

# Generate<sup>™</sup> Unit Trust Scheme (Managed Funds)

For an offer of membership in the Generate Unit Trust Scheme.  
This document replaces the Product Disclosure Statement dated 17 May 2024.

## Product Disclosure Statement

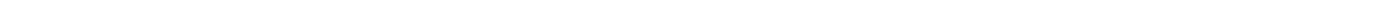
30 APRIL 2025



[GenerateWealth.co.nz](https://www.GenerateWealth.co.nz)



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 [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). Generate 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 to make an investment decision. The issuer is Generate Investment Management Limited.



## SECTION 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. Generate Investment Management Limited (**Generate**, the **Manager**, **we**, **us** or **our**) will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of Generate 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 Generate Unit Trust Scheme (the **Scheme** or the **Managed Funds**) currently offers eight funds for you to invest in (each a **Fund**, and together the **Funds**). These investment options are summarised below. More information about the investment target and strategy for each investment option is provided at section 3 of this Product Disclosure Statement (PDS) "*Description of your investment options*".

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 [sorted.org.nz/tools/investor-kickstarter](https://sorted.org.nz/tools/investor-kickstarter).

## Who manages the Generate Unit Trust Scheme?

Generate is the manager of the Scheme.

See section 7 "*Who is involved?*" for more information.

## What are the returns?

We do not intend to make any regular distributions from the Funds, but retain discretion to do so. Please see section 2 "*How does this investment work*" for more information. Total returns will be made up of movements in the unit price and distributions (if any) of the Fund (or Funds) in which you invest.

## How can you get your money out?

You may withdraw all or part of your investment in the Fund(s) (subject to the applicable minimum withdrawal value, minimum investment amount and any deferral or suspension of withdrawals), by telling us in writing. Please see "*Withdrawing your investment*" on page 7 for more information.

Your investment in the Funds can be sold but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment.

## How will your investment be taxed?

The Scheme is a portfolio investment entity (PIE). The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (PIR). This can be 0%, 10.5%, 17.5% or 28%. See section 6 of the PDS "*What taxes will you pay?*" on page 15 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 [generatewealth.co.nz/managed-funds/fund-updates](https://generatewealth.co.nz/managed-funds/fund-updates). The Manager will also give you copies of those documents on request.

# Our managed fund options

Managed Fund Options		
FUND NAME, INVESTMENT OBJECTIVE AND DESCRIPTION	RISK INDICATOR*	ANNUAL FUND CHARGES (ESTIMATE)†
<b>CashPlus</b> The Generate CashPlus Managed Fund ( <b>CashPlus Managed Fund</b> ) aims to provide a stable return over the very short term. It invests in an actively managed portfolio made up entirely of income assets with a maturity of less than 1 year. ^ Volatility is likely to be very low, a negative return is unlikely but still possible.		0.48%
<b>Fixed Interest</b> The Generate Fixed Interest Managed Fund ( <b>Fixed Interest Managed Fund</b> ) aims to provide a stable return over the short to medium term. It invests in an actively managed portfolio made up entirely of income assets. ^ Volatility is likely to be low to medium. However a negative return is still possible.		0.85%
<b>Conservative</b> The Generate Conservative Managed Fund ( <b>Conservative Managed Fund</b> ) aims to provide a modest return over the short term. It invests in an actively managed portfolio made up largely of income assets with a small allocation of growth assets. ^ Volatility is likely to be low to medium. Returns will vary and may be low or negative at times.		1.17%
<b>Balanced</b> The Generate Balanced Managed Fund ( <b>Balanced Managed Fund</b> ) aims to provide a medium return over the medium term. It invests in an actively managed portfolio made up of slightly more growth assets than income assets. ^ Volatility is likely to be medium to high. Returns will vary and may be low or negative at times.		1.32%
<b>Focused Growth</b> The Generate Focused Growth Managed Fund ( <b>Focused Growth Managed Fund</b> ) aims to provide a higher return over the long term. It invests in an actively managed portfolio made up predominately of growth assets with a minor allocation of income assets. ^ Volatility is likely to be high. Returns will vary and may be low or negative at times.		1.36%
<b>Australasian</b> The Generate Australasian Managed Fund ( <b>Australasian Managed Fund</b> ) aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets located predominately in New Zealand and Australia with a very minor allocation of income assets. ^ Volatility is likely to be high. Returns will vary and may be low or negative at times.		1.27%
<b>Thematic</b> The Generate Thematic Managed Fund ( <b>Thematic Managed Fund</b> ) aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets predominately made up of mid to large cap international equities based on investment themes that are considered to have high growth potential with a very minor allocation of income assets. ^ Volatility is likely to be high. Returns will vary and may be low or negative at times.		1.27%
<b>Global</b> The Generate Global Managed Fund ( <b>Global Managed Fund</b> ) aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets predominately made up of mid to large cap international equities with a very minor allocation of income assets. ^ Volatility is likely to be high. Returns will vary and may be low or negative at times.		1.27%

