



# AMP Capital Investment Funds

Investment Statement



AMP Capital Investment Funds

Investment Statement for the purposes of the Securities  
Act 1978, prepared on 1 March 2012.

# Important information

(The information in this section is required under the Securities Act 1978).

Investment decisions are very important. They often have long term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

## Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

What sort of investment is this?	p29
Who is involved in providing it for me?	p32
How much do I pay?	p34
What are the charges?	p35
What returns will I get?	p38
What are my risks?	p43
Can the investment be altered?	p47
How do I cash in my investment?	p47
Who do I contact with enquiries about my investment?	p49
Is there anyone to whom I can complain if I have problems with the investment?	p50
What other information can I obtain about this investment?	p51

In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.

## The Financial Markets Authority regulates conduct in financial markets

The Financial Markets Authority regulates conduct in New Zealand's financial markets. The Financial Markets Authority's main objective is to promote and facilitate the development of fair, efficient, and transparent financial markets.

For more information about investing, go to <http://www.fma.govt.nz>.

## Financial advisers can help you make investment decisions

Using a financial adviser cannot prevent you from losing money, but it should be able to help you make better investment decisions.

Financial advisers are regulated by the Financial Markets Authority to varying levels, depending on the type of adviser and the nature of the services they provide. Some financial advisers are only allowed to provide advice on a limited range of products.

When seeking or receiving financial advice, you should check:

- the type of adviser you are dealing with:
- the services the adviser can provide you with:
- the products the adviser can advise you on.

A financial adviser who provides you with personalised financial adviser services may be required to give you a disclosure statement covering these and other matters. You should ask your adviser about how he or she is paid and any conflicts of interest he or she may have.

Financial advisers must have a complaints process in place and they, or the financial services provider they work for, must belong to a dispute resolution scheme if they provide services to retail clients. So if there is a dispute over an investment, you can ask someone independent to resolve it.

Most financial advisers, or the financial services provider they work for, must also be registered on the financial service providers register. You can search for information about registered financial service providers at <http://www.fspr.govt.nz>.

You can also complain to the Financial Markets Authority if you have concerns about the behaviour of a financial adviser.

## Important notice

This is an Investment Statement prepared in accordance with the Securities Act 1978 and the Securities Regulations 2009 (as amended by the Securities Amendment Regulations 2011), relating to an offer of units in the AMP Capital Investment Funds by AMP Investment Management (N.Z.) Limited. It is prepared as at, and is dated, 1 March 2012.

## For Investors in Administration and Custodial Services

AMP Capital is proud to offer the AMP Capital Investment Funds to investors via selected administration and custodial services.

When reading this Investment Statement, you should remember that if your investments are purchased through an administration and custodial service they will be held by a custodian on your behalf.

You should refer to the administration and custodial service terms and the relevant marketing information for how you may invest in the AMP Capital Investment Funds.

Please take the time to read this Investment Statement and the other relevant documentation that you have been given before making your investment decisions.

## Why invest in managed funds?

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Investing in managed funds can help you achieve your savings goals and create greater wealth for the future. Managed funds offer investors:

- **The opportunity for higher returns.** Active fund managers such as AMP Capital are focused on generating higher returns than the market - above and beyond fees.
- **Professional and active management.** Employing the expertise and resources of an active manager is particularly beneficial for those investors that do not have the time or the skill to manage their own investments.
- **Diversification.** Pooling together large amounts of money enables fund managers to invest in a spread of assets which allows diversification and reduces the risk of your portfolio.
- **Access to rare opportunities.** Because your money is pooled, you also get access to markets and securities that might otherwise be out of reach.
- **Simplified investing.** Fund managers take care of all the paperwork involved in the buying, selling, reporting and record keeping.

### The portfolio investment entity regime

Now managed funds are even more attractive with the portfolio investment entity (PIE) regime. PIEs are a

special tax investment entity which a managed fund can elect to become. All AMP Capital Investment Funds are PIEs, which means that net income from the funds flow through the PIE and the investor has their share of the taxable investment income taxed at their prescribed investor rate (PIR). In the past, most managed funds were taxed at 33% regardless of the marginal tax rate of the underlying investors in the fund. The top PIR is currently capped at 28%.

In some cases, investors in PIE managed funds will actually have a tax advantage over investors who invest directly and are taxed at their marginal tax rate.

In addition, a PIE managed fund is not taxed on gains derived from the sale of the following:

- shares in New Zealand resident companies;
- units in certain Australian unit trusts that have a Resident Withholding Tax Proxy and meet minimum turnover or distribution requirements; and
- shares in Australian resident listed companies included in an approved index of the ASX.

Income attributed to investors from certain types of capital gains (such as from the sale of shares and units as described above) or from the sale of property held on capital account, such as rental properties, are not taxable in the hands of investors.

# Why invest with AMP Capital?

AMP Capital is the Investment Manager and a Promoter of the Funds. AMP Capital is a leading specialist investment manager, managing around \$12.0 billion\* for New Zealand investors.

As a wholly owned subsidiary of AMP Limited, AMP Capital operates independently with a pure investment focus, but benefits from the resources of its parent. With over 200 in-house investment professionals and a carefully selected global network of investment partners, AMP Capital Group offers significant depth and breadth of investment expertise.

Increasingly, delivering superior returns to our clients involves looking beyond traditional techniques to a new generation of investment portfolios. These require the blending of any number of inputs such as securities, asset classes, countries, styles and even managers to obtain the optimal risk and return outcome. To do this well requires real depth of in-house investment expertise, a business philosophy open to partnering, and specialist capabilities designed to integrate and maximise the two. At AMP Capital, there are specialist investment teams across a diverse range of disciplines. Each team focuses on searching out and creating the best investment outcomes for clients.

AMP Capital also collaborates with like-minded investment specialists around the world, leveraging the joint expertise to create new investment opportunities.

This investment approach capitalises on the strength and breadth of AMP Capital's investment expertise and is characterised by three distinctive capabilities:

- **Multiple perspectives:** research drives every investment decision. Specialist investment teams interact, sharing knowledge and insights to gain multiple perspectives. This diversity of thought allows AMP Capital to see things differently, often producing unique insights that create new ways to add value to clients' portfolios.

- **Access to rare investment opportunities:** scale, brand and relationships give AMP Capital a competitive edge in deal sourcing and origination. This access to rare assets opens up new and different investment opportunities for clients.
- **Progressive portfolio construction:** the new generation of investment portfolios demand increasingly complex portfolio construction decisions. With this in mind, AMP Capital has developed proprietary skills and processes that allow it to select and blend a wide range of investment inputs, from individual securities to the right investment partner. AMP Capital uses these skills to meet the diverse risk return objectives of AMP Capital's clients.

Underpinning these capabilities are AMP Capital's people. AMP Capital seeks to attract the best people, invest in their ongoing professional development, and ensure that their interests are clearly aligned with those of AMP Capital's clients.

The combination of scale, breadth and capability provides access to superior investment opportunity.

Reliably, consistently, repeatedly.

\* As at 30 June 2011.

# AMP Capital Investment Funds

## Diversified Funds

<b>AMP Capital Balanced Fund</b>	Designed to provide good returns over time with medium risk. To do this, it uses appropriate diversification across asset types, with a mix of income assets (e.g. bonds) and growth assets (e.g. shares).
<b>AMP Capital Conservative Fund</b>	Designed to provide investors with above cash returns over time with capital preservation. To do this, it uses appropriate diversification across asset types, with a distinct bias to income assets (e.g. bonds).
<b>AMP Capital Growth Fund</b>	Designed to provide investors with high returns over time but with corresponding high risk. To do this, it uses appropriate diversification across asset types, with a distinct bias to growth assets (e.g. shares).
<b>AMP Capital Responsible Investment Leaders Balanced Fund</b>	Designed to give investors access to a balanced fund with medium risk that invests in a broad range of assets that are managed within a socially responsible investment framework.

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## Cash and Fixed Interest

<b>AMP Capital NZ Cash Fund</b>	Provides exposure to a diversified portfolio of bank bills, deposits and other short term securities.
<b>AMP Capital NZ Fixed Interest Fund</b>	Provides exposure to a diversified portfolio of predominantly investment grade New Zealand fixed interest securities.
<b>AMP Capital NZ Short Duration Fund</b>	A diversified portfolio of income investments that includes corporate bonds, government bonds and other fixed interest securities.
<b>AMP Capital Hedged Global Fixed Interest Fund</b>	Gives investors access to a multi-manager approach to investing in a diversified range of international fixed interest securities targeting a fully hedged position to the New Zealand dollar.
<b>AMP Capital Global Fixed Interest Fund</b>	Gives investors global fixed income exposure by using a New Zealand cash portfolio, overlaid with standard global interest rate swaps for the major fixed income markets, to provide an exposure to global fixed interest.

## New Zealand and Australian Shares

<b>AMP Capital NZ Shares Fund</b>	A diversified portfolio of predominately New Zealand shares which is constructed to outperform the NZX 50 Index (on a gross basis and including imputation credits).
<b>AMP Capital Strategic NZ Shares Fund</b>	A diversified portfolio of New Zealand and Australian shares which is constructed to outperform the NZX 50 Portfolio Index (on a gross basis and including imputation credits).
<b>AMP Capital Equity Opportunity Fund</b>	An active investment fund, focusing on opportunities that AMP Capital believes provides compelling absolute value. Investments may include listed shares, non-listed shares, fixed interest securities and cash.
<b>AMP Capital Australian Shares Fund</b>	A diversified portfolio of shares and other securities listed on the Australian Stock Exchange.

## Property

<b>AMP Capital NZ Property Fund*</b>	Provides investors with an opportunity to participate in a diversified direct property portfolio with returns comprising both income and capital growth.
<b>AMP Capital Listed Property Securities Fund</b>	Provides a diversified exposure to predominately New Zealand property through a portfolio of listed property securities which is constructed to outperform the NZX Property Group Sector Index.
<b>AMP Capital Global Property Securities Fund</b>	Gives investors access to a diversified portfolio of global property securities and real estate investment trusts listed on global share markets.

## Global Shares

<b>AMP Capital Global Shares Fund</b>	Gives investors access to a multi-manager approach to investing in shares on international stock exchanges including small company and emerging markets partially hedged to the New Zealand dollar.
<b>AMP Capital Core Global Shares Fund</b>	Provides investors with exposure to international shares, actively managed using a multi-manager approach, which uses a blend of managers to provide access to leading global specialists.
<b>AMP Capital Core Hedged Global Shares Fund</b>	Provides investors with exposure to international shares, actively managed using a multi-manager approach, which uses a blend of managers to provide more diversification and targets a position of being fully hedged to the New Zealand dollar.
<b>AMP Capital Extended Markets Global Shares Fund</b>	Provides exposure to mid/small capitalisation companies and emerging markets using a multi-manager approach, providing increased diversification as stocks in this category are normally excluded from traditional global equity portfolios.
<b>AMP Capital Responsible Investment Leaders Global Shares Fund</b>	Gives investors access to shares listed on international share markets managed within a socially responsible investment (SRI) framework. The Fund is actively managed using a multi-manager approach.

\* The performance of the NZ Property Fund has been negative in the year to 31 March 2011 – see page 20 for further details.

## Returns data

In 2010, the Manager updated its model for calculating the benchmark returns for the AMP Capital Investment Funds (including, in respect of the AMP Capital Balanced Fund, the AMP Capital Conservative Fund and the AMP Capital Growth Fund, by making these calculations using daily, rather than weekly, pricing data). The updated model was applied retrospectively to the calculation of benchmark returns for past periods. Accordingly, the benchmark returns for the Funds disclosed in this Investment Statement may differ slightly from those disclosed in previous Investment Statements (with the result that the extent to which the actual gross returns are lower or higher than the corresponding benchmark returns may differ from that previously disclosed)

## DIVERSIFIED FUNDS

# AMP Capital Balanced Fund

Established 16 May 1995

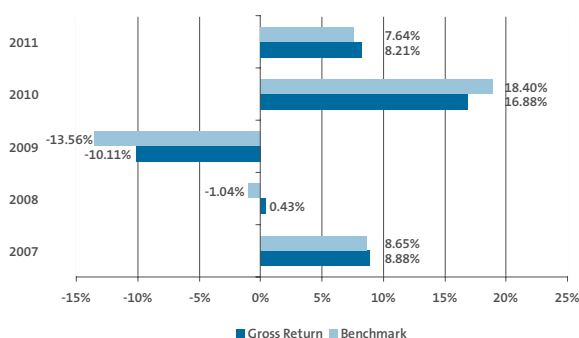
### Investment strategy

The Balanced Fund is designed to provide good returns over time with medium risk. To do this, it uses diversification across asset types, with a mix of income assets (e.g. bonds) and growth assets (e.g. shares).

### Key features

- Strong track record of innovation and competitive performance.
- A diverse range of growth and income assets including shares, property, fixed interest securities and cash, in New Zealand and global markets.
- One of the most experienced investment management teams for New Zealand investments.
- Active management of asset allocations to suit changing investment environments and conditions.
- This Fund will invest primarily in other funds, including funds managed by the Manager or associates of the Manager, but may invest in directly held assets. See page 70 of the Prospectus for a table showing the funds managed by the Manager or an associated person of the Manager in which more than 10% of the value of the Fund has been invested.
- This Fund invests in the NZ Property Fund. See pages 20-21, 30-31, 45 to 46 for more information about the NZ Property Fund and the issues currently facing that Fund.

### Annual returns to 31 March



### Use of derivatives

The Fund may use derivatives to manage risk and facilitate rebalancing and asset allocation.

### Performance objective

To outperform, over the medium term, the weighted average return of the market indices used to measure performance of the underlying funds/assets in which the Fund invests by 1% per annum.

### Investment guidelines

The benchmark asset mix noted below is the expected average asset mix of the Balanced Fund over the long term. In the short term and medium term, we will actively manage the Fund within the given ranges:

	Benchmark (%)	Range (%)
New Zealand Cash	5	
New Zealand Fixed Interest	20	
Global Fixed Interest	15	
<b>Total Cash and Fixed Interest</b>	<b>40</b>	<b>20-60</b>
New Zealand Shares	12	
Australian Shares	3	
Global Shares	35	
<b>Total Shares</b>	<b>50</b>	<b>30-70</b>
New Zealand Property	7	
Global Property Securities	3	
<b>Total Property</b>	<b>10</b>	<b>0-20</b>
<b>Total</b>	<b>100</b>	
Foreign Currency Exposure*	17	0 - 35

### Currency management

Currency management will be undertaken within the Fund to maintain currency exposure of the international assets to a level determined by AMP Capital.

\* This is the benchmark amount of foreign currency exposure held within the Fund. Benchmark and ranges are in net of tax terms at the current maximum Prescribed Investor Rate.

## DIVERSIFIED FUNDS

# AMP Capital Conservative Fund

Established 16 May 1995

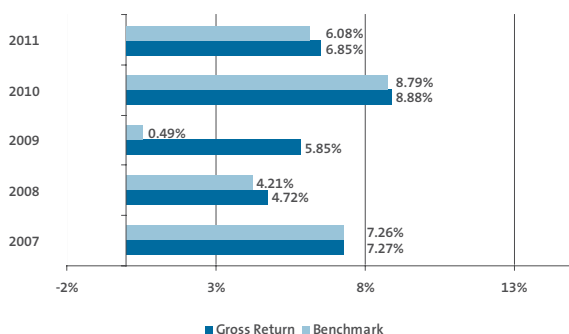
### Investment strategy

The Conservative Fund aims to provide investors with above-cash returns over time with capital preservation. To do this, it uses appropriate diversification across asset types, with a distinct bias to income assets (e.g. bonds).

### Key features

- Strong track record of innovation and competitive performance.
- A diverse range of growth and income assets including shares, property, fixed interest securities and cash, in New Zealand and global markets.
- One of the most experienced investment management teams for New Zealand investments.
- Active management of asset allocations to suit changing investment environments and conditions.
- This Fund will invest primarily in other funds, including funds managed by the Manager or associates of the Manager, but may invest in directly held assets. See page 70 of the Prospectus for a table showing the funds managed by the Manager or an associated person of the Manager in which more than 10% of the value of the Fund has been invested.
- This Fund invests in the NZ Property Fund. See pages 20-21, 30-31, 45 to 46 for more information about the NZ Property Fund and the issues currently facing that Fund.

### Annual returns to 31 March



### Use of derivatives

The Fund may use derivatives to manage risk and facilitate rebalancing and asset allocation.

### Performance objective

To outperform, over the medium term, the weighted average return of the market indices used to measure performance of the underlying funds/assets in which the Fund invests.

