invests we believe it is very unlikely that this would ever occur.

### ***Joining the scheme***

All National Ordained Ministers engaged by a Church Body are required to be members of the Fund with certain exceptions\*. You'll join the Fund as part of the process of becoming a Minister. We have the discretion whether to accept as a member any other National Ordained Minister such as Ministers employed by a Kindred Entity (known as Ministers in Kindred Service).

Generally, Ministers can apply to join either or both of the Complying Section and the New Benefits Section.

During the term of your membership in the Fund you may move between being a Contributing Member and a Non-Contributing Member. **Contributing Members** are members who are in active ministry and in receipt of a stipend or other financial support. **Non-Contributing Members** are Members who are not in receipt of a stipend or other financial support (for example retired members or members who are in between Parishes or other employment as a Minister).

### ***Making investments***

If you are a Contributing Member, you're required to make a personal contribution from your Total Stipend to the Complying Section and/or the New Benefits Section (as applicable).

Contributions will also be made to the Complying Section and/or the New Benefits Section (as applicable) in respect of Members of those Sections by the Member's Church Body or the Kindred Entity of the Member (as applicable). The amount of the contributions for Members in Kindred Service depends on whether your Kindred Entity has agreed to make certain contributions in respect of you.

If you are a Member of the Complying Section and you make a life-shortening congenital condition withdrawal, you will no longer be eligible for Church Body or Kindred Entity contributions (as applicable).

### ***"Total Stipend"***

In the case of Members that are not in Kindred Service (i.e. most Ministers), your "**Total Stipend**" means either: (a) if you're engaged by a Parish, your basic stipend or such other amount notified to the Trustee by the Parish (excluding housing and any non-taxable allowances) plus the seniority allowance as received from your Parish; or (b) if you're engaged by a Church Body (other than a Parish), the financial support (excluding housing and any non-taxable allowances), calculated on a gross basis, received from the Church Body.

In the case of Members that are in Kindred Service, your "**Total Stipend**" means the financial support, calculated on a gross basis as notified to the Trustee by your Kindred Entity.

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\* These exceptions include retired ministers undertaking stated supply and ministers who are already members of another scheme deemed to have a similar purpose.



## Contribution options

### Church Body Ministers and some Members in Kindred Service

In the case of: (a) Members that are not in Kindred Service (i.e. most Ministers); and (b) Members in Kindred Service where the Kindred Entity will contribute at the rates below, contributions will be made at a percentage rate of your Total Stipend that you have elected from the four options outlined below, or in the case of members of the Complying Section, any other amounts required under KiwiSaver legislation.

If you have not selected to be a member of a particular Section and/or not selected a contribution option, you'll be enrolled as a member of the New Benefits Section and deemed to have selected Option 1.

	NEW BENEFITS SECTION		COMPLYING SECTION	
	Rate* of personal contributions	Rate* of Church Body / Kindred Entity contributions	Rate* of personal contributions	Rate* of Church Body / Kindred Entity contributions
<b>Option 1</b>	5%	5%	Not a member of the Complying Section	
<b>Option 2</b>	2%	2%	3%	3%
<b>Option 3</b>	1%	1%	4%	4%
<b>Option 4</b>	0% or not a member of the New Benefits Section (as applicable)		5%	5%

### All other Members in Kindred Service

In the case of Members in Kindred Service where the Kindred Entity does not contribute at the rates set out on the previous page, but has agreed to contribute to the Fund, contributions shall be made as follows:

- › Your personal contributions will be at a rate of 5%<sup>\*</sup>; and
- › Kindred Entity contributions are currently at a rate of 3%<sup>\*</sup>,

or in the case of members of the Complying Section any other amounts required under KiwiSaver legislation.

If you are in the New Benefits Section, in the event your Kindred Entity does not wish to contribute to the Fund, we have the discretion to permit you to contribute both the personal contribution and Kindred Entity contribution, provided that it is paid from your Total Stipend.

### No voluntary contributions

Other than in the circumstances described above, you're not permitted to make voluntary contributions to the Fund.