^ See section 3 for more details.

\* A combination of market and fund returns have been used to calculate risk indicators where funds have not existed for 5 years or have had a significant change of investment policy. Refer to footnotes on page 8 for more details.

† See section 5 for more details.

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## SECTION 2

# How does this investment work?

The Scheme is a registered managed investment scheme under the Financial Markets Conduct Act 2013 (**FMCA**). The Scheme is structured as a unitised trust, governed by a trust deed which appoints Generate as Manager and Public Trust as Supervisor. For more information on the Manager and Supervisor and their roles see section 7 *“Who is involved?”*.

The Scheme currently offers eight Funds for you to invest in, the Generate CashPlus Managed Fund, the Generate Fixed Interest Managed Fund, the Generate Conservative Managed Fund, the Generate Balanced Managed Fund, the Generate Focused Growth Managed Fund, the Generate Australasian Managed Fund, the Generate Thematic Managed Fund, and the Generate Global Managed Fund. The Funds invest in assets via certain underlying wholesale funds managed by us. The assets of each Fund are not available to be applied to meet the liability of any other Fund in the Scheme.

The money you invest is used to buy units in the Fund or Funds that you select. A unit represents a share in the overall value of the Fund and has a unit price so that you know what your share of the Fund is worth. The value of units in a Fund will change as the assets of the Fund increase and decrease in value.

The difference between the unit price when you contribute to the Scheme and when you withdraw from the Scheme is your investment return. We do not intend to make any regular distributions from the Funds, but retain discretion to do so.

The Funds’ assets are primarily held indirectly via certain wholesale funds managed by us (including those third party underlying funds that the wholesale funds may invest into). As such, references in this PDS to the assets of a Fund or the assets that a Fund or Scheme invests into, are references to those assets as invested via those wholesale funds. The assets can be selected by us or external investment managers. The wholesale fund investment structure provides operational and administrative efficiencies.

The key benefits of investing in the Scheme are:

- New Zealand owned and operated specialist investment manager for the Scheme.
- Actively managed investments.
- The money you invest in a Fund is pooled with other investors’ money, giving you access to investments that you may not be able to access as an individual.

The Scheme is not guaranteed by any person, including any return on your investment and initial capital.

## Making investments

You can invest anytime by making a lump sum or regular investment by direct credit, bank transfer or direct debit.

### Initial and lump sum investments

The minimum initial investment for individuals or joint account holders is \$1,000, and \$100 for each subsequent lump sum investment.

For non-individuals (trusts, partnerships, companies, estates, charities, incorporated societies or associations) the minimum initial investment is \$5,000, and \$100 for each subsequent lump sum investment.

### Regular investments

The minimum regular investment is \$100.

We may impose conditions or restrictions on the offer of units as determined by us from time to time. The Manager has the discretion to include investment costs in determining the unit price and number of units received. We will generally process investments within 3 business days, but it may take longer to process large lump sum investments.

For more details on making investments, see the ‘Other Material Information’ document (**OMI**) at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (**Disclose Register**).

## Withdrawing your investments

You may withdraw some or all of your investment at any time by completing a withdrawal form.

We will generally process withdrawals on the next business day after the withdrawal form has been accepted, using the closing unit price of that day. However, up to 10 days' notice may be required for a large withdrawal.

There will be no charge to you for making a partial or full withdrawal.

Payments to your nominated bank account may be delayed depending on the size of the payment.

Unless otherwise agreed by us, payments will only be made to the New Zealand bank account that was provided at time of application.