### Investment guidelines

The benchmark asset mix noted below is the expected average asset mix of the Conservative Fund over the long term. In the short term and medium term, we will actively manage the Fund within the given ranges:

	Benchmark (%)	Range (%)
New Zealand Cash	25	
New Zealand Fixed Interest	30	
Global Fixed Interest	20	
<b>Total Cash and Fixed Interest</b>	<b>75</b>	<b>55-95</b>
New Zealand Shares	5	
Australian Shares	1	
Global Shares	14	
<b>Total Shares</b>	<b>20</b>	<b>0-40</b>
New Zealand Property	3	
Global Property Securities	2	
<b>Total Property</b>	<b>5</b>	<b>0-15</b>
<b>Total</b>	<b>100</b>	
Foreign Currency Exposure*	8	0-25

### Currency management

Currency management will be undertaken within the Fund to maintain currency exposure of the international assets to a level determined by AMP Capital.

\*This is the benchmark amount of foreign currency exposure held within the Fund. Benchmark and ranges are in net of tax terms at the current maximum Prescribed Investor Rate.

## DIVERSIFIED FUNDS

# AMP Capital Growth Fund

Established 16 May 1995

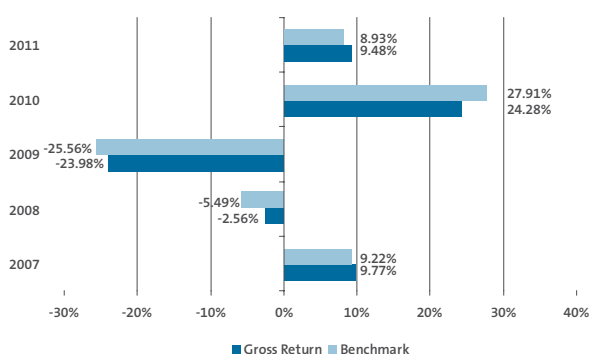
### Investment strategy

The Growth Fund is designed to provide investors with high returns over time but with corresponding high risk. To do this, it uses diversification across asset types, with a distinct bias to growth assets (e.g. shares).

### Key features

- Strong track record of innovation and competitive performance.
- A diverse range of growth and income assets – including shares, property, fixed interest securities and cash, in New Zealand and global markets.
- One of the most experienced investment management teams for New Zealand investments.
- Active management of asset allocations to suit changing investment environments and conditions.
- This Fund will invest primarily in other funds, including funds managed by the Manager or associates of the Manager, but may invest in directly held assets. See page 70 of the Prospectus for a table showing the funds managed by the Manager or an associated person of the Manager in which more than 10% of the value of the Fund has been invested.
- This Fund invests in the NZ Property Fund. See pages 20-21, 30-31, 45 to 46 for more information about the NZ Property Fund and the issues currently facing that Fund.

### Annual returns to 31 March



### Use of derivatives

The Fund may use derivatives to manage risk and facilitate rebalancing and asset allocation.

### Performance objective

To outperform, over the medium term, the weighted average return of the market indices used to measure performance of the underlying funds/assets in which the Fund invests by 2% per annum.

### Investment guidelines

The benchmark asset mix noted below is the expected average asset mix of the Growth Fund over the long term. In the short term and medium term, we will actively manage the Fund within the given ranges:

	Benchmark (%)	Range (%)
New Zealand Cash	5	
New Zealand Fixed Interest	5	
Global Fixed Interest	0	
<b>Total Cash and Fixed Interest</b>	<b>10</b>	<b>0-30</b>
New Zealand Shares	15	
Australian Shares	5	
Global Shares	55	
<b>Total Shares</b>	<b>75</b>	<b>55-95</b>
New Zealand Property	10	
Global Property Securities	5	
<b>Total Property</b>	<b>15</b>	<b>0-30</b>
<b>Total</b>	<b>100</b>	
Foreign Currency Exposure*	24	0-40

### Currency management

Currency management will be undertaken within the Fund to maintain currency exposure of the international assets to a level determined by AMP Capital.

\* This is the benchmark amount of foreign currency exposure held within the Fund. Benchmark and ranges are in net of tax terms at the current maximum Prescribed Investor Rate.

## DIVERSIFIED FUNDS

# AMP Capital Responsible Investment Leaders Balanced Fund

Established 17 October 2008

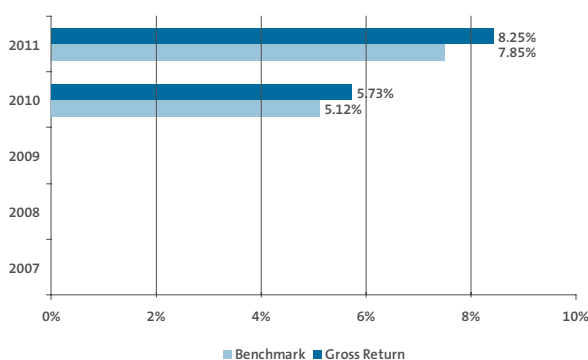
### Investment strategy

The Responsible Investment Leaders Balanced Fund aims to provide investors with good returns over time with medium risk whilst investing in line with responsible investment parameters (see page 28 for more detail on responsible investment). To do this, it uses appropriate diversification across asset types, with a mix of income assets (e.g. bonds) and growth assets (e.g. shares).

### Key features

- A diverse range of growth and income assets – including shares, property, fixed interest securities and cash, in New Zealand and global markets.
- Active management of asset allocations to suit changing investment environments and conditions.
- A robust investment process that combines a sustainability focus with stringent financial analysis.
- This Fund will invest primarily in other funds, including funds managed by the Manager or associates of the Manager. It may also invest in directly held assets. See page 70 of the Prospectus for a table showing the funds managed by the Manager or an associated person of the Manager in which more than 10% of the value of the Fund has been invested.

### Annual returns to 31 March \*\*



### Use of derivatives

The Fund may use derivatives to manage risk and facilitate rebalancing and asset allocation.

### Performance objective

To outperform, over the medium term, the weighted average return of the market indices used to measure performance of the underlying funds/assets in which the fund invests by 1% per annum.

### Investment guidelines

The benchmark asset mix noted below is the expected average asset mix of the Fund over the long term. In the short term and medium term, we will actively manage the Fund within the given ranges. There may be times when an asset class is not represented (or is not within the specified range) due to compliance around the responsible investment charter for the Fund.

	Benchmark (%)	Range (%)
New Zealand Cash	5	
New Zealand Fixed Interest	20	
Global Fixed Interest	15	
<b>Total Cash and Fixed Interest</b>	<b>40</b>	<b>20-60</b>
New Zealand Shares	15	
Global Shares	35	
<b>Total Shares</b>	<b>50</b>	<b>30-70</b>
Property	10	
<b>Total Property</b>	<b>10</b>	<b>0-20</b>
<b>Total</b>	<b>100</b>	
Foreign Currency Exposure*	17	0-35

### Currency management

Currency management will be undertaken within the Fund to maintain currency exposure of the international assets to a level determined by AMP Capital.

\* This is the benchmark amount of foreign currency exposure held within the Fund. Benchmark and ranges are in net of tax terms at the current maximum Prescribed Investor Rate.

\*\* The performance return for 2010 is calculated from the date of the first investment in the fund to 31 March 2010.

## CASH AND FIXED INTEREST

# AMP Capital NZ Cash Fund

Established 16 May 1995

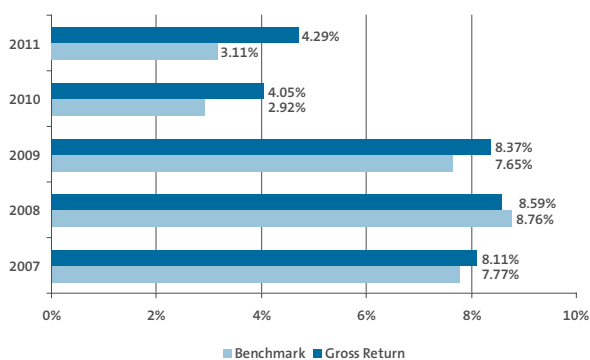
### Investment strategy

The NZ Cash Fund is an actively managed portfolio of bank bills, floating rate notes and short term deposits and securities, with a maximum weighted average duration not exceeding six months.

### Key features

The Manager uses both interest rate and credit strategies with the aim to deliver a return above the ANZ NZ 90 Day Bank Bill Gross Return Index. The investment team considers economic fundamentals, market sentiment, fund flows and relative value between the cash rate and other securities along the yield curve in determining the selection of suitable securities.

### Annual returns to 31 March



### Performance objective

To provide a Gross Return above the return of the ANZ NZ 90 Day Bank Bill Gross Return Index on a rolling 12 month basis.

### Investment guidelines

The NZ Cash Fund predominately invests in New Zealand bank and corporate securities/deposits including bank bills, floating rate notes and periodically utilises derivatives. The Fund will not invest into collateralised debt obligations, collateralised loan obligations or credit default swaps. The investment guidelines are as follows:

	Range (%)
Bank risk or debt securities and registered bank deposits/cash	50-100
New Zealand Government or government guaranteed securities	
Corporate securities	0-50
Floating rate notes	0-25

## CASH AND FIXED INTEREST

# AMP Capital NZ Fixed Interest Fund

Established 16 May 1995

### Investment strategy

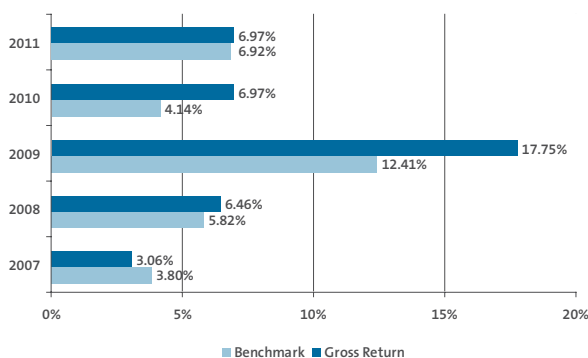
The NZ Fixed Interest Fund is an actively managed portfolio of New Zealand fixed interest investments designed for those investors who wish to invest in a diversified portfolio of fixed interest securities.

The portfolio is structured to add value through interest rate, yield curve and credit management.

### Key features

- The potential for attractive returns from exposure to a diversified portfolio of longer term fixed interest securities.
- Proven investment management expertise from access to the resources of a specialised fixed interest team across New Zealand and Australia.

### Annual returns to 31 March



### Performance objective

To provide a Gross Return above the return of the ANZ NZ Government Stock Gross Return Index on a rolling three year basis.

### Investment guidelines

The NZ Fixed Interest Fund predominately invests in corporate and government securities and will frequently utilise derivatives to manage risk. The Fund will not invest into collateralised debt obligations, collateralised loan obligations or credit default swaps. The investment guidelines are as follows:

	Range (%)
On call cash, short-term securities and term deposits.	0-50
Corporate, New Zealand Government, and other non-government securities	50-100
Local Government Funding Authority	0-50
Interest rate swaps	0-100
Foreign currency issues of NZ entities	0-10
Cross currency swaps	0-10

### Currency management

The Investment Manager is responsible for hedging any foreign currency exposures back to New Zealand dollars.

## CASH AND FIXED INTEREST

# AMP Capital NZ Short Duration Fund

Established 29 June 2007

(This Fund was formerly called the "AMP Capital NZ Enhanced Yield Fund").

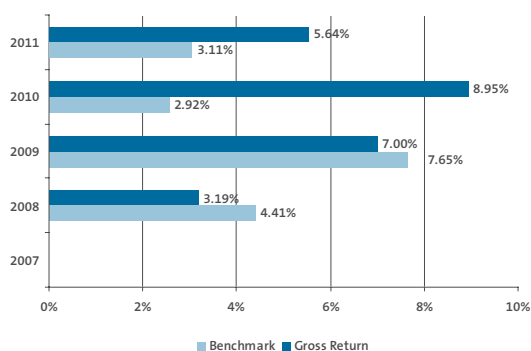
### Investment strategy

The NZ Short Duration Fund aims to deliver a consistently good income using a combination of interest rate and investment grade credit strategies. It targets a shorter average duration (and maturity) than traditional fixed income funds and its risk/return profile should place it between a cash portfolio and a standard fixed income portfolio.

### Key features

- The use of fixed interest risk management tools means the Fund's capital value is not as sensitive to changes in market interest rates as traditional longer term fixed income portfolios.
- The Fund specifically targets credit risk and interest rate risk as a source of return.

### Annual returns to 31 March\*



### Performance objective

The objective of the NZ Short Duration Fund is to provide a Gross Return of 1% above the return of the ANZ Short End Swap Index on a rolling three year basis.

### Investment guidelines

The NZ Short Duration Fund aims to give investors exposure to fixed interest securities, including corporate debt, mortgage and asset-backed securities, infrastructure debt, government bonds, credit default swaps, interest rate swaps, cash and cash-like securities. The investment guidelines are as follows:

	Range (%)
New Zealand issued securities, including corporate bonds, SOE, local authority and government bonds	0-100
Mortgage and other asset backed bonds	0-25
Foreign currency issues of New Zealand entities	0-30
Credit default swaps (by notional face value)	0-30
Interest rate swaps (by notional face value)	0-100
Cross currency swaps (by notional face value)	0-30
On call NZ cash, short term securities and term deposits	0-100
Local Government Funding Authority	0-50

The investment guidelines for this Fund were changed with effect from 1 December 2011. Under the new investment guidelines, the Fund targets a shorter average duration (and maturity) than traditional fixed income funds.

\* Performance return for 2008 is calculated from the time of the first investment in the Fund to 31 March 2008. The performance information set out in the graph above shows the performance of the Fund before the investment guidelines were changed with effect from 1 December 2011. Past performance is not necessarily indicative of future returns.

CASH AND FIXED INTEREST

# AMP Capital Hedged Global Fixed Interest Fund

Established 7 November 1994

## Investment strategy

The Hedged Global Fixed Interest Fund gives investors access to a multi-manager approach to investing in a diversified range of international government securities, government-related securities, corporate securities, asset-backed securities and hybrid securities in both developed and emerging markets around the globe.

## Key features

- Exposure to a range of high quality fixed interest investment managers, selected by AMP Capital’s specialist multi-manager team.
- Specialist coverage of the three major components of global bond markets - sovereign government bonds, corporate credit and securitised debt.
- Aims to deliver more stable returns by diversifying across investment styles.
- This Fund currently invests in the Future Directions International Bond Fund, a fund managed by AMP Capital Investors Limited in Australia which normally invests in global fixed interest securities.
- Targets full hedging to net asset value.

## Investment guidelines

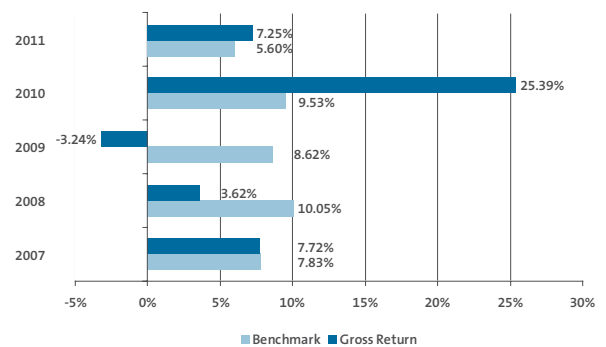
The guidelines for the Hedged Global Fixed Interest Fund are shown below:

	Range (%)
Cash	0–5
Global fixed interest exposure via Future Directions International Bond Fund	95–100

## Performance objective

To provide a Gross Return which outperforms the return of the Barclays Capital Global Aggregate US\$300m Index over a rolling three year basis, fully hedged to the New Zealand dollar.

## Annual returns to 31 March



## Currency management

AMP Capital targets 100% currency hedging of the Fund’s net asset value. Currency hedges are normally rebalanced monthly but may also be adjusted intra-month to reflect any significant cashflows.

## CASH AND FIXED INTEREST

# AMP Capital Global Fixed Interest Fund

Established 1 October 2007

Please note: Units in the Global Fixed Interest Fund are not offered to the public for subscription.

### Investment strategy

The Global Fixed Interest Fund gives investors global fixed income exposure by using a New Zealand cash portfolio, overlaid with a portfolio of standard global interest rate swaps.

### Key features

- This Fund will only invest in New Zealand cash (currently through the AMP Capital NZ Cash Fund) and a portfolio of highly liquid global interest rate swap contracts with local and international banks.
- The combination of New Zealand cash and global interest rate swaps is broadly equivalent to investing into a diversified New Zealand dollar hedged portfolio of high credit quality global fixed interest.

### Performance objective

To provide a Gross Return that outperforms the Citigroup World Bond Index fully hedged to the New Zealand dollar

### Investment guidelines

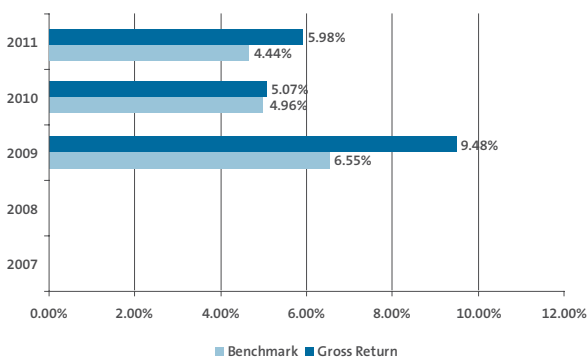
The Global Fixed Interest Fund is to be fully invested in New Zealand cash, with global interest rate swaps used to generate the target duration as determined by AMP Capital.