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\* A percentage rate of the Total Stipend of the Member.

### Government contribution

For every \$1.00 you contribute to the Complying Section, the Government contributes \$0.50, up to a maximum of \$521.43 a year (**government contribution**). If you're also a member of a KiwiSaver scheme this will be paid to whichever scheme applies first. Any remaining government contribution will be paid to the other scheme. You don't get the government contribution paid twice.

No government contribution is paid in relation to amounts contributed to the New Benefits Section.

If you are a Member of the Complying Section and you make a life-shortening congenital condition withdrawal, you will no longer be eligible for government contributions.

### Transfers in

If permitted by the Deed, we may, on terms and conditions determined to be appropriate, accept a transfer from another superannuation scheme to the Fund.

### Leave of Absence

If you are a Contributing Member, we may permit you to be treated in the same manner as a Non-Contributing Member during a period of study leave, break in service or parental leave.

### Withdrawing your investments

You become entitled to withdraw some or all of your Balance as a cash payment on the occurrence of certain events. Because the Fund is legally a workplace savings scheme, you can generally only withdraw on retirement, ceasing service (New Benefits Section), or upon other extraordinary events such as suffering significant financial hardship. These are discussed below.

WITHDRAWAL CIRCUMSTANCES	COMPLYING SECTION	NEW BENEFITS SECTION
<b>Reaching retirement age</b>	<p>You may withdraw your Complying Section Balance once you reach NZ Super Age.</p> <p>We may at our sole discretion, accept you as a member of the New Benefits Section (if you're not already a member of that Section) and transfer your Complying Section Balance to the New Benefits Section when you reach NZ Super Age.</p>	You may withdraw your New Benefits Balance once you reach NZ Super Age.
<b>Leaving active ministry with the Church</b>	Not available until you reach NZ Super Age.	You may withdraw your New Benefits Balance if you have left active ministry with the Church.
<b>Purchase of first home</b>	<p>A withdrawal may be made from your Complying Section accounts towards the purchase of your first home if you meet the relevant criteria. You must leave \$1,000 in your Complying Section accounts.</p> <p>You may also be eligible for a second chance home withdrawal.</p>	<p>You may withdraw your contributions from your New Benefits Balance towards the purchase of your first home if you meet the relevant criteria.</p> <p>You cannot withdraw the Kindred Entity or Church Body contributions from your New Benefits Section accounts.</p>

WITHDRAWAL CIRCUMSTANCES	COMPLYING SECTION	NEW BENEFITS SECTION
<b>Significant financial hardship / significant hardship</b>	You may make a withdrawal from your Complying Section Accounts if we are satisfied that you're suffering, or likely to suffer, significant financial hardship.	You may make a withdrawal from your New Benefits Accounts if we are satisfied in our absolute discretion that significant hardship would result to you or your immediate family if you were not permitted to make such a significant hardship withdrawal.
<b>Permanent emigration</b>	On permanently emigrating from New Zealand you may apply to withdraw the balance in your Complying Section Accounts (excluding any government contributions or any amounts that you have transferred from Australia) from the Fund or to have it transferred to a foreign superannuation scheme. You must provide certain information to us.	You may withdraw the balance in your New Benefits Accounts if you have left active ministry with the Church.
<b>Life-shortening congenital condition</b>	You may apply to make a withdrawal of any amount, up to the Balance in your Complying Section Account. If you make a withdrawal you will be treated as if you have reached the NZ Super Age.	Not available.
<b>Serious Illness</b>	A withdrawal can be paid from your Accounts if we are satisfied that you're suffering from serious illness.	
<b>Death</b>	If you die, we will, on application by your personal representative (i.e. your executor or administrator), pay to your personal representative an amount equal to the value of your Balance. If the amount of your entitlement is \$15,000 or less and you have no will, we'll pay this amount to those entitled under the Administration Act 1969.	
<b>Transfers out prior to otherwise being entitled to withdraw</b>	You may apply to us to transfer your Complying Section Balance to another complying fund or KiwiSaver scheme.	Not available.
<b>Winding up</b>	In the event that the Complying Section is wound up your Complying Section Balance will be transferred to a KiwiSaver scheme or to another complying fund, unless you have reached NZ Super Age, in which case you will be entitled to withdraw your Complying Section Balance.	In the event that the New Benefits Section is wound up, your New Benefits Balance will be paid to you as a lump sum.