Minimum withdrawal request is \$500.

Minimum account balance is \$1,000 for individuals, and \$5,000 for entities.

WITHDRAWAL TYPE	MINIMUM	AVAILABILITY
Lump sums	\$500	Any time
Regular withdrawal	\$100	Weekly, fortnightly or monthly

We may alter the minimum withdrawal thresholds and withdrawal availability in the future. If you withdraw all your funds, your account will be closed. We may alter the minimum account balance in the future and we may require you to make a full withdrawal if your account balance falls below the minimum amount.

## Other withdrawals

Withdrawals can also be required by law in some specific circumstances (e.g. if a Court orders the release of funds from your account). For more information on how you can withdraw your funds see the OMI.

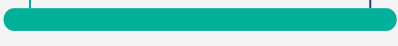











## How to switch between Funds

You are able to move your investment between the Funds at any time. This will be considered a withdrawal from one Fund and an application for units in another Fund. All the conditions and restrictions on applications and withdrawals will therefore apply. You can do this by completing a 'Changing your Investment Strategy Form' available on our website or speak to one of our advisers.

## Suspension of withdrawals

In certain special circumstances we may suspend the payment of withdrawals. For example, when it is not practicable or would be materially prejudicial to the interests of unitholders to permit the withdrawal.



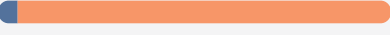









# Description of your investment options

Managed Fund Options				
	FUND NAME, INVESTMENT OBJECTIVE AND DESCRIPTION	ASSET ALLOCATION AND RISK INDICATOR*	TARGET INVESTMENT MIX	MINIMUM RECOMMENDED INVESTMENT TIMEFRAME
Cash Fund	<b>CashPlus</b> The CashPlus Managed Fund aims to provide a stable return over the short term. It invests in an actively managed portfolio made up entirely of income assets. <sup>^</sup> This Fund is useful if you plan to withdraw your funds within the next 12 months and need certainty of the amount you intend to withdraw. Volatility is likely to be very low, however a negative return is still possible.	Asset allocation <b>100% Income</b> <b>0% Growth</b>  Risk Indicator 	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 100%</li> <li>■ Fixed interest 0%</li> <li>■ Australasian equities and property 0%</li> <li>■ International equities 0%</li> </ul>	n/a
	<b>Conservative</b> The Conservative Managed Fund aims to provide a modest return over the short term. It invests in an actively managed portfolio made up largely of short dated income assets with a small allocation of growth assets. <sup>^</sup> Volatility is likely to be low to medium. (Returns will vary and may be low or negative at times.)	Asset allocation <b>80% Income</b> <b>20% Growth</b>  Risk Indicator 	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 5%</li> <li>■ Fixed interest 75%</li> <li>■ Australasian equities and property 7%</li> <li>■ International equities 13%</li> </ul>	2 years
Diversified Funds	<b>Balanced</b> The Generate Balanced Managed Fund aims to provide a medium return over the medium term. It invests in an actively managed portfolio made up of slightly more growth assets than income assets. <sup>^</sup> Volatility is likely to be medium to high. (Returns will vary and may be low or negative at times.)	Asset allocation <b>40% Income</b> <b>60% Growth</b>  Risk Indicator 	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 5%</li> <li>■ Fixed interest 35%</li> <li>■ Australasian equities and property 20%</li> <li>■ International equities 40%</li> </ul>	5 years
	<b>Focused Growth</b> The Generate Focused Growth Managed Fund aims to provide a higher return over the long term. It invests in an actively managed portfolio made up predominately of growth assets with a minor allocation of income assets. <sup>^</sup> Volatility is likely to be high. (Returns will vary and may be low or negative at times.)	Asset allocation <b>5% Income</b> <b>95% Growth</b>  Risk Indicator 	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 5%</li> <li>■ Fixed interest 0%</li> <li>■ Australasian equities and property 30%</li> <li>■ International equities 65%</li> </ul>	8 years

\* A combination of market and Fund returns have been used to calculate risk indicators where Funds have not existed for 5 years or have had a significant change of investment policy. More specifically, market returns have been used for the Conservative and Balanced Funds for the initial period ending 20 May 2022, and for the Australasian and Thematic Funds for the period ending 21 July 2023. Market returns were exclusively used to calculate the risk indicators for the new CashPlus Fund, new Fixed Interest Fund and new Global Fund and for the Australasian and Thematic Funds. This means that the risk indicators for all of these Funds (except Focused Growth Fund) do not reflect the actual returns and may provide a less reliable indicator of the potential future volatility of the Fund. It should also be noted that the long term targets and benchmarks were changed for most of the Funds on 30 April 2025. Again, this means the risk indicators may provide a less reliable indicator of future volatility. See section 4 for more information.