### Currency management

The Fund is predominantly invested in New Zealand cash. However, should the unrealised profit/loss on the global interest rate swaps become material, AMP Capital may at its discretion hedge this position to the New Zealand dollar.

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### Annual returns to 31 March\*



\* Performance return for 2009 is calculated from the time of the first investment in the Fund to 31 March 2009.

NEW ZEALAND AND AUSTRALIAN SHARES

# AMP Capital NZ Shares Fund

Established 16 May 1995

## Investment strategy

The NZ Shares Fund is a diversified portfolio of predominately New Zealand shares which is constructed to outperform the NZX 50 Index (on a gross basis and including imputation credits).

The investment approach is research driven. Our team of fundamental analysts determines financial forecasts for companies in our investment universe. Where our forecasts differ from the forecasts implied by the current price of the shares, positions relative to the index are taken.

The portfolio also invests in Australian shares. This flexibility affords a wider investment universe and allows the portfolio to benefit from insights the research team derives on Australian stocks. The portfolio is well diversified and is constructed to have moderate tracking error relative to the NZX 50 Index (on a gross basis and including imputation credits).

## Key features

- Exposure to a diversified portfolio of New Zealand and Australian shares.
- The portfolio will generally be overexposed to companies which have sustainable competitive advantage, good growth outlooks, the ability to grow earnings faster than revenue and which can grow without a strong reliance on raising additional capital.

## Investment guidelines

The NZ Shares Fund guidelines by asset class are shown below:

	Range (%)
Cash	0–10
New Zealand shares	60–100
Australian shares	0–30

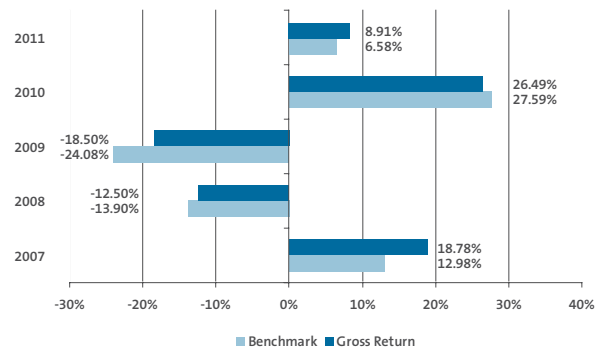
Guidelines for position sizes are shown below:

Index weight	Portfolio parameters relative to index weight	
	Minimum (%)	Maximum (%)
Individual company position weighting over 10%	-10	+10
Individual company position weighting under 10%	-6	+6

## Performance objective

To provide a Gross Return above the return of the NZX 50 Index (on a gross basis and including imputation credits) over a rolling three year period.

## Annual returns to 31 March



## Currency management

AMP Capital has the discretion to hedge against any Australian dollar exposure but historically the Fund has been unhedged.

## NEW ZEALAND AND AUSTRALIAN SHARES

# AMP Capital Strategic NZ Shares Fund

Established 1 February 2001

### Investment strategy

The Strategic NZ Shares Fund is a diversified portfolio of predominately New Zealand shares which is constructed to outperform the NZX 50 Portfolio Index (on a gross basis and inclusive of imputation credits).

The investment approach is research driven. Our team of fundamental analysts determines financial forecasts for companies in our investment universe. Where AMP Capital's forecasts differ from the forecasts implied by the current price of the shares, positions relative to the index are taken.

The portfolio also invests in Australian shares. This flexibility affords a wider investment universe and allows the portfolio to benefit from insights the research team derives on Australian stocks.

### Key features

- A portfolio of AMP Capital's highest conviction New Zealand and Australian shares.
- The portfolio will generally be overexposed to companies which have sustainable competitive advantage, good growth outlooks, the ability to grow earnings faster than revenues and which can grow without a strong reliance on raising additional capital.

### Performance objective

To provide a Gross Return above the return of the NZX 50 Portfolio Index (on a gross basis and inclusive of imputation credits) over a rolling three year period.

### Investment guidelines

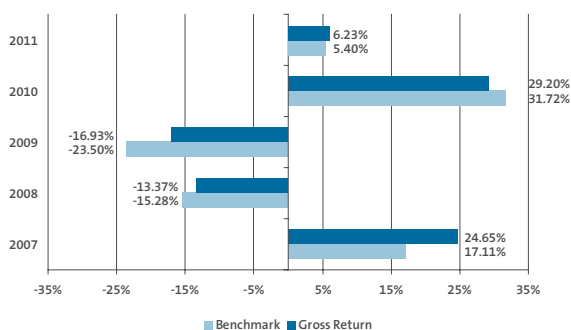
The guidelines for the Strategic NZ Shares Fund are shown below:

	Range (%)
Cash	0–20
New Zealand shares	50–100
Australian shares	0–50

### Currency management

AMP Capital has the discretion to hedge against the Australian dollar exposure but historically the Fund has been unhedged.

### Annual returns to 31 March



## NEW ZEALAND AND AUSTRALIAN SHARES

# AMP Capital Equity Opportunity Fund

Established 1 October 2007

(This Fund was formerly called the "AMP Capital NZ Equity Opportunity Fund").

### Investment strategy

The Equity Opportunity Fund is an opportunistic fund, seeking investments where AMP Capital has the highest conviction and not simply because they are in a share market index. Compared to other equity funds, the portfolio will therefore be relatively concentrated and with less liquidity constraints so that investments can be made in smaller companies. Investments may include listed shares, non-listed shares, fixed interest securities, hybrids, futures and options.

The Fund will only invest in companies the investment team have an active view on and can hold cash if suitable investments do not exist or if the team is negative on markets. The Fund is high conviction and may have larger, and at times, less liquid stock bets than traditionally managed equity portfolios.

### Key features

- An active investment fund, focusing on opportunities that provide compelling value identified by the Manager.
- Stock selection is driven by a bottom-up understanding and companies are chosen for the portfolio on a clear understanding of their sustainability and growth in profitability."

### Investment guidelines

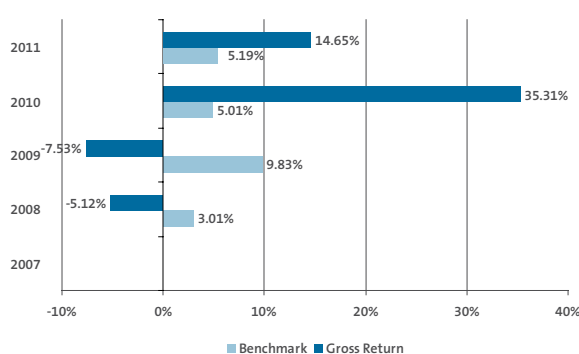
The guidelines for the Equity Opportunity Fund are shown below:

	Range (%)
Cash	0–50
New Zealand and Australian listed shares or other equity securities	0–100
New Zealand and Australian fixed interest securities	0–30
Unlisted shares	0–30

### Performance objective

To provide a Gross Return of greater than 2% above the ANZ NZ 90 Day Bank Bill Gross Return Index over a rolling three year period.

### Annual returns to 31 March\*



### Currency management

AMP Capital has the discretion to hedge against the Australian dollar exposure but historically the Fund has been unhedged.

\* The performance return to 2008 is calculated from the date of the first investment in the fund to 31 March 2008.

## NEW ZEALAND AND AUSTRALIAN SHARES

# AMP Capital Australian Shares Fund

Established 13 September 1996

### Investment strategy

The Australian Shares Fund provides access to shares listed on the Australian Stock Exchange, either directly or through other investments managed by AMP Capital Investors Limited in Australia. The Fund applies both a capital and enhanced index approach to investment.

### Key features

- Exposure to a diversified portfolio of Australian shares.
- In Australia, AMP Capital's investment style is based around two concepts:
  - The 'capital' investment style is based on the expectation that wealth creation is closely linked to a company's ability to manage its capital and we seek out companies with the capacity to deliver sustainable excess returns on their capital base.
  - The 'enhanced index' approach is a form of index-based share investment and includes the use of return enhancement techniques where we take on slightly higher levels of risk, relative to benchmark, than an index fund.
- This Fund currently invests in the Wholesale Australian Shares Fund, a unit trust managed by AMP Capital Investors Limited in Australia.

### Investment guidelines

The guidelines for the Australian Shares Fund are shown below:

	Range (%)
Cash	0-10
Australian shares	90-100

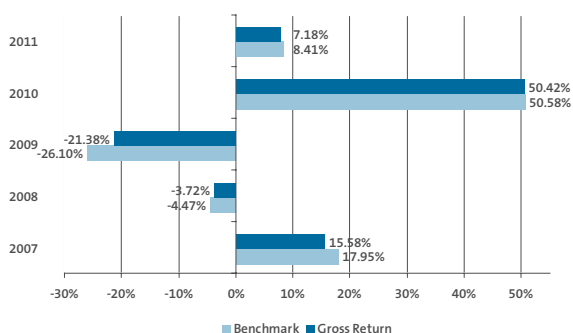
### Performance objective

To provide a Gross Return above the return of the S&P/ASX 200 Accumulation Index on a rolling 12 month basis.

### Currency management

AMP Capital has the discretion to hedge against the Australian dollar exposure but historically the Fund has been unhedged.

### Annual returns to 31 March



PROPERTY

# AMP Capital Global Property Securities Fund

Established 1 October 2007

## Investment strategy

The Global Property Securities Fund provides access to property investment opportunities that may otherwise be difficult to obtain. The Fund aims to generate medium to high returns over the long term by investing in global listed property securities, Real Estate Investment Trusts (REITs) and property securities companies in North America, Europe and Asia.

## Key features

- A genuinely global portfolio of listed property securities listed on stock exchanges in North America, Europe, Asia and Australia.
- Greater diversification by accessing a range of property companies and sectors not available in the New Zealand listed property market.
- Investment specialists on the ground to capitalise on local knowledge and spot the best opportunities in each region.
- A focus on property securities whose primary source of revenue is rental income.
- AMP Capital Brookfield Pty Ltd, an affiliate of AMP Capital Investors and Brookfield Asset Management, is the sub-investment manager of this Fund.

## Investment guidelines

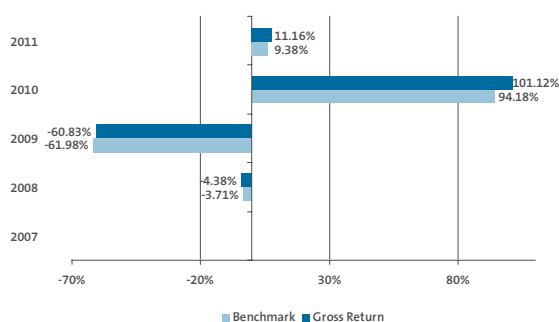
The guidelines for the Global Property Securities Fund are shown below:

	Range (%)
Cash	0–10
Global Property Securities	90–100

## Performance objective

To provide a Gross Return above the FTSE EPRA/NAREIT Developed Rental total return index with net dividends reinvested (fully hedged to the New Zealand dollar on a net after tax basis based on the current maximum Prescribed Investor Rate) on a rolling three year basis.

## Annual returns to 31 March\*



## Currency management

This Fund targets a position of being fully hedged to the New Zealand dollar (on a net after tax basis, based on the current maximum Prescribed Investor Rate). Currency hedges are normally rebalanced monthly but may be adjusted intra-month to reflect any significant cashflows.

\* The performance return for 2008 is calculated from the date of the first investment in the Fund to 31 March 2008.

## PROPERTY

# AMP Capital NZ Property Fund

Established 16 May 1995

### Investment strategy

The NZ Property Fund provides investors with exposure to a diversified portfolio of direct New Zealand property. To achieve this, the Fund invests in managed property funds with direct property investments. The portfolio is designed to be well-diversified by location and by property type, offering a variety of sectors such as office, retail shopping centres, developments and industrial. AMP Capital believes that combining different types of property assets can produce a better risk and return outcome than by investing in a single type of property investment.

### Key features

- A diversified property portfolio investing primarily in the AMP Capital Property Portfolio (APP, an unlisted fund which consists primarily of interests in commercial, industrial and retail properties) or in other property funds managed by AMP Capital.
- It is intended that the Fund will invest in managed property funds however the Fund may also invest directly in properties.

### Investment guidelines

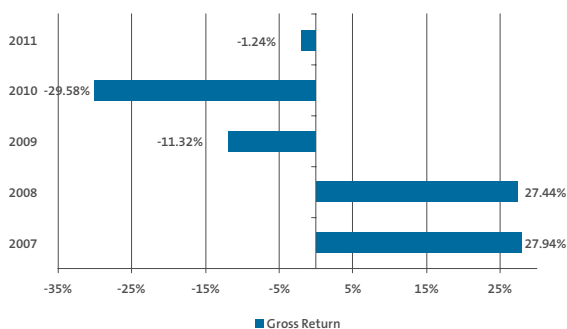
The Guidelines for the NZ Property Fund are shown below:

	Range (%)
Cash	0-20
Direct Property	80-100
Listed Property*	0-10

### Performance objective

To provide investors with an opportunity to participate in a well diversified direct property portfolio, and with consistent returns comprising both income and capital growth over the medium to long term.

### Annual returns to 31 March



As can be seen from the performance table above, in the three years to 31 March 2011 the performance of the Fund has been negative. The main reason for the negative performance is the downward shift in values of the underlying property assets of the Fund, reflecting current property market conditions.

The Fund's principal investment is in units in the AMP Capital Property Portfolio ("APP") which represents approximately 99% of the Value of the Assets of the Fund. There is a limited market for units in APP and there are constraints on the Fund's ability to redeem units from APP. In turn, this limits the Fund's ability to fulfil repayment requests made by its Unit Holders.

On 1 December 2010, the Unit Holders in the Fund approved a restructuring proposal for that Fund. As a result of this restructuring proposal, a new redemption queue was established on 1 August 2011. The redemption requests constituting the new redemption queue, (representing approximately 6.6% of the units in the NZ Property Fund as at 9 January 2012, following two rounds of redemptions that have been processed since August 2011) must be satisfied no later than 18 January 2013. If the relevant repayment requests are not satisfied by this date, the NZ Property Fund must be wound up unless the Unit Holders approve an alternative course of action.

\* Temporary allocation of units in the AMP Capital Listed Property Securities Fund.

The NZ Property Fund also has two alternatives to the standard redemption policy, being:

- a discounted redemption policy (as a result of APP's redemption policy, the Fund may be able to redeem units in APP if this occurs at a discount to the normal repayment price, and the discounted redemption policy creates a mechanism for Unit Holders to accept a discounted repayment price in exchange for the ability to redeem units early); and
- an option for the Fund to distribute APP units to Unit Holders who are eligible to invest directly in APP (this is limited to certain categories of investors approved by APP).

Unit Holders are also referred to pages 30-31 for a more detailed explanation of this redemption policy.

## PROPERTY

# AMP Capital Listed Property Securities Fund

Established 28 November 2008

### Investment strategy

The Listed Property Securities Fund is a portfolio of predominately New Zealand listed property securities. The investment approach is research driven and positions relative to the NZX Property Group Sector Index are taken when an expectation gap exists between our assessment and what is implied in the current market price. The portfolio can also invest in Australian listed property securities. This flexibility affords a wider investment universe.

### Key features

- Diversified exposure to predominantly New Zealand property through a portfolio of listed property securities.
- The portfolio will generally be overexposed to companies which have high-quality assets, sustainable rental flow and are well positioned for growth.

### Investment guidelines

The Listed Property Securities Fund guidelines by asset class are shown below:

	Range (%)
Cash	0–20
New Zealand property securities	0–100
Australian property securities	0–50

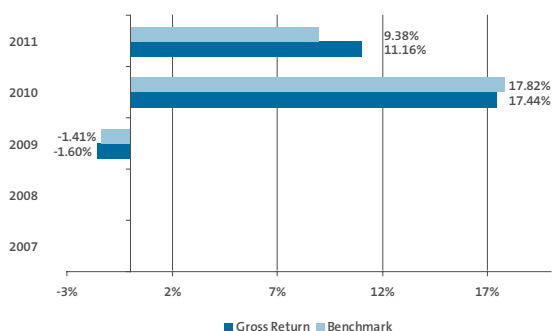
### Performance objective

To provide a Gross Return (including imputation credits) above the return of the NZX Property Group Sector Index (including imputation credits) over a rolling three year period.

### Currency management

AMP Capital has the discretion to hedge against the Australian dollar exposure but typically the Fund is unhedged.

### Annual returns to 31 March\*



\* The performance return for 2009 is calculated for the date of the first investment in the Fund to 31 March 2009.

## GLOBAL SHARES

# AMP Capital Global Shares Fund

Established 7 November 1994

### Investment strategy

The Global Shares Fund gives investors access to a multi-manager approach to investing in shares listed on international stock exchanges.