An application for a withdrawal for serious illness, life-shortening congenital condition, significant hardship, or significant financial hardship must be in the form required by us and must include any information or evidence that we request.

### ***Lump sum or regular instalments***

Once entitled to make a withdrawal for retirement or in the case of leaving active ministry (New Benefits Section only), you can take your money out in a lump sum or in regular installments.

### ***Continuing Value***

You can withdraw your Continuing Value balance at any time. Your Continuing Value balance is the amount placed in your New Benefit Section account from your entitlement on the wind up of the old Defined Benefit Section less any withdrawals to date.

### ***Nominated Spouse***

If you have a Nominated Spouse, when you die, your spouse will be able to retain the balance of your savings in the Fund and make lump sum or regular withdrawals.

### ***Not Compulsory***

Just because you are entitled to make a withdrawal does not mean that you have to make a withdrawal. Unless the Trustee has revoked your membership, you are entitled to retain your balance in the Fund and make withdrawals in the future. The Trustee may revoke your membership if it believes your service is no longer consistent with the objects of the Fund. This might apply if you have been removed from the Ministers' Roll.

### ***Withdrawal processing***

You can request a withdrawal by completing the relevant withdrawal form (which can be accessed from the Administration Manager) and returning it first via email to [presbyterian@mjw.co.nz](mailto:presbyterian@mjw.co.nz), along with the original, which must be posted or couriered to Melville Jessup Weaver (PO Box 1096 Wellington 6140 or Level 7, 20 Ballance St, Wellington).

Lump sum withdrawals are paid on the 15th and 30th of each month (or the preceding business day if those dates are a public holiday). A properly completed withdrawal form must be received 10 working days prior to the payment date. Some withdrawals may be processed in different timeframes in urgent circumstances, such as withdrawals required for the purchase of a first home or in the case of significant financial hardship.

See the Other Material Information Document on the offer register at [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose) for further information about withdrawals.

### ***Required under law***

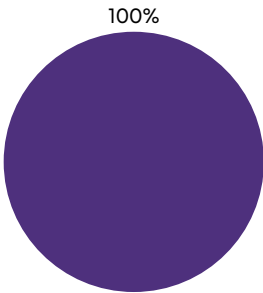
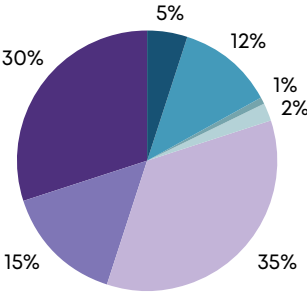
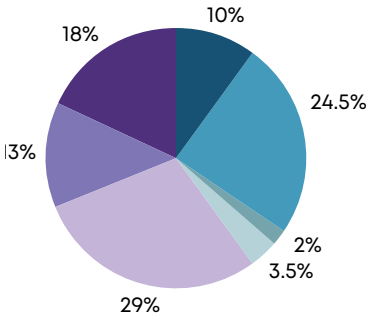
An early withdrawal from your Accounts will be made from the Fund where required by applicable laws. This will include an order under the Property (Relationships) Act 1976.

### ***How to switch between investment options***

You can switch your investment option(s) at any time by contacting the Administration Manager. A limit of two switches per financial year of the Fund are permitted. No fee is charged for switches.

### 3 DESCRIPTION OF YOUR INVESTMENT OPTION(S)

This table shows details of each investment option. These options are available to Members of the Fund's Complying Section and New Benefits Section.