<sup>^</sup> See page 10 for more details.



Managed Fund Options				
	FUND NAME, INVESTMENT OBJECTIVE AND DESCRIPTION	ASSET ALLOCATION AND RISK INDICATOR*	TARGET INVESTMENT MIX	MINIMUM RECOMMENDED INVESTMENT TIMEFRAME
Income Fund	<b>Fixed Interest</b> The Generate Fixed Interest Managed Fund aims to provide a stable return over the short to medium term. It invests in an actively managed portfolio made up entirely of income assets. <sup>^</sup> Volatility is likely to be low to medium. (Returns will vary and may be low or negative at times.)	Asset allocation <b>100% Income</b> <b>0% Growth</b>  Risk Indicator  Low      ← RISK/RETURN →      High	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 5%</li> <li>■ Fixed interest 95%</li> <li>■ Australasian equities and property 0%</li> <li>■ International equities 0%</li> </ul>	2 years
	<b>Australasian</b> The Generate Australasian Managed Fund aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets located predominately in New Zealand and Australia with a very minor allocation of income assets. <sup>^</sup> Volatility is likely to be high. (Returns will vary and may be low or negative at times.)	Asset allocation <b>2% Income</b> <b>98% Growth</b>  Risk Indicator  Low      ← RISK/RETURN →      High	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 2%</li> <li>■ Fixed interest 0%</li> <li>■ Australasian equities and property 98%</li> <li>■ International equities 0%</li> </ul>	10 years
Equity Funds	<b>Thematic</b> The Generate Thematic Managed Fund aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets predominately made up of mid to large cap international equities based on investment themes that are considered to have high growth potential with a very minor allocation of income assets. <sup>^</sup> Volatility is likely to be high. (Returns will vary and may be low or negative at times.)	Asset allocation <b>2% Income</b> <b>98% Growth</b>  Risk Indicator  Low      ← RISK/RETURN →      High	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 2%</li> <li>■ Fixed interest 0%</li> <li>■ Australasian equities and property 0%</li> <li>■ International equities 98%</li> </ul>	10 years
	<b>Global</b> The Generate Global Managed Fund aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets predominately made up of mid to large cap international equities with a very minor allocation of income assets. <sup>^</sup> Volatility is likely to be high. (Returns will vary and may be low or negative at times.)	Asset allocation <b>2% Income</b> <b>98% Growth</b>  Risk Indicator  Low      ← RISK/RETURN →      High	Target investment mix  <ul style="list-style-type: none"> <li>■ Cash and cash equivalents 2%</li> <li>■ Fixed interest 0%</li> <li>■ Australasian equities and property 0%</li> <li>■ International equities 98%</li> </ul>	10 years

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### Target asset allocation

Each Fund has a long-term target asset allocation. The actual investment allocation will vary from the target as we pursue tactical investment opportunities, or as we seek to protect asset values in periods of market volatility. For further information about the investment activities see the Statement of Investment Policy and Objectives (SIPO) at [generatewealth.co.nz/documents-and-forms](http://generatewealth.co.nz/documents-and-forms).

### Income assets

Cash and fixed interest assets are referred to as income assets because they generate income in the form of interest payments. Income assets are typically less volatile than growth assets, so while the returns will go up and down (and may be negative at times) they won't usually move to the same degree as growth assets.

Over the long-term, income assets will usually provide lower returns than growth assets.

### Growth assets

Equities and property and infrastructure are referred to as growth assets because they have greater potential to achieve capital growth over the medium to long-term than income assets. They also involve more risk. Typically, the returns of growth assets will fluctuate more than income assets, and growth assets are more likely to experience periods of negative returns.