### Key features

- Exposure to a range of high quality international share managers, selected by AMP Capital's specialist multi-manager team.
- Selecting managers with distinct 'style biases' to achieve an optimal blend of managers allows the Fund to perform across a range of economic conditions.
- Efficient manager configuration and rebalancing to the benchmark asset mix.
- Partially hedged to the New Zealand dollar.
- This Fund currently invests in global shares via the Future Directions International Shares Fund, managed by AMP Capital Investors Limited in Australia.

### Investment guidelines

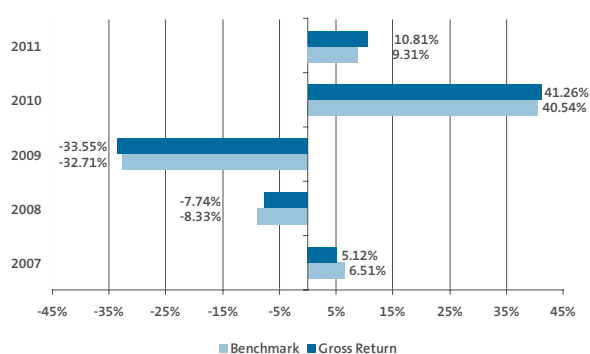
The guidelines for the Global Shares Fund are shown below:

	Range (%)
Cash	0–10
Global shares via: Future Directions International Shares Fund	90–100

### Performance objective

To provide a Gross Return above the return of the Morgan Stanley Capital International (MSCI) World Accumulation Index with net dividends reinvested (50% hedged to the New Zealand dollar on a net after tax basis, based on the current maximum Prescribed Investor Rate) on a rolling three year basis.

### Annual returns to 31 March



### Currency management

AMP Capital is responsible for this Fund's currency management. This Fund has active currency management, with a benchmark of 50% hedged to the New Zealand dollar (on a net after tax basis, based on the current maximum Prescribed Investor Rate). Currency hedges are normally rebalanced monthly but may be adjusted intra-month for significant cashflows.

## GLOBAL SHARES

# AMP Capital Core Global Shares Fund

Established 1 October 2007

### Investment strategy

The Core Global Shares Fund gives investors access to a multi-manager approach to investing in shares listed on international stock exchanges.

### Key features

- A combination of growth, value and core managers have been selected by AMP Capital so that the overall core portfolio is “style-neutral”. This should ensure that the portfolio is not unduly affected or influenced by one investment style.
- A portfolio structured to deliver an efficient “style-neutral” conversion of active risk to return, using concentrated portfolios.
- This Fund currently invests in the Future Directions Core International Shares Fund, a fund managed by AMP Capital Investors Limited in Australia which normally invests in international shares on world stock exchanges.

### Investment guidelines

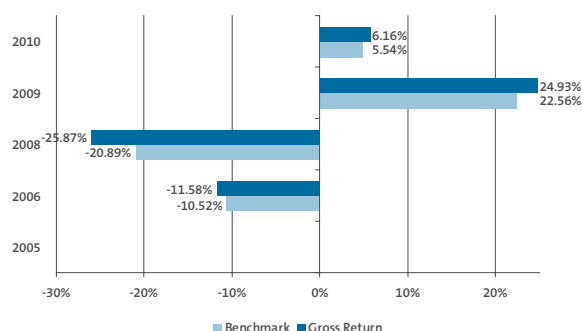
The guidelines for the Core Global Shares Fund are shown below:

	Range (%)
Cash	0–10
Future Directions Core International Shares Fund	90–100

### Performance objective

To provide a Gross Return above the return of the Morgan Stanley Capital International (MSCI) World Accumulation Index with net dividends reinvested on a rolling three year basis.

### Annual returns to 31 March\*



### Currency management

This Fund’s assets are unhedged.

\* The performance return for 2008 is calculated from the time of the first investment in the Fund to 31 March 2008.

GLOBAL SHARES

# AMP Capital Core Hedged Global Shares Fund

Established 1 October 2007

## Investment strategy

The Core Hedged Global Shares Fund gives investors access to a multi-manager approach to investing in shares listed on international stock exchanges.

## Key features

- A combination of growth, value and core managers have been selected by AMP Capital so that the overall core portfolio is “style-neutral”. This should ensure that the portfolio is not unduly affected or influenced by one investment style.
- A portfolio structured to deliver an efficient “style-neutral” conversion of active risk to return, using concentrated portfolios.
- Fully hedged to the New Zealand dollar.
- This Fund currently invests in the Future Directions Core International Shares Fund, a fund managed by AMP Capital Investors Limited in Australia which normally invests in international shares on world stock exchanges.

## Investment guidelines

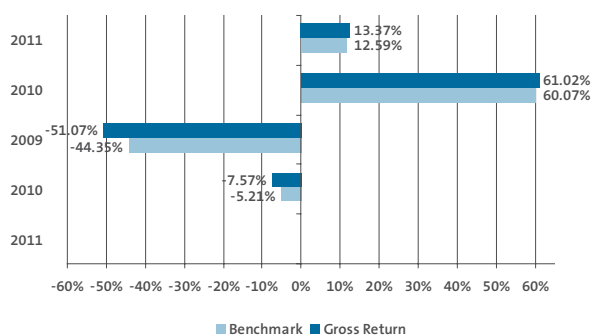
The guidelines for the Core Hedged Global Shares Fund are shown below:

	Range (%)
Cash	0–10
Future Directions Core International Shares Fund	90–100

## Performance objective

To provide a Gross Return above the return of the Morgan Stanley Capital International (MSCI) World Accumulation Index with net dividends reinvested (fully hedged to New Zealand dollars) on a rolling three year basis.

## Annual returns 31 March\*



## Currency management

This Fund targets a position of being fully hedged to the New Zealand dollar (on a net after tax basis, based on the current maximum Prescribed Investor Rate). Currency hedges are normally rebalanced monthly but are adjusted intra-month for significant cashflows.

\* The performance return for 2008 is calculated from the time of the first investment in the Fund to 31 March 2008.

## GLOBAL SHARES

# AMP Capital Extended Markets Global Shares Fund

Established 1 October 2007

### Investment strategy

The Extended Markets Global Shares Fund gives investors access to a multi-manager approach to investing in global mid and small capitalisation stocks including emerging markets shares.

### Key features

- Exposure to a selection of high quality global mid and small capitalisation stocks (including emerging markets) through investment managers, selected by AMP Capital's specialist multi-manager team.
- An allocation to small capitalisation stocks and emerging markets gives exposure to global investment opportunities, and can potentially enhance returns over the long term.
- Including international share exposure to small capitalisation stocks and emerging markets can yield diversification benefits and avoid the traditional bias to large capitalisation stocks.
- Return potential is maximised by accessing areas not traditionally covered by benchmarks such as the MSCI Developed World Index.
- The Fund invests in the Future Directions Emerging Markets Share Fund and the Future Directions International Small Companies Fund both of which are managed by AMP Capital Investors Limited in Australia.

### Investment guidelines

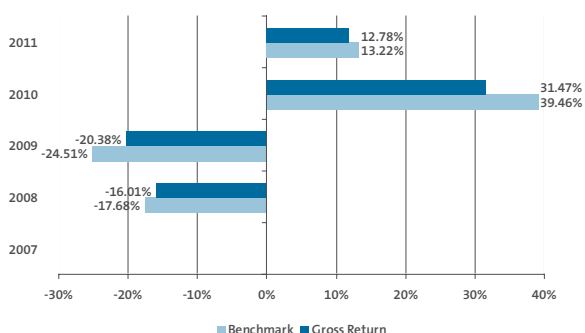
The guidelines for the Extended Markets Global Shares Fund are shown below:

	Benchmark	Range (%)
Cash		0–10
Future Directions Emerging Markets Share Fund	40	30–50
Future Directions International Small Companies Fund	60	50–70

### Performance objective

To provide a Gross Return above the benchmark weighted return of the MCSI World ex-Australia Small Cap Index and the MSCI Emerging Market Free Float Index with net dividends reinvested on a rolling three year basis.

### Annual returns to 31 March\*



### Currency management

This Fund's assets are unhedged.

\* The performance return for 2008 is calculated from the time of the first investment in the Fund to 31 March 2008.

GLOBAL SHARES

# AMP Capital Responsible Investment Leaders Global Shares Fund

Established 29 June 2007

## Investment strategy

The Responsible Investment Leaders Global Shares Fund recognises that environmental, social and ethical considerations, labour standards and corporate governance factors can positively impact long term business success. Taking these factors into account when investing, the Fund’s overall objective is to generate competitive returns within a sustainable and responsible framework (see page 28 for more details on responsible investment).

## Key features

- An international shares multi-manager strategy that blends manager styles, with the objective of providing investors with competitive returns across a range of markets.
- A robust investment process that combines a sustainability focus with stringent financial analysis.
- Access to specialist managers and sustainability consultants within Australia and internationally.
- This Fund currently invests in the Responsible Investment Leaders International Shares Fund, a fund managed by AMP Capital Investors Limited in Australia which invests in international shares on world stock exchanges.

## Investment guidelines

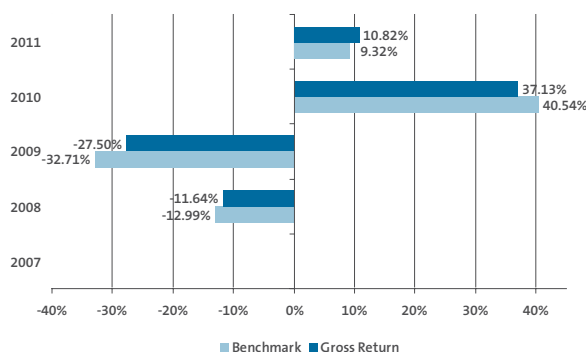
The guidelines for the Responsible Investment Leaders Global Shares Fund are shown below:

	Range (%)
Cash	0–10
Responsible Investment Leaders International Shares Fund	90–100

## Performance objective

To outperform the Morgan Stanley Capital International (MSCI) All Country World Index with net dividends reinvested (50% hedged to the New Zealand dollar on a net after tax basis based on the current maximum Prescribed Investor Rate) on a rolling five year basis.

## Annual return to 31 March \*



## Currency management

AMP Capital is responsible for this Fund’s currency management. This Fund has active currency management and targets a position of being 50% hedged to the New Zealand dollar (on a net after tax basis, based on the current maximum Prescribed Investor Rate). Currency hedges are normally rebalanced monthly but may be adjusted intra-month for significant cashflows.

\*The performance return for 2008 is calculated from the time of the first investment in the Fund to 31 March 2008.

# Our approach to responsible investing

AMP Capital has established “Responsible Investment Committees”, which are responsible for assessing the Responsible Investment Leaders Balanced Fund’s and the Responsible Investment Leaders Global Shares Fund’s (“RIL Funds”) investments from both a socially responsible and a financial perspective, and which monitor adherence to the “Responsible Investment Charters” that have been established for the RIL Funds.

Where the RIL Funds are invested in other funds, the Responsible Investment Committee will seek out funds or fund managers which are identified as leaders across the industries in a range of areas including:

- Environmental considerations – including energy and resource use and product stewardship (for example, where a company takes into account the life cycle of the product, from manufacture to the extent to which the product can be recycled).
- Social considerations – including indigenous relations and community involvement.
- Ethical considerations – including meeting fundamental human rights, and articulating and implementing a code of conduct.
- Labour standards – including occupational health and safety, International Labour Organisation standards, working conditions and the exclusion of child labour.
- Governance considerations – including meeting corporate governance guidelines on board structures and remuneration.

Additionally, fund managers and funds will also be well regarded if they actively participate in corporate engagement and governance initiatives.

Direct investments will also be measured against these considerations. For direct property investments, environmental factors in relation to the property are the main consideration, but the Responsible Investment Committee will also generally take into account the other factors contemplated above in relation to that investment.

Each RIL Fund will (at a minimum) avoid investment in any company which has a substantial exposure to sectors identified as having a high negative social impact. This means the RIL Funds will avoid exposure to companies with substantial exposure to the production or manufacture of alcohol, armaments, pornography, tobacco and uranium or to gambling.

## Retention and realisation policy

If an investment falls below these responsible investment standards, it is the Responsible Investment Committees’ policy to seek to exit that investment within six months after becoming aware of this unless remedial action is taken to bring the investment back within the responsible investment parameters. An investment may also be realised at any time for financial reasons.

## Further information

Further information about the responsible investment processes can be obtained online at [www.ampcapital.co.nz](http://www.ampcapital.co.nz).

## What sort of investment is this?

The securities being offered are Units in the AMP Capital Investment Funds (“the Funds”), which are Unit Trusts established under the Unit Trusts Act 1960 and the Trust Deeds as set out on page 33. The names of the Funds are set out on page 32.

Each Unit in a Fund is of equal value and equal interest in that Fund. A Unit gives you a beneficial interest in the Fund’s assets. The benefit is undivided which means that you do not have an interest in any particular part of a Fund or in a particular asset of a Fund. The assets of one Fund cannot be used to cover the liabilities of another Fund. Units in the Funds are available to prospective investors who can satisfy the minimum application and holdings requirements.

The investment objectives, strategies and policies reflect the Manager’s current intention in relation to each of the Funds. They are not intended to impose rigid restrictions on the relevant funds and it is possible that from time to time the Funds may invest other than in strict compliance with these objectives, strategies and policies. In addition, there may be occasions where a Fund holds investments or cash outside of its investment guidelines, or its investment objectives, strategies or policies, due to the closure of a Fund or other managed fund into which it invests. If that occurs, the Manager will take steps to ensure that the Fund becomes compliant with its investment guidelines, or its investment objectives, strategies or policies, as soon as is reasonably practicable after the closure of the other Fund or managed fund into which it invests. The Manager sets the investment policy and investment guidelines for each Fund and obtains the Trustee’s approval to any material changes to the guidelines. The Trustee will approve any changes unless it considers that as a result of the changes it may be directed to buy or sell assets which are manifestly not in the interest of Unit Holders. Prior to effecting any material changes, however, the Manager will give notice of the changes to Unit Holders of the relevant Fund.

The Manager, may from time to time, in investment guidelines for a Fund, provide for certain matters in relation to a Fund, including guidelines on:

- level of borrowing and the circumstances in which the Fund may borrow;
- the use of derivatives;
- currency management;

- exposure limits for certain securities; and
- the duration of securities held by the Fund.

### Restriction on holding

As at the date of this Investment Statement, some of the Funds hold shares in AMP NZ Office Limited (“ANZOL”), a listed property vehicle managed by AMP Haumi Management Limited (which is 50% owned by AMP Capital, a promoter of the Funds and a related company of the Manager). The Takeovers Code (AMP NZ Office Limited) Exemption Notice 2010 (“the Exemption Notice”) imposes certain restrictions on the ability of AMP Limited (the ultimate holding company of the Manager) and entities directly or indirectly wholly-owned by it (including funds managed by AMP Limited or any of its subsidiaries) to acquire shares in ANZOL and to exercise the votes attached to those shares.

The Manager is a subsidiary of AMP Limited. Accordingly, the Exemption Notice will apply to the acquisition and ownership of ANZOL shares by the Funds. In broad terms, the Exemption Notice may:

- preclude a Fund from exercising the votes attached to ANZOL shares held by or on behalf of the Fund; and/or
- prevent a Fund from acquiring ANZOL shares, if to do so would result in the funds managed by AMP Capital (or entities directly or indirectly owned by it, including the Manager) holding or controlling, in aggregate, more than 4.9% of the total number of ANZOL shares on issue.

These restrictions are based on the current terms of the Exemption Notice and the current holdings of ANZOL shares by Haumi (NZ) Limited Partnership (“HNZLP”) (an entity which may be an associate of AMP Capital for the purposes of the Takeovers Code). These restrictions may not apply in future, or the extent to which the Fund may be precluded from exercising the votes attached to ANZOL shares or prevented from acquiring ANZOL shares may change, if the terms of the Exemption Notice are amended and/or HNZLP sells down all or part of its shareholding in ANZOL to persons who are not associated with AMP Capital or it is determined that HNZLP is not an associate of AMP Capital.

For further information, please contact the Manager or see the terms of the Exemption Notice, which can be found on [www.legislation.govt.nz](http://www.legislation.govt.nz).

# AMP Capital NZ Property Fund

## Standard Repayment Price redemption programme

Prior to 1 December 2010, the NZ Property Fund had outstanding repayment requests for approximately 93% of its units (forming the “redemption queue”), almost all of which were required to be satisfied by 18 January 2011 (and, under the Trust Deed, the NZ Property Fund was required to be wound up if these repayment requests were not fulfilled by this date, unless Unit Holders approved an alternative course of action).

On 1 December 2010, the Unit Holders in the NZ Property Fund approved a restructuring proposal for the NZ Property Fund (and this restructuring proposal effectively superseded the earlier restructuring proposal approved by Unit Holders on 19 December 2008 which enabled a previous suspension of redemption of units to be lifted).