Fund	Target investment mix	Minimum recommended investment timeframe			
<p><b>Cash</b></p> <p>Invests entirely in cash and short term interest bearing investments. Designed for members who want no exposure to growth assets or where funds may be required in the short term.</p>		<p><b>Risk Indicator</b> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 6px;">2</span></p> <p><b>No minimum recommended timeframe</b></p> <p><b>Defensive</b></p> <div style="background-color: #4a4a8a; color: white; padding: 5px; text-align: center; width: 100%;">100%</div>			
<p><b>Conservative</b></p> <p>Invests mostly in defensive assets such as fixed interest and cash, with only limited investment to growth assets such as shares. May be suitable for members who want to achieve slightly higher returns than those expected from investing solely in the Cash fund. Members need to be comfortable with the possibility of some fluctuations in returns.</p>		<p><b>Risk Indicator</b> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 6px;">3</span></p> <p><b>3 years</b></p> <p><b>Defensive / Growth</b></p> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #4a4a8a; color: white; padding: 5px;">80%</div> <div style="background-color: #0070c0; color: white; padding: 5px;">20%</div> </div>			
<p><b>Moderate</b></p> <p>Invests mainly in defensive assets such as fixed interest and cash, with about 40% invested in growth assets such as shares and real assets. This fund may be suitable for members who want to invest in a fund with a broad mix of assets and who are comfortable with a higher degree of volatility in returns than can be expected from the Conservative fund.</p>		<p><b>Risk Indicator</b> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 6px;">4</span>*</p> <p><b>5 years</b></p> <p><b>Defensive / Growth</b></p> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #4a4a8a; color: white; padding: 5px;">60%</div> <div style="background-color: #0070c0; color: white; padding: 5px;">40%</div> </div>			
<p><b>Key:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #4a4a8a; margin-right: 5px;"></span> <b>Defensive</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #2e2e7a; margin-right: 5px;"></span> Cash</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #6a6a9a; margin-right: 5px;"></span> NZ Fixed Interest</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #9a9ad9; margin-right: 5px;"></span> International Fixed Interest</li> </ul> </td> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #0070c0; margin-right: 5px;"></span> <b>Growth</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #003366; margin-right: 5px;"></span> Australasian Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #0070c0; margin-right: 5px;"></span> International Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #00a0e0; margin-right: 5px;"></span> Listed Property (Nil)</li> </ul> </td> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #669999; margin-right: 5px;"></span> Unlisted Property</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #99cccc; margin-right: 5px;"></span> Other*</li> </ul> <p>* Listed Infrastructure and Unlisted Infrastructure</p> </td> </tr> </table>			<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #4a4a8a; margin-right: 5px;"></span> <b>Defensive</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #2e2e7a; margin-right: 5px;"></span> Cash</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #6a6a9a; margin-right: 5px;"></span> NZ Fixed Interest</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #9a9ad9; margin-right: 5px;"></span> International Fixed Interest</li> </ul>	<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #0070c0; margin-right: 5px;"></span> <b>Growth</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #003366; margin-right: 5px;"></span> Australasian Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #0070c0; margin-right: 5px;"></span> International Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #00a0e0; margin-right: 5px;"></span> Listed Property (Nil)</li> </ul>	<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #669999; margin-right: 5px;"></span> Unlisted Property</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #99cccc; margin-right: 5px;"></span> Other*</li> </ul> <p>* Listed Infrastructure and Unlisted Infrastructure</p>
<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #4a4a8a; margin-right: 5px;"></span> <b>Defensive</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #2e2e7a; margin-right: 5px;"></span> Cash</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #6a6a9a; margin-right: 5px;"></span> NZ Fixed Interest</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #9a9ad9; margin-right: 5px;"></span> International Fixed Interest</li> </ul>	<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #0070c0; margin-right: 5px;"></span> <b>Growth</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #003366; margin-right: 5px;"></span> Australasian Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #0070c0; margin-right: 5px;"></span> International Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #00a0e0; margin-right: 5px;"></span> Listed Property (Nil)</li> </ul>	<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #669999; margin-right: 5px;"></span> Unlisted Property</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #99cccc; margin-right: 5px;"></span> Other*</li> </ul> <p>* Listed Infrastructure and Unlisted Infrastructure</p>			

\* A combination of actual fund returns and market index returns have been used to determine this risk indicator as the Moderate option does not have five years of actual returns. The risk indicator may therefore provide a less reliable indicator of the potential future volatility of the fund. For the five-year period ending 30 June 2024, market index returns have been used for the Moderate option up to 31 March 2021, with actual fund returns used for the balance of the period to 30 June 2024.