Australasian equities and property are predominantly made up of listed securities on the NZX and ASX.

International equities are made up of both direct investments in listed international equities and third party underlying funds that invest in equities.

See the SIPO for more information.

### Currency exposure

Foreign currency exposure for international equities is typically 50% hedged and for Australian equities and fixed interest is typically 100% hedged. For more details on our currency strategy, see the SIPO.

### Changes to the SIPO

We regularly review our SIPO. We may change the SIPO at any time with the approval of our Investment Committee. Any changes to the SIPO will be advised to the Supervisor prior to taking effect and then lodged on the Disclose Register within five business days of the change taking effect. Material changes will be advised in the annual report.

Further information about the assets in the Funds can be found in the fund updates at [generatewealth.co.nz/managed-funds/fund-updates](http://generatewealth.co.nz/managed-funds/fund-updates).

## SECTION 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.



See section 3 “*Description of your investment option*” for the risk indicator which has been calculated for the Scheme.

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of a 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 [sorted.org.nz/tools/investor-kickstarter](https://sorted.org.nz/tools/investor-kickstarter).

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

This risk indicator is not a guarantee of a Fund’s future performance. The risk indicator is based on the returns data for the last 5 years. 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 the Funds. Where a Fund has not been in existence for 5 years market returns may also be utilised. Because the Funds (except the Focused Growth Managed Fund) have not been in existence for 5 years, and some have had a significant change of investment policy, the risk indicators have been calculated using a combination of actual returns and market index returns.

More specifically, market returns have been used for the Conservative and Balanced Funds for the initial period ending 20 May 2022, and for the Australasian and Thematic Funds for the period ending 21 July 2023. Market returns were exclusively used to calculate the risk indicators for the new CashPlus Fund, new Fixed Interest Fund and new Global Fund. This means that the risk indicators for all of the Funds (except Focused Growth Managed Fund) do not reflect the actual returns and may provide a less reliable indicator of the potential future volatility of the Fund. The long term asset allocations and benchmarks were changed for most of the Funds on 30 April 2025. This means the risk indicators may provide a less reliable indicator of future volatility.

## General investment risks

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

### Equity risk

The Funds invest in different classes of assets, each with different risks attached to them. Funds that invest in shares will generally have higher levels of risk attached to them. For all assets there is the risk that the asset will not perform to the target rate of return and your returns will be lower than anticipated (or even negative for a period of time).

### Tax and regulatory risk

Changes in the tax rates and tax rules of New Zealand and in countries in which investments are made by the Funds could adversely affect your investment.

### Market risk

Investment markets are affected by a range of factors including economic, political, market, regulatory, taxation, environmental and technological conditions in New Zealand and internationally that impact share prices, property values and/or interest rates.

### Liquidity risk

If the assets of a Fund become illiquid then the Fund may be unable to sell those assets at the desired time or without having a significant impact on their value. This may mean you are not able to switch, transfer, or withdraw your investment when you want. Some of the Funds have exposure to unlisted private assets which are considered illiquid and thus the Fund may have difficulty selling these assets.\*

### Derivatives risk

Derivatives may be used as a risk management tool by the Funds and third party underlying funds and as an alternative to investing in a physical asset. Derivatives may not perform as expected and may result in increased volatility and unexpected gains or losses.

\* In particular, the Focused Growth and Australasian Funds may each have up to 6% exposure to unlisted assets. Refer to page 4 of the SIPO for more details.

## Other specific risks

### **Underlying fund risk**

Some of the Funds invest in third party underlying funds.

Third party managers of underlying funds may also use commodities, derivatives, currencies, fixed interest and other securities to help them achieve their investment strategies. They may also have the ability to short-sell assets and use leverage. Most third party managers are able to suspend withdrawals from their funds in limited circumstances. This could result in the third-party funds being unable to make payments on time.

### **Foreign exchange risk**

When the Funds invest in international investments foreign currency movements could affect the investment performance of the Funds. We actively manage some of the foreign exchange risk typically by entering into foreign exchange derivatives transactions, a practice known as 'hedging'.