As a result of the restructuring proposal, the Unit Holders in the Fund were given the opportunity to submit new repayment requests. The repayment requests received by the Manager equated to approximately 15% of the Units in the Fund, and the time for satisfying almost all of the repayment requests in that redemption queue was extended from 18 January 2011 (which was the position prior to 1 December 2010), to 18 July 2011.

On 10 June 2011, the Manager made a redemption of approximately 87.7% of the redemption queue. As the Manager established that it would be unable to satisfy all of the repayment requests in the redemption queue by 18 July 2011, and in accordance with the restructuring proposal:

- the redemption queue was effectively cancelled after 18 July 2011; and
- the Manager wrote to Unit Holders, on 17 June 2011, inviting them to submit new repayment requests in respect of some or all of their Units, and form part of a new redemption queue (the “reset redemption queue”).

Unit Holders who accepted the Manager’s invitation in respect of some or all of their Units and made a repayment request on or before 1 August 2011 are deemed to have a Request Date under the Trust Deed of 18 July 2011. Repayment requests received after 1 August 2011 will have a Request Date of the day that such request is received by the Manager.

As at 9 January 2012, the Manager holds outstanding repayment requests equating to 6.6% of the units in the NZ Property Fund (a decrease from the 28 November 2011 level of 7.51% following a round of redemptions of Units processed on 9 January 2012). As a result of the deemed Request Date for these requests being 18 July 2011 all of these repayment requests (which form the reset redemption queue) must be satisfied by 18 January 2013 (i.e. within 18 months of the reset redemption queue being formed).

If these repayment requests cannot be satisfied by 18 January 2013 the Fund must be wound up, unless the Unit Holders approve a restructuring proposal prior to that date.

## Discounted redemptions

The Manager may have the opportunity to process some redemption requests, but at a lower price than the Standard Repayment Price (“discounted redemptions”). The discounted redemption policy is as follows:

- (i) discounted redemptions have priority over the redemption queue and the reset redemption queue;
- (ii) a discounted redemption is likely to occur if:
  - (a) APP’s unit holders agree to sell assets to allow the NZ Property Fund to redeem APP units. The Manager understands that if these assets are sold at a price lower than their independently determined value, this loss of fund value is expected to be discounted from the redemption proceeds which are paid to the NZ Property Fund; or
  - (b) the APP manager finds a purchaser for APP units (and the NZ Property Fund would be entitled to participate pro rata with other unit holders in APP in any such sale transaction). A purchaser of APP units is likely to offer to buy the APP units at a discount to APP’s fund value, and this discount would be reflected in the sale proceeds received by the Fund;
- (iii) if the Manager has an opportunity to redeem units in the NZ Property Fund as a result of a redemption or sale of APP units (at a discount), the Manager will make a pro rata offer to all Unit Holders to redeem a corresponding percentage of the units (for example, if the Manager is able to redeem 20% of the NZ Property Fund’s APP units, it will offer to

redeem 20% of the NZ Property Fund's units). The key terms of the discounted redemption regime are as follows:

- (a) the discounted redemption offer will be made pro rata to all Unit Holders – all Unit Holders will have the opportunity to redeem the same proportion (e.g. 20%) of their units at the discounted redemption price;
  - (b) participation in a discounted redemption is entirely voluntary – only Unit Holders who want to have their units redeemed at the discounted price will be redeemed at that discounted price;
  - (c) Unit Holders will have the opportunity to sell more than the relevant proportion (e.g. 20%, in the example referred to above) of their units, but only to the extent that other Unit Holders do not wish to participate in the discounted redemption;
  - (d) if Unit Holders want to redeem more units than are available, Unit Holders will be scaled back proportionately; and
  - (e) the Manager will have the right not to proceed with a discounted redemption if there is insufficient demand from Unit Holders. In many cases, the Manager may only have the option of selling or redeeming a set number of APP units – the Manager may not have the ability to sell or redeem less than that (e.g. a third party purchaser of APP units may only be willing to buy a certain number of APP units, and may not be willing to buy less than that);
- (iv) the discounted redemption regime gives Unit Holders the opportunity to incur an added fee (in the form of the Discount Repayment Price) in exchange for an ability to redeem their units early. The discount will represent the costs associated with the NZ Property Fund's need to redeem its assets to meet the redemption requests, which may arise as a result of the discounted APP redemption price or a depressed APP unit price received from a third party buyer; and
- (v) the alternative to accepting the discounted redemption price is waiting for the Manager to be able to redeem units at the standard repayment price under the Trust Deed. This would need to
- be done by 18 January 2013, or the NZ Property Fund will be wound up (unless the remaining Unit Holders approve a further restructuring).
- In Specie Distributions (as part of a sale of APP units): The NZ Property Fund currently has the ability to sell APP units to a third party purchaser. As a result of the Trust Deed amendments approved by Unit Holders on 1 December 2010, the Manager has an option to distribute APP units in specie to facilitate the sale of APP units as part of a discounted redemption as follows:
    - (i) instead of selling APP units to a third party purchaser and then redeeming units for cash, the Manager would distribute the relevant APP units to the Unit Holders who want to participate in the discounted redemption;
    - (ii) the participating Unit Holders would then receive those APP units on redemption of their units in the NZ Property Fund, but the exit fee (and any other liabilities to be deducted from the redemption price) would be a debt owing to the NZ Property Fund;
    - (iii) the participating Unit Holders would automatically appoint the Manager as their agent to sell the APP units to the third party purchaser; and
    - (iv) once the Manager has completed the sale, the Manager will:
      - (a) pay the NZ Property Fund the exit fee (and any deductions) on behalf of the participating Unit Holders to repay the debt – this will fully satisfy those Unit Holders' obligations to the NZ Property Fund; and
      - (b) pay the balance to the participating Unit Holders.
  - In Specie Distribution to eligible APP unit holders: The Manager may offer to redeem units in the NZ Property Fund held by Unit Holders who are eligible to invest directly in APP (currently, the Manager understands that investment in APP is limited to certain permitted wholesale investors subject to approval of the APP manager) pro rata in exchange for APP units – this would allow those Unit Holders to invest directly in APP, rather than investing indirectly (via the NZ Property Fund).

# Who is involved in providing it for me?

The names of the unit trusts being offered in this Investment Statement are:

- AMP Capital Conservative Fund
- AMP Capital Balanced Fund
- AMP Capital Growth Fund
- AMP Capital NZ Shares Fund
- AMP Capital NZ Fixed Interest Fund
- AMP Capital NZ Cash Fund
- AMP Capital NZ Short Duration Fund
- AMP Capital Strategic NZ Shares Fund
- AMP Capital Equity Opportunity Fund
- AMP Capital Responsible Investment Leaders Balanced Fund
- AMP Capital Listed Property Securities Fund
- AMP Capital NZ Property Fund
- AMP Capital Global Shares Fund
- AMP Capital Hedged Global Fixed Interest Fund
- AMP Capital Australian Shares Fund
- AMP Capital Responsible Investment Leaders Global Shares Fund
- AMP Capital Core Global Shares Fund
- AMP Capital Core Hedged Global Shares Fund
- AMP Capital Extended Markets Global Shares Fund
- AMP Capital Global Property Securities Fund

Listed below are the details of the organisations involved in providing each of the Funds for you.

Investors should be aware that the names and addresses stated below may change from time to time. Current names and addresses may be obtained by contacting the Manager at its address below.

## The Manager

AMP Investment Management (N.Z.) Limited  
Ground Floor, PwC Tower, 113-119 The Terrace  
Wellington  
PO Box 3764 Wellington 6140  
Telephone: (04) 494 2200  
Fax: (04) 494 2100  
Email: [ampcapital@ampcapital.co.nz](mailto:ampcapital@ampcapital.co.nz)

## Directors of the Manager

**Graham Nicholas Stewart Law**  
Wellington, New Zealand

**Nicholas Peter Dobson**  
Wellington, New Zealand

**Grant David Hassell**  
Wellington, New Zealand

**George William Carter**  
Auckland, New Zealand

The directors of the Manager may change from time to time without notice to investors.

Directors of the Manager can be contacted at the Manager's address.

## The Promoters

AMP Capital Investors (New Zealand) Limited  
Ground Floor, PwC Tower, 113-119 The Terrace  
Wellington  
PO Box 3764, Wellington 6140

The following directors of AMP Capital Investors (New Zealand) Limited who are not also directors of the Manager are also Promoters:

**Stephen James Peter Dunne**  
Sydney, Australia

**Andrew Bird**  
Sydney, Australia

**Anthony Gerard Fasso**  
Clearwater Bay, Hong Kong

**David Graham Kiddie**  
Sydney, Australia

The directors of AMP Capital may change from time to time without notice to investors.

Directors of AMP Capital can be contacted at AMP Capital's address.

## The Trustee

The New Zealand Guardian Trust Company Limited  
3rd Floor, Guardian Trust House  
15 Willeston Street  
PO Box 913, Wellington 6140  
Telephone: (04) 495 7900  
Fax: (04) 499 1454

## Custodians

NZGT Nominees Limited and Pageant Limited  
3rd Floor, Guardian Trust House  
15 Willeston Street  
PO Box 913  
Wellington 6140

BNP Paribas Fund Services Australasia Pty Ltd NZ Branch  
(trading as BNP Paribas Securities Services)  
Level 13  
113-119 The Terrace  
PO Box 3299  
Wellington 6140

## Administration Manager

AMP Capital Investors (New Zealand) Limited  
Ground Floor, PwC Tower, 113-119 The Terrace  
Wellington 6140

AMP Capital can, and does, contract out some or all of its administration tasks from time to time.

## Nature and duration of the Funds

The AMP Capital Investment Funds are unit trusts established under the Unit Trusts Act 1960.

The AMP Capital Investment Funds were established under two Trust Deeds dated 7 November 1994 (the "Global Funds Trust Deed") and 16 May 1995 (the "AIF Trust Deed") respectively, each of which has been amended at various times to provide for the establishment of the various Funds. A consolidated version of the Global Funds Trust Deed incorporating all the amendments up to 22 December 2009 was signed by the Manager and the Trustee on 22 December 2009. A consolidated version of the AIF Trust Deed

incorporating all amendments up to 1 December 2010 was signed by the Manager and Trustee on 2 December 2010.

The AIF Trust Deed was further amended by a supplemental deed between the Trustee and the Manager dated 4 October 2011, and by amending deeds between the Trustee and the Manager dated 4 October 2011, 3 February 2012 and 24 February 2012. The Global Funds Trust Deed was also further amended by a supplemental deed between the Trustee and the Manager dated 3 February 2012.

The Global Funds Trust Deed governs the Global Shares Fund, Hedged Global Fixed Interest Fund, Australian Shares Fund, Global Fixed Interest Fund, Responsible Investment Leaders Global Shares Fund, Core Global Shares Fund, Core Hedged Global Shares Fund, Extended Markets Global Shares Fund, and the Global Property Securities Fund ("the Global Funds") and was entered into originally between The Public Trustee and AMP Investment Management (N.Z.) Limited.

By a Deed of Retirement and Appointment of Trustee and Amendment dated 28 June 1996 between The Public Trustee, The New Zealand Guardian Trust Company Limited, AMP Investment Management (NZ) Limited and Pageant Limited, The Public Trustee retired as trustee, and The New Zealand Guardian Trust Company Limited was appointed as the new trustee of the Global Funds.

The AIF Trust Deed governs the Conservative Fund, Balanced Fund, Growth Fund, NZ Shares Fund, NZ Fixed Interest Fund, NZ Cash Fund, NZ Short Duration Fund, Strategic NZ Shares Fund, Responsible Investment Leaders Balanced Fund, Equity Opportunity Fund, NZ Property Fund and the Listed Property Securities Fund ("the New Zealand Funds") and is between the Trustee and the Manager.

The Funds commenced operation on the following dates:

Global Shares Fund	7 November 1994
Hedged Global Fixed Interest Fund	7 November 1994
Conservative Fund	16 May 1995
Balanced Fund	16 May 1995
Growth Fund	16 May 1995
NZ Shares Fund	16 May 1995
NZ Fixed Interest Fund	16 May 1995
NZ Cash Fund	16 May 1995
NZ Property Fund	16 May 1995
Australian Shares Fund	13 September 1996
Strategic NZ Shares Fund	1 February 2001
NZ Short Duration Fund	29 June 2007
Responsible Investment Leaders Global Shares Fund	29 June 2007
Core Global Shares Fund	1 October 2007

Core Hedged Global Shares Fund	1 October 2007
Extended Markets Global Shares Fund	1 October 2007
Global Property Securities Fund	1 October 2007
Equity Opportunity Fund	1 October 2007
Global Fixed Interest Fund	1 October 2007
Responsible Investment Leaders Balanced Fund	17 October 2008
Listed Property Securities Fund	28 November 2008

## The issuer

The issuer for each of the Funds is AMP Investment Management (N.Z.) Limited. The principal activities of AMP Investment Management (N.Z.) Limited are the management and administrative control of investment funds. AMP Investment Management (N.Z.) Limited was incorporated as a company on 26 August 1987 and has been carrying on those activities since incorporation.

## How much do I pay?

You may choose how much you pay and when.

The minimum initial lump sum investment for each Fund is \$100,000. Thereafter, the minimum additional investment is \$100,000 per Fund. The Manager may accept applications for lesser amounts in its absolute discretion. The Issue Price for Units in a Fund is the net asset value per Unit calculated by the Manager as at the date the application is accepted, unless the Trustee gives prior approval for the Issue Price to be the latest net asset value per Unit calculated as at a date before the application is accepted.

Investments are made by completing the application form attached to this Investment Statement and sending it with any further information required (as outlined on the application form) and your cheque or payment details to:

The Manager

AMP Investment Management (NZ) Limited  
C/- AMP Capital Investors (New Zealand) Limited  
Ground Floor, PwC Tower, 113-119 The Terrace  
Wellington  
PO Box 3764, Wellington 6140

Payments by cheque are to be made payable to: "NZGT Nominees Limited - Applications Account". Payments may be made by other methods determined by the Manager.

The Manager may, in its absolute discretion, refuse any application without giving any reason for giving such a refusal.

If a payment is dishonoured or reversed, no Units will be issued in respect of that payment or any Units issued based on that payment will be cancelled.

# What are the charges?

## AMP Capital Investment Funds charges

The fees and charges set out below are exclusive of GST unless otherwise specified, and may change from time to time in the Manager's sole discretion.

### Entry and Exit Fees (inclusive of gst)

Fund	Entry fee	Exit fee
Conservative Fund	0.10%	0.13%
Balanced Fund	0.22%	0.29%
Growth Fund	0.31%	0.41%
NZ Shares Fund	0.40%	0.40%
NZ Fixed Interest Fund	0.05%	0.05%
NZ Cash Fund	0.00%	0.00%
NZ Short Duration Fund	0.10%	0.10%
Strategic NZ Shares Fund	0.40%	0.40%
Equity Opportunity Fund	0.40%	0.40%
NZ Property Fund	0.50%	see below*
Listed Property Securities Fund	0.40%	0.40%
Global Shares Fund	0.30%	0.30%
Hedged Global Fixed Interest Fund	up to 0.5%**	up to 0.5%**
Australian Shares Fund	0.25%	0.25%
Responsible Investment Leaders Global Shares Fund	0.30%	0.30%
Core Global Shares Fund	0.30%	0.30%
Core Hedged Global Shares Fund	0.30%	0.30%
Extended Markets Global Shares Fund	0.37%	0.37%
Global Property Securities Fund	0.35%	0.35%
Responsible Investment Leaders Balanced Fund	0.22%	0.22%
Global Fixed Interest Fund	0.00%	0.00%

The Manager charges these fees on the purchase and redemption or repurchase of Units. The entry and exit fees are inclusive of GST.

Entry and exit fees are expressed as a percentage of the aggregate issue price or repayment price of the

number of Units being issued, purchased, redeemed or repurchased and are paid into the relevant Fund. The entry and exit fees for each Fund are set by the Manager. The entry fee is a fee providing for the likely cost of purchasing or developing Assets for the Fund, and the exit fee is a fee providing for the likely cost of selling or disposing of Assets of the Fund. The Manager is entitled under the Trust Deed, and reserves the right to determine the entry and exit fees to be a higher or lower percentage than that stated in the table above (including zero). You will be advised of the applicable entry fee when you make a subscription and the applicable exit fee when you make a redemption request or your Units are repurchased.

## Switching units

You may request the manager to switch your investment in one Fund to another AMP Capital Investment Fund(s). The Manager may (but is not obliged to) action a switch on receipt by it of written authorisation. To effect a switch, Units in the relevant Fund will be sold at the applicable exit price (see the "How do I cash in my investment?" section on page 47 for information on calculation of the exit price) and Units in the other Fund will be bought at the applicable Issue Price (see the "How much do I pay?" section on page 34 for information on calculation of the Issue Price). The entry and exit fees described above will apply.

The provisions in the Trust Deeds applying to redemption or repurchase of Units and issue of Units will apply to switches (including, in the case of the AMP Capital NZ Property Fund, the special redemption provisions for that Fund (see pages 47-48)).