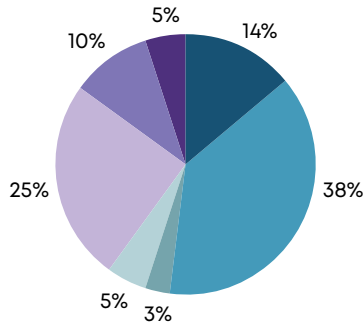
**Fund**

**Target investment mix**

**Minimum recommended investment timeframe**

**Balanced**

Invests mainly in growth assets such as shares and real assets, with about 40% invested in defensive assets such as fixed interest and cash. May be suitable for members who want a diversified investment with exposure to shares, real assets, fixed interest and cash. This fund can expect to have a higher degree of volatility in returns than can be expected from the Moderate fund and is more suited to members who can invest for the long term.



**Risk Indicator** 4

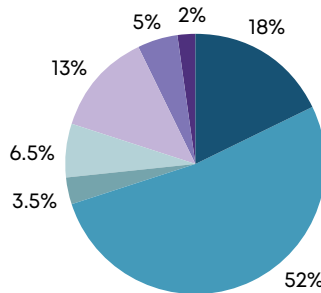
**8 years**

**Defensive / Growth**



**Growth**

Invests predominantly in growth assets such as shares and real assets, with only a limited amount in defensive assets such as fixed interest and cash. This fund may be suited to members wanting to invest mostly in growth assets who are comfortable accepting more volatile returns than those expected from the Balanced fund with a view to achieving higher longer-term returns.



**Risk Indicator** 5

**10 years**

**Defensive / Growth**



**Statement of Investment Policy and Objectives**

We regularly (at least every two years) review the SIPO, which sets out the investment policies and objectives for each investment option, and any changes to the SIPO must be approved by us. The latest version of the SIPO is available on the scheme register at [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose).

Any material changes to the SIPO will be advised in either the Fund's annual report or will be noted at [www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund](http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund).

**Further information about the assets in each investment option can be found in the fund updates at [www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund](http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund).**

**Key:**

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #663399; margin-right: 5px;"></span> <b>Defensive</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #330066; margin-right: 5px;"></span> Cash</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #663399; margin-right: 5px;"></span> NZ Fixed Interest</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #9966cc; margin-right: 5px;"></span> International Fixed Interest</li> </ul> | <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #006666; margin-right: 5px;"></span> <b>Growth</b></li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #006666; margin-right: 5px;"></span> Australasian Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #009999; margin-right: 5px;"></span> International Equities</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #99ccff; margin-right: 5px;"></span> Listed Property (Nil)</li> </ul> | <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #669999; margin-right: 5px;"></span> Unlisted Property</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #99ccff; margin-right: 5px;"></span> Other*</li> </ul> <p>* Listed Infrastructure and Unlisted Infrastructure</p> |
|---|---|--|

## 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 indicators for each investment option are shown in the tables in Section 1 “Key information summary”.

← Potentially lower returns			Potentially higher returns →			
1	2	3	4	5	6	7
← Lower risk			Higher risk →			

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.sorted.org.nz](http://www.sorted.org.nz).

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 5 years to 30 June 2024. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for each fund.