### **Concentration risk**

Unlike the other Funds most of which diversify across multiple asset classes and geographical markets:

- the Thematic Managed Fund, Global Managed Fund and Fixed Interest Managed Fund largely invest in one asset class;
- the Australasian Managed Fund largely invests in a specific geographical area (New Zealand and Australia); and
- the CashPlus Fund invests in cash and cash equivalents in New Zealand and Australia.

Conditions causing one asset class or geographical area's markets to perform poorly may be offset by other asset classes or markets performing well under those same conditions when the fund is diversified across asset classes and geographical areas. The concentration of the above Funds could result in these Funds being more volatile than a fund which is more diversified. Additionally thematic investing styles may result in less diversified assets and more concentration risk.

### **Credit Risk**

The value of debt securities may be impacted by the issuer's ability to pay interest and principal owed when due. If the issuer's ability to meet its payment obligations is doubted, the value of the debt security may decrease.

For more information on the risks of investing in the Scheme, see the OMI.

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## SECTION 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 Generate invests 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 (currently none).

## Estimated total annual fund charges

FUND NAME	BASE FUND MANAGEMENT FEE*	THIRD PARTY UNDERLYING FUND BASE FEES*	THIRD PARTY PERFORMANCE FEES*	ANNUAL FUND CHARGES AS A % OF NET ASSET VALUE (NAV)**
CashPlus Managed Fund	0.482%	0.000%	0.000%	<b>0.48%</b>
Fixed Interest Managed Fund	0.853%	0.000%	0.000%	<b>0.85%</b>
Conservative Managed Fund	1.168%	0.000%	0.000%	<b>1.17%</b>
Balanced Managed Fund	1.268%	0.054%	0.001%	<b>1.32%</b>
Focused Growth Managed Fund	1.268%	0.086%	0.002%	<b>1.36%</b>
Australasian Managed Fund	1.268%	0.005%	0.000%	<b>1.27%</b>
Thematic Managed Fund	1.268%	0.000%	0.000%	<b>1.27%</b>
Global Managed Fund	1.268%	0.000%	0.000%	<b>1.27%</b>

\* Estimates    ^ Rounded to 2 decimals

## Base Fund management fee

The base fund management fee varies across the Funds. The fee is calculated daily and paid to us each month, based on the net asset value of the Fund. This fee covers the normal operating costs such as our investment management services, Supervisor fees, custodial fee and other expenses.

The Supervisor charges a fee for its supervisor and custodial services as agreed between the Manager and the Supervisor, and the fee is the same no matter which Fund or Funds you invest in. We have included an estimate of the Supervisor's fee within our base fund management fee, however the actual fee is calculated daily and paid to the Supervisor each month, based on the net asset value of the Scheme. The Supervisor may also be paid additional fees for non-routine matters, as the Supervisor and the Manager may agree from time to time. Such fees reduce each Fund's unit price.

In its discretion, the Manager may elect not to charge certain operating and administrative expenses until a Fund reaches approximately \$10 million in funds under management.

Any bank fees associated with the Scheme or a Fund are charged directly to the Scheme or the Fund.

## Third party underlying fund fees

The Funds' assets are primarily held indirectly via certain wholesale funds managed by us. We do not charge any additional fees in relation to those wholesale funds. However, some of the Funds hold investments (via the relevant wholesale funds) in third party underlying funds. Most of the managers of these funds will charge fees and may change the fees they charge from time to time. These fees will affect the relevant Fund's unit price. The third party underlying funds' fees will differ depending on the types of funds in which we decide to invest.

There are two types of fees charged by third party underlying managers:

- **Base fees:** The third party underlying funds' base fees provided in the Summary of Fund Charges reflect the total estimated charges for the management and administrative fees from the third party underlying funds.
- **Performance fees:** The third party underlying funds' performance fees provided in the Summary of Fund Charges reflect the total estimated charges for performance fees from the third party underlying funds.

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## Adviser Services

If you join the Scheme, we will pay commission and/or salaries to our Nominated Representatives, or commission to third party advisers (where you have used one), for introducing you to us and for any advice provided to you. The amount we pay to our Nominated Representatives is set out in the FAP Disclosure Statement. We pay these costs from the revenue we receive from the fees you pay to us.