## Initial service fee

While the Manager has no current intention to do so, the Manager may charge an initial service fee determined by the Manager on the issue of any Unit. Any initial service fee, if it were to be charged, would be in addition to any entry fee.

\* The exit fee for the NZ Property Fund will be set at a level which represents an allocation of the transaction costs of realising those Fund's assets which need to be realised to pay the redemption proceeds which are attributable to the redemption in question. These costs could include administration fees, as well as any transaction costs in redeeming units in APP and any charges imposed on the Fund by APP in relation to asset sales. The level of the fee will depend on a number of factors, including the value of the property sold and the transaction costs involved.

\*\* In normal market conditions no entry or exit fee will apply, however outside of normal market conditions, an entry and/or exit fee may apply which the Manager estimates to be up to 0.5% on entry and 0.5% on exit.

## Manager's fee

The Manager is entitled to charge an annual management fee to each Fund of up to 2% per annum of the Value of the Assets of the Fund. The management fees (which are expressed as a percentage of the Value of the Assets of each Fund) as at the date of this Investment Statement are set out in the table below and are payable by quarterly instalments from the Fund. The Manager may vary the management fee for any Fund. GST will be charged on 10% of the management fee in accordance with the non binding IRD agreement with the Investment Savings & Insurance Association of New Zealand Inc on behalf of the funds management industry.

## Management fees – excluding GST

Conservative Fund	1.00%
Balanced Fund	1.00%
Growth Fund	1.00%
NZ Shares Fund	0.75%
Strategic NZ Shares Fund	1.00%
NZ Fixed Interest Fund	0.55%
NZ Cash Fund	0.25%
NZ Short Duration Fund	1.00%
Equity Opportunity Fund	1.10%
NZ Property Fund	1.10%
Listed Property Securities Fund	0.75%
Global Shares Fund	1.00%
Hedged Global Fixed Interest Fund	0.70%
Australian Shares Fund	1.00%
Responsible Investment Leaders Global Shares Fund	1.35%
Core Global Shares Fund	1.20%
Core Hedged Global Shares Fund	1.20%
Extended Markets Global Shares Fund	1.50%
Global Property Securities Fund	1.25%
Responsible Investment Leaders Balanced Fund	1.20%
Global Fixed Interest Fund	0.60%

Upon the termination of a Fund, the Manager is entitled to be paid a reasonable fee approved by the Trustee and based on time spent by the Manager on

matters relating to the termination of the Fund. The fee is payable out of the Fund. There is no limit on the amount of this fee, apart from the requirement that it must be reasonable in the circumstances and approved by the Trustee.

Except as set out below, no fees are charged in respect of investments made by any Funds in any other funds managed by the Manager, AMP Capital or a related company.

In respect of the NZ Property Fund, AMP Capital charges property management and development expenses at normal commercial rates in respect of funds in which the NZ Property Fund invests.

The Australian Shares Fund invests in the Wholesale Australian Shares Fund, a fund managed by AMP Capital Investors Limited in Australia. AMP Capital Investors Limited charges a management fee being a percentage of the value of the Assets of that fund, which is payable out of the fund (currently this fee is 0.35% based upon funds under management, but may change in the future).

## Performance fees

A performance fee is payable to the Manager or to AMP Capital out of each of the following Funds:

- **Strategic NZ Shares Fund** (the performance fee is currently equal to 10% of the amount by which the AMP Capital Strategic NZ Shares Fund outperforms the NZX 50 Portfolio Index. The Manager may increase the rate of this fee on three months' notice to Unit Holders, but this fee must not exceed 20% of the amount by which the Fund outperforms the index).
- **Equity Opportunity Fund** (the performance fee is currently equal to 15% of the amount by which the increase in the value of Units in the AMP Capital Equity Opportunity Fund (on a gross basis) outperforms the ANZ NZ 90 day Bank Bill Gross Return Index plus 2%. The Manager may increase the rate of this fee on three months' notice to Unit Holders, but this fee must not exceed 25% of the amount by which the Fund outperforms the index).

The Balanced, Growth and Conservative Funds may each invest into these two Funds, and the Funds listed below (and through their Unit Holding in these Funds will bear a proportionate share of any performance fee if one is charged).

From time to time the Funds may also invest in funds managed by AMP Capital Investors Limited in Australia (either by investing directly or by investing in other funds which invest in funds managed by AMP Capital Investors Limited) and through their unit holding in these funds will bear a proportionate share of any performance fee if one is charged. At the date of this Investment Statement, fees may be payable to the underlying investment managers out of the following funds:

- **Future Directions International Bond Fund** a performance fee of up to 20% of a manager's outperformance of the benchmark index for any asset class it manages (in most cases the fee will be less than 20%).
- **Future Directions Core International Share Fund** a performance fee of up to 25% of a manager's outperformance above the applicable benchmark for the relevant asset class applies.
- **Future Directions International Share Fund** a performance fee of up to 25% of a manager's outperformance above the applicable benchmark for the relevant asset class applies.
- **Future Directions Emerging Markets Share Fund and Future Directions International Small Companies Fund** a performance fee of up to 20% of a manager's outperformance of the benchmark index for any asset class it manages (in most cases the fee will be less than 20%).
- **Enhanced Index International Share Fund** a performance fee of up to 20% of a manager's outperformance of the benchmark index.
- **AMP Capital China Growth Fund** ("China Fund") in addition to a performance fee of 20% of the amount by which the China Fund outperforms the benchmark, 1% of any investment is used to meet the upfront management costs of the China Fund (of which 76% will be paid to AMP Capital Investors Limited) and a management fee of 1.652% of the China Fund's assets is payable to AMP Capital Investors Limited.

These fees may be varied from time to time in accordance with the Trust Deed for the relevant Fund. You can contact the Manager for further information about these performance fees.

In addition, AMP Capital charges property management

fees (including facilities and leasing fees etc) and development expenses at normal commercial rates in respect of certain funds in which the Funds invest.

The Future Directions Extended Markets International Share Fund closed with effect from 1 December 2011 and was wound up. The Future Directions Extended Markets International Share Fund invested into two underlying funds, namely the Future Directions Emerging Markets Share Fund and the Future Directions International Small Companies Fund. The AMP Capital Extended Markets Global Shares Fund now invests directly in those two underlying funds in the same proportions as the Future Directions Extended Markets International Share Fund invested in them.

## Trustee fee

The Trustee is presently entitled to be paid a fee by way of remuneration for its services out of each of the Funds. GST is payable on the Trustee's fees.

The Trustee's fee is determined on the basis of a scale agreed from time to time between the Trustee and the Manager. In relation to each Fund, this fee currently shall not exceed 0.1% per annum of the average gross Value of the Assets of that Fund. There are no other limits on the amount of this fee in respect of each Fund.

In addition, the Trustee is entitled to receive a fee for convening and attending meetings of Unit Holders, of an amount agreed between the Manager and the Trustee.

Upon the termination of a Fund, the Trustee is entitled to be paid from the Fund a reasonable fee approved by the Manager and based on time spent by the Trustee on matters relating to the termination of the Fund. There are no limits on the amount of this fee in respect of each Fund, apart from the requirements that it must be reasonable in the circumstances and be approved by the Manager.

## Other charges and expenses

The Funds will incur brokerage and (where applicable) taxation and global custodial charges. Some of these charges may be paid to AMP Capital for performing investment administration tasks (or to other entities to which AMP Capital contracts investment administration tasks). All expenses incurred in the operation of the

Funds will also be met fully by the Funds. The amount of the expenses and charges will be shown in the financial statements for each Fund.

These charges may be varied from time to time in accordance with the Trust Deed for the relevant Fund.

For further information on charges, please contact the Manager.

## What returns will I get?

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The return on your investment reflects:

- the increase or decrease in the Unit price; and
- income distributions (for those Funds that make distributions, if any).

The Unit price of a Fund reflects the value of the underlying assets of that Fund. The value of your investment at any time will therefore depend on the value of the underlying assets at that time. The value of Units may vary and, at times, may even be less than you paid. Key factors that determine the Unit price and income distributions include market fluctuations in the value of Fund investments and the income received on them, tax and fees. Investors should note that while markets have generally improved since the global financial crisis they do remain volatile and investors may experience fluctuations in returns. Unit prices may also be affected by currency movements where Assets are invested outside of New Zealand. Where considered appropriate, the Investment Manager is empowered to use suitable Hedging\* techniques to protect the value of investments.

The NZ Property Fund has a discounted redemption policy (in addition to the standard redemption policy for units in that Fund), which may affect the amount of returns received on redemption of units in that Fund under that policy (see page 30 to 31 for more information on the discounted redemption policy for the NZ Property Fund).

No amount of returns, quantifiable as at the date of this Investment Statement and enforceable by Unit Holders, is promised. No guarantees of capital or earnings are given, and past performance is not necessarily indicative of future returns. None of the Trustee or its nominee companies, the Manager, AMP Limited, AMP Capital or any member of the AMP Group or their directors or officers guarantees the performance of the Funds.

### Taxation

Taxation is likely to affect returns from the Funds. The Funds are PIEs. A Fund's income is attributed to you in proportion to the number of Units you hold in the Fund. Tax is paid on the income attributed to you at your PIR. If your PIR is currently 0% or you are a trust which has elected a 10.5% or 17.5% PIR, you will be responsible for payment of tax on the income attributed to you (although for a trust which has a 10.5% or 17.5% PIR a credit should be available for the tax paid by the relevant Fund on the trust's behalf). Tax credits for foreign withholding tax and other types of credits such as imputation credits may be attributed to such investors to be credited against tax payable in their own tax returns.

#### What is a Prescribed Investor Rate (PIR)?

Your PIR is the tax rate used to calculate the tax payable on the income of the Fund that is attributed to you. The PIR is based on your taxable income e.g. income from

\* See the glossary for an explanation of the term "Hedging".

salary, wages and any additional sources of income that you would include in your income tax return and the income attributed to you from any PIEs in which you invest, including the Funds.

The following PIRs apply from 1 October 2010:

- 10.5% for investors who are:
  - New Zealand resident individuals who have provided their IRD number to the Manager and who derived in either of the last two income years preceding the current tax year \$14,000 or less in taxable income (excluding PIE income) and \$48,000 or less in taxable income and PIE income combined; or
  - a New Zealand resident trustee of certain testamentary trusts that elect to have a 10.5% PIR;
- 17.5% for investors who are:
  - New Zealand resident individuals who do not qualify for the 10.5% PIR but who have provided their IRD number to the Manager and who derived in either of the last two income years preceding the current tax year \$48,000 or less of taxable income (excluding PIE income) and \$70,000 or less in taxable income and PIE income combined; or
  - a New Zealand resident trustee of a trust (except unit trusts and charitable trusts but including superannuation funds) that elects to have a 17.5% PIR;
- 28% for non-residents, New Zealand resident individuals who are not eligible for either the 10.5% PIR and 17.5% PIR and trusts (except unit trusts and charitable trusts but including superannuation funds) that elect to have a 28% PIR; and
- 0% for the following entities (if resident in New Zealand):
  - charities, PIEs, companies (including deemed companies such as unit trusts), Proxies; and
  - superannuation funds and trusts that have not elected to have a higher PIR.

Your actual rate will depend on your personal characteristics, including your taxable and PIE income in the two years preceding the current tax year\* and your tax residency. The available rates will be displayed on the IRD website “[www.ird.govt.nz/toii/pir/](http://www.ird.govt.nz/toii/pir/)”. The

description of the PIRs above reflects the Manager’s understanding of tax laws as at the date of this Investment Statement.

Investors should check that they have provided the correct PIR to the Manager.

If you do not provide a PIR, the default rate is 28%. In the case of joint investors the higher PIR is used.

The Commissioner of Inland Revenue can require the Manager to disregard the PIR notified to the Manager by an investor and apply a PIR notified by the Commissioner.

For more information about PIR and to determine your correct PIR rate please refer to the IRD website “[www.ird.govt.nz/toii/pir/](http://www.ird.govt.nz/toii/pir/)” or contact your professional tax adviser.

#### **The Advantage of PIE**

PIE funds provide some investors with a significant benefit over holding assets (or investments) directly.

In particular, PIEs deduct tax on behalf of investors at their relevant PIR, which is capped at 28%. Investors in a PIE with a marginal tax rate of 33% will therefore obtain a tax advantage due to their PIR being capped at 28%.

#### **Impact of PIE for certain taxpayers**

In some circumstances your personal marginal tax rate could be lower than your PIR. In this event investing through a PIE may not be appropriate.

In addition, investing in the Funds may not be appropriate if you are a non-resident in New Zealand for tax purposes. This is because New Zealand tax will be imposed on income attributed by the Funds to you at 28%, which may be higher than the New Zealand tax rate that applies to income that you may get from other comparable New Zealand investments.

Given that there are a number of circumstances where you may pay more tax in a PIE, rather than other forms of investment, it is important to consult your tax adviser to determine whether a PIE is best for you.

#### **Why do I need a PIR?**

Changes to the taxation of investment income enables managed funds that become PIEs to calculate their tax based on each investor’s PIR, which can be 28%, 17.5%,

10.5% or 0% subject to satisfying various conditions. In order to benefit from these changes, you need to supply your PIR and IRD number at the time of application.

### When do I need to provide my PIR?

You should provide your PIR when you invest in the Fund, along with your IRD number. Each year, the Manager will write to you to ask you to reconfirm your PIR. You should review your rate each year to ensure it is correct and notify the Manager of any changes.

It is important that you provide your PIR when requested. If you fail to provide your PIR or your IRD number then your investment will be taxed at the default rate of 28%. This rate could be higher than your PIR. If you do not provide your PIR or IRD number, or if you provide a PIR that is lower than your correct PIR, you will be liable to pay any consequential tax shortfall and to file a tax return. If you advise a PIR that is higher than the applicable rate, you will not be able to claim back the excess tax paid.

To assist you as an investor with having accurate tax information, you must supply an IRD number before any Units can be issued.

If the tax liability on income attributed to you exceeds your investment in the relevant Fund, some or all of your Units could be redeemed and the proceeds of the redemption paid to the IRD. To the extent this tax liability is not paid by the Fund, you may need to pay the tax directly to the IRD.

### Custodial investors

The PIE tax regime makes specific provision for custodians who hold legal title to Units on behalf of underlying investors who have provided the funds for the Units held by the custodian. A custodian that holds units for an investor in a Fund may give a notice to the Fund that the custodian is a Proxy. If you invest through a custodian who has elected to be a Proxy then the following responsibilities will not be undertaken by the Manager or the Trustee, but will be undertaken by that custodian:

- calculating and organising payment of the tax liability on income attributed to the Proxy applying the PIRs of the underlying investors;
- making adjustments to the Units held on behalf of

underlying investors (by redeeming Units) or the distributions (if any) made to underlying investors or requiring payments to be made by the underlying investors to reflect the tax liability on income attributed to the underlying investors;

- organising the provision of returns and other information to the Inland Revenue Department; and
- providing to the Fund any information concerning the underlying investors that may be relevant to whether the Fund continues to meet the eligibility requirements for a PIE (such as the maximum investor interests requirement and the minimum number of investors requirement).

Proxies may be required to enter into contractual arrangements with the Manager regarding compliance by the Proxies with the requirements of tax legislation.

### Other

Tax legislation and rates of tax are subject to change. The impact of taxation may vary depending on your individual circumstances.

It is important to seek professional taxation advice before you invest or deal with your investment in any way as the taxation treatment of your investment will be specific to your circumstances and to the nature of your investment.

None of the Trustee or its nominee companies, the Manager or AMP Capital, any of their respective related companies or directors, or any other person takes responsibility for your taxation liability.

If the Manager requests you to provide information to enable the Manager to determine whether any Fund continues to meet the PIE eligibility requirements, you must supply that information within 30 days of the request.

The Manager has a wide range of discretions to operate each Fund as a PIE including:

- discretions relating to the calculation of tax;
- adjusting distributions (if any) to Unit Holders or redeeming Units of Unit Holders to meet the liability for tax; and

- taking all steps necessary to ensure that the Fund meets the PIE eligibility requirements including:
  - rejecting applications for Units and transfers of Units to ensure the maximum investor interests requirement under the Income Tax Act 2007\* is not exceeded; or
  - if the maximum investor interests requirement is exceeded, selling, redeeming or repurchasing Units. The relevant Unit Holder will be given notice and an opportunity to remedy the breach (provided that there is time to remedy the breach under the relevant tax legislation). Any proceeds from any such sale, redemption or repurchase (less any expenses arising from such disposal) will be paid to the Unit Holder, and neither the Manager nor the Trustee shall be liable for any loss that the Unit Holder may incur on such disposal.