### General investment risks

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

RISK	DESCRIPTION
<b>Market risk</b>	From time to time market conditions will materially and adversely affect the Fund’s investments. Risks related to market conditions include: movements in the general price level of an investment, changes in demand and supply in the market or sectors in which an investment is made, and changes in political, economic and regulatory conditions.
<b>Investment return risk</b>	Investment assets offering the highest returns also carry with them the highest risk. Those investment options in the Fund that have more growth assets (such as shares) are likely to be more risky and those that have more income assets (such as fixed interest and cash) are likely to be less risky.
<b>Currency risk</b>	Some of the Fund’s investments are made in currencies other than New Zealand dollars. While currency fluctuations can affect returns positively there is also a risk they can affect returns negatively.
<b>Liquidity risk</b>	This is the risk that the Fund may not be able to meet its monetary obligations in a timely manner. This would arise if we are unable to cash up investments in time to pay benefits to Members or meet other financial obligations. This might happen if Mercer (N.Z.) Limited elects to suspend or defer withdrawals from the portfolios in which all of the Fund’s assets are currently invested.

## Other specific risks

There are circumstances which may arise and significantly increase the risk to returns for investors (and which are not already reflected in the risk indicators).

One of these risks relates to Mercer's particular approach to management of the Fund's investments.

Mercer is a "manager of managers" and there is therefore the risk that a manager it selects underperforms, resulting in lower returns than the relevant market or objective. To reduce this risk, it has a thorough manager research and monitoring process, and it also diversifies across a number of managers.

The Trustee believes a responsible investment approach is more likely to create and preserve long-term capital. In order to follow a responsible investment approach, exclusions are applied to these funds which may mean they are less diversified in the investment options they can pursue. This means that they may forego some potentially profitable opportunities on ethical grounds.

The Fund is currently exempt from tax on its investment income because it is a registered charity. However, this could change in the future, due to, for example, changes in legislation. We believe that the loss of charitable status is unlikely; however, if this were to occur, it would negatively impact on the after tax investment returns the Fund could obtain.

## 5 WHAT ARE THE FEES?

You will be charged fees for investing in the Fund. 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 regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term.

The fees and charges charged by us recover only the costs and expenses that are incurred by us in running the Fund.

NAME OF THE FUND	TOTAL ESTIMATED ANNUAL FUND CHARGES (% OF THE NAV) (P.A.)*	
	Until 30 June 2028**	Thereafter**
<b>Cash</b>	0.43%	0.81%
<b>Conservative</b>	0.66%	1.04%
<b>Moderate</b>	0.76%	1.14%
<b>Balanced</b>	0.84%	1.22%
<b>Growth</b>	0.91%	1.29%

\* The total estimated annual fund charges represent investment management and administration costs.

The investment management portion is reflected in the unit prices of the funds within MITNZ into which the Fund invests. They include costs charged in respect of the investment in MITNZ and the investment managers that it uses to invest the assets of the Fund.

The administration costs portion includes fees to the administration manager, audit, legal, and consulting fees. They are deducted via the redemption of units of underlying funds recorded in Members' Accounts.

\*\* Fees payable will be subsidised for five years from 1 July 2023 by an annual grant from the Presbyterian Benevolent Fund. See the offer register at [www.companiesoffice.govt.nz](http://www.companiesoffice.govt.nz) disclose for further information.



***Example of how fees apply to an investor***

Rev Smith invests \$10,000 in the Balanced investment option. He is not charged an establishment fee or a contribution fee.

This brings the starting value of his investment to \$10,000.

He is charged management and administration fees, which work out to about

- › \$84 (0.84% of \$10,000) each year until 30 June 2028
- › \$122 (1.22% of \$10,000) thereafter.

These fees might be more or less if his account balance has increased or decreased over the year.

Over the next year, Rev Smith pays no other charges.

***Estimated total fees for the first year***

Fund charges: \$84 each year until 30 June 2028  
\$122 thereafter.

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 Balanced option. If you're considering investing in other options, this example may not be representative of the actual fees you may be charged.

***The fees can be changed***

If the costs and expenses that are incurred by us in running the Fund change, then the fees and charges charged by us will also change.

We must publish a fund update for each option showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at [www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund](http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund).

## 6 WHAT TAXES WILL YOU PAY?

Tax can have significant consequences for investments. If you have any queries relating to the tax consequences of the investment, you should obtain professional advice on those consequences.

Currently, the Fund is exempt from tax on its investment income because it is a registered charity. This is a unique advantage that is not available in respect of most other schemes.