## AdviserPlus (Servicing Adviser) fees

If your adviser has an agreement in place with us and you agree an additional ongoing servicing fee, you can authorise those fees be deducted and paid monthly from your account balance. For more information on these fees please see the FAP Disclosure Statement at [generatewealth.co.nz/documents-and-forms](https://generatewealth.co.nz/documents-and-forms) or your third party adviser's disclosure (where you have used one).

## Trading expenses

Funds will incur trading expenses (e.g. brokerage fees) when buying/selling investments. We may implement a swing pricing mechanism so that these expenses are shared more fairly between investors, please see the OMI for more information.

We can charge other fees on an individual basis for investor specific decisions or actions, such as entry or exit fees. However, no such fees are currently charged.

## Example of how fees apply to an investor

Hannah invests \$10,000 in the Balanced Managed Fund. She is not charged an establishment fee or a contribution fee. This means the starting value of her investment is \$10,000. She is charged management and administration fees, which work out to about \$132 (1.32% of \$10,000). These fees might be more or less if her account balance has increased or decreased over the year.

### Estimated total fees for the first year

Fund charges: \$132

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 Managed 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.

## The fees can be changed

We may agree with the Supervisor to vary the fees from time to time. Fees not currently charged, may also be introduced at any time as permitted by the trust deed. We must publish a Fund update for each Fund showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at [generatewealth.co.nz/managed-funds/fund-updates](https://generatewealth.co.nz/managed-funds/fund-updates).

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## SECTION 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 [ird.govt.nz/pir](http://ird.govt.nz/pir). If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied.

If the rate applied to your PIE income is lower than 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.

## SECTION 7

# Who is involved?

### About Generate Investment Management Limited

Generate Investment Management Limited is the manager of the Scheme.

Our registered office is:

Level 9, Jarden House  
21 Queen Street  
Auckland 1010  
New Zealand

You can contact us by:

Calling us on 0800 855 322

Emailing us at [info@generatewealth.co.nz](mailto:info@generatewealth.co.nz)

Mailing us at:

PO Box 91609  
Victoria Street West  
Auckland 1142

### Who else is involved?

NAME	PARTY	ROLE
Supervisor and Custodian	Public Trust	Supervising us under the FMCA. Oversees us as the manager of the Scheme. Independently holds the Scheme's assets, investing them in accordance with our directions.
Administration manager	Apex Investment Administration (NZ) Limited	Provides administrative and back office services to us as Manager.

## SECTION 8

# How to complain

If you have any issues or concerns about your investment, you can:

Call us on 0800 855 322

Email us at [info@generatewealth.co.nz](mailto:info@generatewealth.co.nz)

Write to us at:

PO Box 91609

Victoria Street West

Auckland 1142

**If for any reason we can't resolve the matter, you can contact:**

The Supervisor

Call 0800 371 471

Write to:

Relationship Manager, Corporate Trustee Services

Public Trust

SAP Tower, Level 16, 151 Queen Street

Private Bag 5902

Wellington 6140

**If we or the Supervisor are unable to resolve your complaint, you may contact our external dispute resolution scheme.**

We are members of the Financial Services Complaints Limited Scheme.

Financial Services Complaints Limited (FSCL)

A Financial Ombudsman Service

Level 4

101 Lambton Quay

PO Box 5697

Wellington 6140

Call 0800 347 257

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

Financial Services Complaints Limited will not charge a fee to any complainant to investigate or resolve a complaint.

## SECTION 9

# Where you can find more information

Further information relating to the Scheme can be found on the offer register and the scheme register (including financial statements) at [disclose-register.companiesoffice.govt.nz](http://disclose-register.companiesoffice.govt.nz).

A copy of the information on the offer register and the scheme register is available on request to the Registrar of Financial Service Providers. They are also available on request from the Manager at no charge.

Fund updates can be found at [generatewealth.co.nz/managed-funds/fund-updates](http://generatewealth.co.nz/managed-funds/fund-updates) or on request to us in writing or by telephone.

The information is available free of charge.

## SECTION 10

# How to apply

You can apply online at [generatewealth.co.nz/managed-funds](http://generatewealth.co.nz/managed-funds). Make sure to follow the instructions and have the necessary information on hand.

Alternatively, you can fill out the application form at the back of this PDS. For applicants who are under 18 years of age, one parent must sign the application form.



## Notes

***Generate***<sup>™</sup>  
Together.