The Funds (except the Hedged Global Fixed Interest Fund) that hold foreign shares (that is, shares in any company not resident in New Zealand) are subject to the fair dividend rate (FDR) method of taxation in respect of such shares except for certain Australian resident companies listed on an approved ASX Index. Under the FDR method, Funds that hold foreign shares are deemed to derive taxable income equal to 5% of the market value of the shares, calculated on a daily basis. Dividends received on such shares are not taxable and losses incurred on the disposal of such shares are not deductible. The Hedged Global Fixed Interest Fund has applied the comparative value (CV) method from 1 April 2009 to the units it holds in the Future Directions International Bond Fund, following a Determination (FDR 2009/1) issued by the Inland Revenue Department. Under the CV method, changes in the value of an investment are included in an investor's income, together with any gains derived from holding or disposing of the investment.

## Switches and redemptions

If a Unit Holder switches from one Fund (or class of Units) to another Fund (or class of Units) or redeems Units the tax liability on income attributed to the Unit Holder up to the switch or redemption will need to be satisfied, either by the Manager cancelling Units or deductions from distributions.

\* The Income Tax Act 2007 can be viewed at [www.legislation.govt.nz](http://www.legislation.govt.nz)

## Transfers

As the Funds are PIEs the Manager may treat an application for the transfer of Units as a cancellation of the transferor's Units and the issue of new Units to the transferee (in which case the entry and exit fees set out on page 35 will be payable). Also, tax at the transferor's PIR may be payable on income attributed for the transferor for the period up to the date of cancellation of the Units. If a transfer of Units does occur there may be tax consequences for the transferor, depending on the transferor's tax position.

## Distributions of dividend income

The Manager's current policy is to make distributions from the following Funds on the basis set out below:

- NZ Cash Fund
- NZ Fixed Interest Fund
- NZ Short Duration Fund
- NZ Shares Fund
- Strategic NZ Shares Fund

(the "Distributing Funds").

Distributions from the Distributing Funds will be made half yearly in late March and late September (or in such other months determined by the Manager in accordance with the Trust Deed) to Unit Holders on the relevant Distributing Fund's register as at the applicable date, and each distribution will be of the proportion of the income determined by the Manager from time to time for the relevant Distributing Fund for the immediately preceding six months ended 29 March or 25 September respectively (or such other dates determined by the Manager in accordance with the Trust Deed).

The Manager will determine the amount of income as is appropriate for distribution from each of the Distributing Funds. The Manager currently intends to distribute approximately 72% of the income (adjusted for any imputation credits that may be available) received by each Distributing Fund during the relevant distribution period (although the Manager retains the discretion to distribute a lesser proportion, or make no distribution at all, in respect of any one or more of the Distributing Funds). The amount distributed in respect of each Unit in a Distributing Fund will be the

amount of income to be distributed from that Fund (as determined by the Manager) divided by the number of Units on issue as at the last day of the distribution period.

Income received by a Distributing Fund will be retained in that Fund and reflected in the Unit price until the Manager determines the amount of income to be distributed, at which point the amount to be distributed will cease to be reflected in the Unit price.

Should a distribution be made Unit Holders may choose to have their distributions reinvested in Units in the same Fund, or direct credited to a nominated bank account (discussed below).

For all Funds other than the Distributing Funds, as at the date of this Investment Statement it is the policy of the Manager not to distribute income received. Accordingly, income will be reflected retained by, and in, the Unit price of the non-distributing Funds.

Distributions were previously made from the Funds but the Manager decided to stop making distributions in respect of all of the Funds in October 2007. The Manager re-commenced making distributions in respect of the Distributing Funds from March 2010.

### Income reinvestment plan

Unit Holders may, at any time, elect to have all (but not part) of their distribution of income from the Distributing Funds reinvested in further Units.

Unit Holders will be given a reasonable opportunity to make their election. You can cancel, at any time, your election to reinvest distributions from the Distributing Funds in further Units. Applications to reinvest distributions that are received by the Registry up to 10 business days before a distribution date will be effective from, and including, that distribution. An election may be withdrawn by written notice to the Manager at any time. A withdrawal will take effect not less than five business days after notice of the withdrawal is received by the Manager.

The Manager may, in its discretion, satisfy income reinvestment elections by purchasing Units and/or by applying to the Fund for the issue of Units. Such purchases or applications will be made on the

distribution date or, if that day is not a business day, on the last business day before the distribution date. At the time of purchase or application, the Manager must not have any information that is not publicly available that would, or would be likely to, have a material adverse affect on the price of the Units if the information were publicly available. Units will be allotted or transferred to the Unit Holders in accordance with their income reinvestment elections on the relevant half yearly distribution date.

Units issued in respect of income reinvestment elections will:

- be issued on the terms specified in this Investment Statement and the Prospectus; and
- have the same rights as all other Units in the relevant Distributing Fund.

A Unit Holder's reinvestment in Units will be rounded down to the nearest whole Unit (and rounding differences will be retained in the Distributing Fund on behalf of Unit Holders). Reinvestment fees are not currently being charged (although the Manager reserves the right to charge such fees).

The financial statements and most recent annual report for the Distributing Funds are available on request, free of charge, from the registered office of the Manager.

The income reinvestment option may be varied, withdrawn or cancelled by the Manager at any time, by giving not less than three months' notice to Unit Holders. This Investment Statement contains (in respect of the income reinvestment option) all the terms required by the Securities Act (Dividend Reinvestment) Exemption Notice 1998.

### Redemption

For each Fund (other than the NZ Property Fund), in normal circumstances repayment or redemption of your Units will be made within 10 business days of the Manager receiving the repayment request, although the Manager reserves the right to procure repayment at a later date, subject to the requirements of the relevant Trust Deed. For the NZ Property Fund, the Manager must set a "Relevant Date" within two years of receiving a repayment request (or the end of any relevant

suspension period) and must complete the repayment or redemption within 30 days following the Relevant Date.

For the NZ Property Fund, in normal circumstances, the Manager must set a “Relevant Date” within two years of receiving a repayment request (or the end of any relevant suspension period) and must complete the repayment or redemption within 30 days following the Relevant Date. Further changes to the redemption policy for the NZ Property Fund were approved as part of the restructuring proposal approved by the Unit Holders in the NZ Property Fund on 1 December 2010, and these changes are described on page 30 to 31.

The Manager may suspend redemptions from a Fund (including the NZ Property Fund) where the Manager in good faith forms the opinion that it is not practicable, or would be prejudicial to the interests of Unit Holders for the Trustee to realise assets or borrow in order to permit redemption of Units. Repayments may be suspended for up to 90 days after the date on which the repayment suspension notice was given, unless the Trustee agrees to a longer suspension period. Redemptions may not, however, be suspended for longer than one year after the date of the suspension notice without the approval of Unit Holders by Extraordinary Resolution.

## What are my risks?

The principal risks of the money paid by subscribers for Units not being recovered in full, and of subscribers not receiving the returns described under the heading “What returns will I get?”, are set out below.

### Risks

The performance of the Funds can be influenced by many general factors impacting on markets in which they invest, including inflation, interest and growth rates, changes in government policy and tax laws, political events, changes in investor sentiment, performance of the underlying businesses or assets and, particularly in the case of the Global Funds, currency fluctuation. The Assets of the Funds are market

### Person legally liable to pay returns

The person legally liable to pay you your returns is the Manager, AMP Investment Management (N.Z.) Limited (subject to the terms of the Trust Deed).

### Retentions

For all Funds other than the Distributing Funds (discussed above), the Manager’s current policy is not to make distributions but to reflect income received in the Unit price. In this regard, the Manager may, in its discretion, retain net income of a Fund rather than distribute that income.

As set out above, the Manager’s current policy for the Distributing Funds is to distribute approximately 70%-72% of the income (adjusted for any imputation credits that may be available) received by each Distributing Fund during the relevant distribution period (although the Manager retains the discretion to distribute a lesser proportion, or to make no distribution at all, in respect of any one or more of the Distributing Funds). Any income not distributed to Unit Holders will be retained in the Fund and will be included when calculating the Unit price.

linked, and therefore are susceptible to general market fluctuations and individual security price fluctuations. The AMP Capital Investment Funds each have a different level and variety of risks, due to the different features and objectives of each Fund. (See the description of each Fund and its objectives contained on pages 6 to 27 of this Investment Statement).

Due to the market linked nature of the Funds it is possible that the investor will not recover the amount paid or the returns described above. It is also reasonably foreseeable (particularly where an investment is terminated in the short term) that on termination it is possible the investor will receive less than the amount paid for the Units.

## Liquidity risk

The Funds allow redemption of Units, subject to certain procedural requirements, including the right to delay and/or suspend redemptions. During normal operational circumstances, redemptions can be met out of cash held by the relevant Fund. However, if the value of redemptions significantly outweighs the value of subscriptions, the Fund may not be able to meet repayment requests out of cash reserves and will be reliant on selling or redeeming (whichever is relevant) some of the Fund's investments. These Fund assets may not be immediately realisable. For example, if a Fund's assets consist of units in a property holding unit trust, the Fund's ability to redeem those units will be reliant on the time it takes the fund it is investing in to action the redemption, and potentially sell assets to generate cash to meet the redemption request. Similarly, a Fund which invests in another Fund or any other managed fund may not be able to realise its investment in that Fund or other fund immediately if the Fund or other fund has been closed or is being wound up.

In the current volatile market conditions, a Fund's investments may not necessarily be as easily realisable as they have been in the past, or may only be able to be realised at a lower value than might be expected in normal market conditions. This could have a negative effect on the value of a Fund's investments and its performance, and in turn may affect the value of your investment and the returns you receive from the Fund.

## Valuation risk

Asset values can fluctuate and, as a result a Fund's Unit price, may not reflect changes that have occurred in asset values since the most recent valuation. This risk is particularly relevant with the NZ Property Fund, which invests (generally indirectly) in property (both development and investment). While the NZ Property Fund values its Units at least once every five business days, the property assets it invests in are independently valued on a periodic basis. Accordingly there may be a shift in property asset values between valuations that is not reflected in the Unit price, and while the NZ Property Fund will seek to take into account general market conditions, the NZ Property Fund does not have

the benefit of daily or weekly underlying property asset valuation updates. In addition, the current negative economic climate has placed commensurate downward pressure on development property asset valuations and there is therefore a risk of downward movements in asset values (and the Unit price).

## Derivative and counter party risk

Financial instruments known as 'derivatives' may be used for the purposes of managing risks (particularly market and currency risk) and for investment purposes. A derivative is a contract with a return that is dependent on, or derived from, one or more underlying assets or reference items. The most common underlying assets or reference items include shares, bonds, currencies, cash, interest rates, events, entities and market indices.

The risks arising out of the use of derivatives include the potential for:

- the derivative exposure to not always perform in line with the underlying assets or reference items. This is most likely during times of extreme market tension and would lead to the portfolio performance deviating from what was expected; and
- the party with whom the contract is made not meeting its obligations in whole or in part, or there being a delay in that party meeting its obligations (such failures or delays could occur for a number of reasons, including the counterparty being in financial difficulty or suffering an insolvency event).

In addition, for any exchange traded derivative exposures which are settled through a central counterparty settlement system, the Fund would be exposed to similar counterparty risk or credit risk in respect of the operator of the settlement system.

## Currency risk

Currency risk may affect Funds which invest in offshore assets and which are not hedged or only partially hedged. Currency risk is the risk of exchange rate fluctuations between the New Zealand dollar (the currency in which the Funds are valued) and foreign currencies. As some of the assets of the Funds are invested offshore, returns can be affected by

movements between the New Zealand dollar and other currencies.

### Concentration risk

Certain Funds may be concentrated in a particular issue, investment vehicle or type of investment vehicle, geographical area or industry. Such Funds are subject to higher credit and default risks than Funds having a more diversified portfolio. In addition, the value of such Funds may be subject to greater market volatility.

### Short-selling

Some of the underlying entities that the Funds invest into may conduct short-selling. The aim of short-selling is to sell at a high price and buy the asset at a later time, at a lower price. Consequently, the potential loss to the Fund may be greater than for traditional purchase and sale transactions, as the potential increase in price of the asset sold (and hence the potential loss) is unlimited.

### Regulatory and administration risk

Like any managed funds investment, investments made through the Funds are exposed to the risk of future changes to tax or other legislation which could affect the operation of the Funds, or the returns available from them.

There will also always be the risk of a technological or other failure or event impacting on the Funds or the financial markets in general that may affect returns.

### Risk of loss of PIE status

The eligibility requirements to maintain PIE status pose a risk. Although the Manager has mechanisms available to manage compliance with the PIE eligibility requirements, there remains a risk that the Funds could lose PIE status if there is a breach of those requirements and the Manager does not become aware of the breach in time to correct it. This risk, if manifested, may have an adverse effect on the tax position of the Fund and/or Unit Holders. In particular, distributions made by the Fund to Unit Holders would be taxable for Unit Holders (subject to exceptions for returns of subscription amounts) if the Fund lost PIE status.

## NZ Property Fund

As at the date of this Investment Statement, there are certain risks which are of particular relevance to the NZ Property Fund which investors should be aware of before investing:

### Liquidity risk

The NZ Property Fund's principal investment is in units in the AMP Capital Property Portfolio (APP), which represents approximately 99% of the Value of the Assets of the Fund. There is a limited market for units in APP and there are constraints on the NZ Property Fund's ability to redeem units from APP. Given this, there is a risk that Unit Holders will not receive their money back when they want it or the Fund will not be able to satisfy redemption requests within the period permitted under the Trust Deed.

Prior to 1 December 2010, the NZ Property Fund had outstanding repayment requests for approximately 93% of its units, almost all of which were required to be satisfied by 18 January 2011. As a result of the restructuring proposal approved on 1 December 2010, the redemption queue reduced to 15% of the Units in the Fund, and the time to satisfy the redemption queue was effectively extended to 18 July 2011. On 10 June 2011, the Manager made a redemption of approximately 87.7% of that redemption queue, and the redemption queue accordingly reduced to approximately 2% of the Units in the Fund. On 17 June 2011, the Manager wrote to all Unit Holders and invited them to re-submit repayment requests, as the redemption queue was due to expire on 18 July 2011. All such repayment requests received prior to 1 August 2011 have a Request Date of 18 July 2011, effectively extending the period within which repayment requests must be satisfied to 18 January 2013.

Repayment requests received by 1 August 2011 represented 9.3% of the units in the NZ Property Fund, but decreased to 7.5% as at 28 November 2011 following a redemption of Units processed on that date and decreased again to 6.6% as at 9 January 2012 following a round of redemptions of units processed on that date. All of these requests must be satisfied by 18 January 2013. If they are not satisfied by 18 January 2013, the NZ Property Fund must be wound up unless the Unit Holders approve an alternative course of action. While the Manager will continue to work with APP (as the Fund's main investment

and source of liquidity) to try and address these liquidity issues, prospective Unit Holders should be aware of the risk that existing redemption requests may not be satisfied by 18 January 2013.

### Cost of meeting repayment requests

If the NZ Property Fund continues to have a high level of repayment requests, or the Fund is wound up because repayment requests are not satisfied by 18 January 2013, some of the assets owned by the funds in which the NZ Property Fund invests will need to be sold. This may impact on the NZ Property Fund Unit value, depending on how costs of realisation (including value loss) are allocated. It is not practical at this stage to assess the likely costs and what their impact would be on the Unit value.

In addition, the amendments to the Trust Deed approved by Unit Holders in the NZ Property Fund include a discounted redemption mechanism which is described on page 30 to 31. Under this mechanism, the costs of realisation (including value loss) of any assets owned by the funds which the NZ Property Fund invests in, and which are sold to meet a discounted redemption, will be passed through to the exiting Unit Holders (rather than spreading these costs across all Unit Holders in the NZ Property Fund).

### Potential for wind-up of the Fund

As set out above, if the NZ Property Fund is unable to satisfy the repayment requests in the new “reset” redemption queue by 18 January 2013, the Manager must commence a wind-up of the NZ Property Fund or convene a meeting of Unit Holders with a view to obtaining Unit Holder approval by Extraordinary Resolution of a restructuring proposal (and failing approval must commence a wind-up of the NZ Property Fund).

Alternatively if APP enters into a substantial sale process in order to satisfy redemption requests of its unit holders (including the Fund), such that it is able to offer the NZ Property Fund the ability to redeem some or all of its units, the NZ Property Fund will need to determine at that time whether the NZ Property Fund should seek to redeem its investments. One consequence of the NZ Property Fund seeking to redeem its units in APP may be that the manager could choose to wind-up the NZ Property Fund. The Manager will need to make an assessment of the benefits to Unit Holders of such a

wind-up at that time. Factors that the Manager might take into account include the volume of outstanding redemption requests in the NZ Property Fund at that time; the likely residual size of the NZ Property Fund if redemption requests are satisfied; alternative property investment vehicles available for the NZ Property Fund to invest in; and the likely future demand for investments in the NZ Property Fund. Prospective Unit Holders investing in the NZ Property Fund should do so on the understanding that the NZ Property Fund may be wound up in such circumstances.