The Fund is not a PIE.

## 7 WHO IS INVOLVED?

### About Presbyterian Beneficiary Fund Trustee Limited

We are the current trustee of the Fund and are also responsible under the Act for managing the Fund.

We can be contacted at:

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Attention: Russell Garrett  
 Level 4, 94 Dixon Street,  
 Te Aro, Wellington  
 PO Box 9049  
 WELLINGTON 6141  
 P (04) 381 8296  
 E [trustees@presbyterian.org.nz](mailto:trustees@presbyterian.org.nz)

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### Who else is involved?

	NAME	ROLE
<b>Administration Manager</b>	Melville Jessup Weaver	Provides administration services.
<b>Custodian</b>	Presbyterian Beneficiary Fund Trustee Limited	Holds the assets of the Fund.
<b>Implemented Consultant</b>	Mercer (N.Z.) Limited	Provides advice in relation to the investment options for the Fund; designs the strategy for each investment option; and implements the investment strategy, including the appointment of underlying investment managers.
<b>Investment management</b>	Mercer (N.Z.) Limited	Invests the scheme's assets with specialist investment managers in accordance with the investment objectives adopted by us.

## 8 HOW TO COMPLAIN

Any complaints about your investment can be given to us using our contact details on the previous page.

If we are not able to resolve the matter, you can appeal to the General Assembly.

We are a member of Financial Services Complaints Limited (**FSCL**), a dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

You can also refer your complaint to:

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Financial Services Complaints Limited

Level 4,  
101 Lambton Quay,  
Wellington 6011

PO Box 5967,  
WELLINGTON 6140

**P** 0800 347 257 or (04) 472 3725

**E** [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

FSCL won't charge a fee to any complainant to investigate or resolve a complaint.

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## 9 WHERE YOU CAN FIND MORE INFORMATION

Further information relating to the Fund and membership interests in the Fund is available on the offer register and the scheme register (for example, financial statements) which can be found at [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose). A copy of the information on the offer register and the scheme register is available on request to the Registrar of Financial Service Providers.

Fund updates relating to each of the investment options and other information is available at [www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund](http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-beneficiary-fund) or on request to the Administration Manager.

You can also obtain personal Account details, request information and get answers to your questions by contacting the Administration Manager at:

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Melville Jessup Weaver

Level 7, 20 Ballance Street,  
Wellington

PO Box 1096,  
WELLINGTON 6140

**P** 0800 266 787

**E** [presbyterian@mjlw.co.nz](mailto:presbyterian@mjlw.co.nz)

All information can be obtained from the Administration Manager without charge.

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## 10 HOW TO APPLY

Under the terms of engagement with the Church, almost all National Ordained Ministers engaged by a Church Body are required to be members of the Fund. You'll join the Fund as part of the process of becoming a Minister.

# Glossary of Selected Terms

<b>TERM</b>	<b>MEANING</b>
<b>Act</b>	Financial Markets Conduct Act 2013
<b>Church</b>	Presbyterian Church of Aotearoa New Zealand
<b>Church Body</b>	any body of the Church, including a Parish, responsible for the support of a Minister
<b>Deed</b>	the trust deed that governs the Fund
<b>Fund</b>	Presbyterian Church of Aotearoa New Zealand Beneficiary Fund
<b>Kindred Entity</b>	an organisation (a) in which the Church has official representation through appointment by Church courts; or (b) which the Church supports but in which it has no official representation; and (c) which has signed a Deed of Adoption by which it covenants to comply with and observe the provisions of The Deed.
<b>Kindred Service</b>	employment of a Minister with a Kindred Entity.
<b>Members</b>	members of the Fund
<b>NZ Super Age</b>	New Zealand superannuation qualification age (currently 65)
<b>Parish</b>	the congregation that is responsible for the support of a Minister
<b>PDS</b>	product disclosure document
<b>PIE</b>	portfolio investment entity
<b>SIPO</b>	the Fund's statement of investment policy and objectives
<b>Trustee, we, us</b>	Presbyterian Beneficiary Fund Trustee Limited