## Personal liability and consequences of insolvency

You are not liable for any further payment as a result of a Fund or the Manager becoming insolvent. You are liable to meet any tax liability attributed to you which exceeds the value of your investment in a Fund (in which case you indemnify the Trustee for the difference between the value of the Units and the tax liability). A custodian that holds legal title to Units on behalf of underlying investors and elects to be a Proxy (as described on page 40) will, under the terms of the application form attached to this Investment Statement, indemnify the Manager and the Trustee for any losses, liabilities, costs or expenses arising from any breach (in relation to underlying investors that such custodian is responsible for) of the maximum investor interests requirement or the minimum number of investors requirement under the Income Tax Act 2007, including the losses, liabilities, costs or expenses arising from the Fund losing PIE status.

Creditors of each Fund (including the Manager, Promoter and Trustee for their fees and expenses) will rank ahead of claims of investors in the event of the Fund being wound up. Claims of Unit Holders against a particular Fund rank equally among themselves in proportion to the number of Units held.

If any of these risks eventuate the relevant Fund could suffer loss as a result.

## Can the investment be altered?

You are able to change the amount of your investment at any time (subject to the minimum investment required of \$100,000).

You are able to request the Manager to switch your investment in one Fund to another AMP Capital Investment Fund(s). The Manager may (but is not obliged to) action a switch on receipt by the Manager of written authorisation. The minimum number of Units, which may be switched between Funds, is 500 but the investor must retain a minimum holding of 500 Units in the Fund from which the switch is made. To effect a switch, Units in the existing Fund will be sold at the applicable exit price (see page 48 for information on calculation of the exit price) and Units in the other Fund will be bought at the applicable Issue Price (see the “How much do I pay?” section on page 34 for information on calculation of the Issue price). Entry and exit fees are payable when selling Units in one Fund and buying Units in another (see page 35). The provisions in the Trust Deeds applying to redemption or repurchase of Units and issue of Units will apply to switches (including, in the case of the NZ Property Fund, the special redemption provisions for that Fund (see below)).

Under the Income Tax Act 2007, certain group investment funds, public unit trusts and superannuation funds can transfer expenditure to a master fund. Under the Income Tax Act 2007, any such transfer of expenditure to a Fund will be included in the calculation of the relevant investor’s attributed PIE income. The Manager is permitted to credit a Unit Holder in a Fund with Units in recognition of any tax deduction that the Fund has received as a result of a transfer of expenditure under this section.

The terms and conditions on which investors may subscribe for Units may be altered by amendment to the registered prospectus for the relevant Fund or this Investment Statement. The terms and conditions of the relevant Trust Deed itself may only be altered with the approval of the Trustee and Manager and in accordance with the relevant Trust Deed. A summary of all Trust Deed amendments made since the date of the last annual report must be sent to Unit Holders with (or as part of the annual report for the Funds).

## How do I cash in my investment?

### General

You may at any time request the repayment or redemption of some or all of your Units. For each Fund (other than the NZ Property Fund), in normal circumstances payment will be made within 10 business days of the Manager receiving a repayment request, although the Manager reserves the right to procure repayment at a later date, subject to the requirements of the Trust Deed.

### NZ Property Fund

For the NZ Property Fund:

- the Manager must set a “Relevant Date” within two years of receiving a repayment request or the end of

any relevant suspension period (and that Relevant Date must not be more than two years following receipt of the Repayment Request or the end of the relevant suspension period) and must complete the repayment or redemption within 30 days following the Relevant Date; and

- if the Manager has not set a Relevant Date in respect of all the specified Units in a repayment request within two years of the date the Manager received the repayment request (or for requests which were outstanding at the beginning of a suspension period, within two years of the last day of the suspension period), the Manager must either commence a wind-up of the NZ Property Fund or convene a

meeting of Unit Holders with a view to obtaining Unit Holder approval by Extraordinary Resolution of a restructuring proposal (and failing approval must commence a wind-up of the Fund).

Prior to 1 December 2010, the NZ Property Fund had outstanding redemption requests representing approximately 93% of its units, almost all of which were required to be satisfied by 18 January 2011. As a result of the restructuring proposal approved on 1 December 2010, the repayment period for these repayment requests has effectively been extended for up to two years to 18 January 2013 (this involves an initial six month extension of the repayment period, followed by a new “reset” redemption queue with an 18 month repayment period).

See page 30 to 31 for a summary of the redemption policy for the NZ Property Fund.

#### **In specie distribution\***

The Manager may satisfy any repayment request in respect of the NZ Property Fund by the transfer or In Specie Distribution of Assets of the Fund rather than in cash. For each of the other Funds the Manager may satisfy repayment requests by the transfer or In Specie Distribution of Assets if the Manager obtains the agreement of the relevant Unit Holder.

#### **Suspension**

The Manager may suspend redemptions where the Manager in good faith forms the opinion that it is not practicable, or would be prejudicial to the interests of Unit Holders of any of the Funds for the Trustee to realise assets or borrow in order to permit redemption of Units. Repayments may be suspended for up to 90 days after the date on which the repayment suspension notice was given, unless the Trustee agrees to a longer suspension period. Redemptions may not, however, be suspended for longer than one year after the date of the suspension notice without the approval of Unit Holders by Extraordinary Resolution.

#### **Redemption or repurchase**

Unit Holders may choose either repurchase or redemption, and in normal circumstances the Manager will give effect to the choice but is not bound to do so and reserves the right to withdraw either option. The

Manager has discretion to refuse to repurchase, or cause the Trustee to refuse to redeem, if redemption or repurchase of less than 500 Units is requested (except where all Units of a Unit Holder are to be redeemed).

Where the Unit Holder has requested redemption or repurchase of some Units the Manager may require repurchase, if applicable, or redemption of all remaining Units if the total number of Units remaining would be less than 500.

#### **Exit price**

Units are redeemed or repaid at the then current exit price. Except in the case of the NZ Property Fund (see further above), the exit price will be calculated by the Manager as at the date the Manager receives your repayment request, unless the Trustee gives prior approval for the exit price to be the last price calculated as at a date before the Manager receives your repayment request. An exit fee is payable (see page 35).

For the NZ Property Fund the exit price will be calculated by the Manager as at the Relevant Date, unless the Trustee gives prior approval for the exit price to be the last price calculated as at a date before the Relevant Date. An exit fee is payable (see page 35).

#### **Provisions relating to PIE status**

If a Unit Holder's Unit holding would threaten or cause a Fund to be ineligible as a PIE the Manager has the discretion to redeem or repurchase the number of Units giving rise to the breach.

If the maximum investor interests requirement is exceeded, the Manager has the right to sell, redeem or repurchase the number of Units which give rise to the breach or potential breach. The relevant Unit Holder will be given notice of any such breach and an opportunity to remedy it (provided that there is time to remedy the breach under the relevant tax legislation). Any proceeds from any such sale, redemption or repurchase (less any expenses arising from such disposal) will be paid to the Unit Holder, and neither the Manager nor the Trustee shall be liable for any loss that may be incurred on any such disposal.

Any distributions paid or bonus units credited to the Unit Holder will be deducted from this price also to the extent necessary to ensure the Unit Holder gets no

\* If an asset is distributed “in specie” it will be distributed in its actual form, rather than first being transferred into cash or another form (for example, a share distributed “in specie” would be transferred to a Unit Holder rather than sold and the cash proceeds paid to the Unit Holder).

benefit from the Fund. For further details, please see the registered prospectus or the Trust Deeds.

Subject to the Manager's discretion if a Fund is a PIE, you are entitled to sell your interest in a Fund to another person (subject to the Manager's pre-emptive right to purchase those Units as set out in the Trust Deed). However, the Manager does not believe that there is an established market for such sales.

As the Funds are PIEs, applications for the transfer of Units may be treated as a cancellation of the transferor's Units and the issue of new Units to the transferee (in which case the entry and exit fees set out on page 35 will be payable).

The transfer of a Unit may be refused if certain administrative requirements imposed by the Trust Deeds and specified in the registered prospectus are not complied with or the transfer would result in the transferor holding less than 500 Units in the Fund.

### Tax on redemptions

Where Units are redeemed, the tax liability on income attributed to you up to the redemption date will need to be satisfied either by the Manager cancelling Units or by deduction from any distributions. Generally this will occur by cancellation of Units on redemption.

## Who do I contact with enquiries about my investment?

Inquires should be directed to:

Client Service Centre  
AMP Capital Investors (New Zealand) Limited  
Ground Floor, PwC Tower, 113-119 The Terrace  
Wellington 6011

PO Box 3764, Wellington 6140  
Telephone: 0800 400 499  
Fax: (04) 494 2123  
Email: [clientservicecentre@ampcapital.co.nz](mailto:clientservicecentre@ampcapital.co.nz)

## Is there anyone to whom I can complain if I have problems with the investment?

Any complaints or problems with the investment should be directed to:

Client Service Centre  
AMP Investment Management (N.Z.) Limited  
(address and contact details as for AMP Capital Investors (New Zealand) Limited below)

or

AMP Capital Investors (New Zealand) Limited  
Ground Floor, PwC Tower, 113-119 The Terrace  
Wellington 6011  
Telephone: 0800 400 499  
Fax: (04) 494 2123  
Email: [clientservicecentre@ampcapital.co.nz](mailto:clientservicecentre@ampcapital.co.nz)

In addition, the Promoter and Manager are registered with Financial Services Complaints Limited, a dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. Under that scheme, if you have any complaints or problems with your investment, you should first try to resolve these with the Promoter. The Promoter's contact for complaints is Andrew Penn, Executive Legal Counsel, who can be contacted at the Promoter's address above.

If your complaint cannot be resolved with the Promoter, you may direct your complaint to:

Financial Services Complaints Limited  
Level 13  
45 Johnston Street  
PO Box 5967  
Wellington  
Telephone: 0800 347 257 or (04) 472 3725  
Fax: (04) 472 3728

If you are not satisfied with the outcome of your complaint you can contact:

The Manager, Corporate Trusts  
The New Zealand Guardian Trust Company Limited  
Level 3, Guardian Trust House, 15 Willeston Street  
Wellington  
Telephone: 0800 166 747.

## What other information can I obtain about this investment?

Further information about the AMP Capital Investment Funds is contained in the most recent registered prospectus relating to the relevant Fund, the financial statements of each Fund and also the relevant Trust Deeds and their amendments.

A copy of the current registered prospectus, financial statements and Trust Deeds for the Funds can be obtained upon request free of charge from the Manager, at Ground Floor, PwC Tower, 113 - 119 The Terrace, Wellington 6011.

A copy of the prospectus and financial statements and other documents relating to the Issuer are also filed on the public register at the Companies Office of the Ministry of Economic Development and are available for public inspection either on the Manager's file on their website at [www.business.govt.nz/companies](http://www.business.govt.nz/companies) or (on payment of the relevant fee) by telephoning the Ministry of Economic Development Business Services Centre during normal business hours on 0508 266 726.

The following information in relation to any Fund in which you invest may also be requested in writing free of charge from the Manager:

- An annual statement for taxation purposes.
- Further copies of this Investment Statement.
- A written statement of your Unit Holding as detailed in the Unit Holder Register.
- Annual financial statements.
- A copy of the AMP Capital Investment Funds annual report.
- A copy of the Trust Deeds and any amendments to them.

You can also obtain a copy of the Unit Holder Register from the Manager subject to the payment of a fee.

The Manager will provide the following information to Unit Holders through the AMP Capital's ExtraNet website [www.ampcapital.co.nz](http://www.ampcapital.co.nz):

- Within 15 business days of the end of each month, a Monthly Statement of Account detailing the value of your investment, income distributions and any of your transactions that have occurred during the month.
- A brief update on any market or economic events related to your investments.

Once every six months you will receive a statement of your Unit Holding.

Quarterly reports are available on AMP Capital's ExtraNet website within four weeks of the end of each quarter. You will have access to a report on each of your wholesale Funds covering:

- Performance.
- Current investment strategies.
- Economic environment and investment markets.

Unit Holders will receive annually, in respect of any Fund in which they invest, an annual report which will include the audited financial statements for the Fund.

The information you provide is covered by the Privacy Act 1993.

Your rights in relation to personal information are governed by the Privacy Act 1993.

When you join the AMP Capital Investment Funds, and during the period of your investment, personal information relating to you may be required by the Trustee and the Manager. This information is needed for administering your investment and may be used and disclosed for the purposes of the Funds and to assist you with other financial services provided by AMP. Your personal information may be disclosed to AMP Capital and other members of the AMP group.

During normal working hours you are entitled, free of charge, to see any personal information we hold about you. If you believe that any of the details are incorrect, you may ask for a correction to be made. If for any reason we are unable to make the correction requested, details of your request will be permanently attached to your personal information.

This Investment Statement was prepared at 1 March 2012 for the purpose of the Securities Act 1978.

None of AMP Limited, AMP Investment Management (N.Z.) Limited, AMP Capital Investors (New Zealand) Limited, AMP Capital Investors Limited in Australia, The New Zealand Guardian Trust Company Limited, their directors, officers, agents, or nominees, nor any other person guarantees the value of the Units, the repayment of the Units, the payment of income or the performance of the Funds.

# Glossary

**“Act”** means the Unit Trusts Act 1960;

**“AIF Trust Deed”** means the AMP Capital Investment Funds Trust Deed dated 16 May 1995 between the Manager and Trustee (as amended and consolidated from time to time and formerly called the “AMP Capital Investment Funds New Zealand Funds Unit Trust Deed”);

**“AMPIM”** means AMP Investment Management (N.Z.) Limited;

**“AMP Capital”** means AMP Capital Investors (New Zealand) Limited;

**“AMP Capital Group”** means AMP Capital Investors (New Zealand) Limited and AMP Capital Investors Limited;

**“ASX”** means the Australian Stock Exchange;

**“Attributed PIE Income”** has the meaning in section YA 1 of the Income Tax Act 2007;

**“Australian Shares Fund”** means AMP Capital Australian Shares Fund established 13 September 1996 (formerly called AMP Investments’ Australian Equities Fund);

**“Balanced Fund”** means AMP Capital Balanced Fund established 16 May 1995 (formerly called AMP Investments’ Balanced Fund);

**“Conservative Fund”** means AMP Capital Conservative Fund established 16 May 1995 (formerly called AMP Investments’ Income Fund);

**“Core Global Shares Fund”** means AMP Capital Core Global Shares Fund established 1 October 2007;

**“Core Hedged Global Shares Fund”** means AMP Capital Core Hedged Global Shares Fund established 1 October 2007;

**“Current Value”** for the purpose of this Investment Statement means the Assets less the Liabilities of the Fund. For Unit pricing purposes, it is not necessarily equivalent to the net asset value in the Financial Statements. For example, differences arise due to the cost of realisation being included in the Financial Statements and other adjustments that are made for Unit pricing purposes;

**“Custodians”** means NZGT Nominees Limited, Pageant Limited and BNP Paribas Securities Services;

**“Equity Opportunity Fund”** means AMP Capital Equity Opportunity Fund established 1 October 2007 (formerly called AMP Capital NZ Equity Opportunity Fund);

**“Extended Markets Global Shares Fund”** means AMP Capital Extended Markets Global Shares Fund established 1 October 2007;

**“Funds”** means all of the Investment Funds, and the Global Funds and the New Zealand Funds (and “Fund” means any one of the Funds, as applicable);

**“Global Fixed Interest Fund”** means AMP Capital Global Fixed Interest Fund established 1 October 2007;

**“Global Funds”** means the Global Shares Fund, Hedged Global Fixed Interest Fund, Australian Shares Fund, the Responsible Investment Leaders Global Shares Fund, Core Global Shares Fund, Core Hedged Global Shares Fund, Extended Markets Global Shares Fund, Global Fixed Interest Fund, and the Global Property Securities Fund;

**“Global Funds Trust Deed”** means the AMP Capital Investment Funds Global Funds Unit Trust Deed dated 7 November 1994 between the Manager and the Trustee (as amended and consolidated from time to time);

**“Global Property Securities Fund”** means AMP Capital Global Property Securities Fund established 1 October 2007;

**“Global Shares Fund”** means AMP Capital Global Shares Fund established 7 November 1994 (formerly called AMP Investments’ Global Equities Fund);

**“Gross Issue Price of Units”** means the issue price of units before tax and before fees are deducted;

**“Gross Return”** means the percentage return of a Fund for a specified period calculated by using time-weighted rates of return of the Gross Issue Price of Units of the Fund (in this context “Gross Return” means the return before the deduction of tax, expenses and fees);

**“Growth Fund”** means AMP Capital Growth Fund established 16 May 1995 (formerly called AMP Investments’ Growth Fund);

**“Hedged Global Fixed Interest Fund”** means AMP Capital Hedged Global Fixed Interest Fund established 7 November 1994 (formerly called AMP Investments’ Global Fixed Interest Fund);

**“Hedging”** means a strategy in which investment risk and thus the volatility of a portfolio is reduced by strategies, which include, but are not limited to, the use of call and put options, swaps, short selling or futures contracts.

**“In Specie Distribution”** means the distribution of an asset in its actual form, rather than first being transferred into cash or another form (for example, a share distributed “in specie” would be transferred to a Unit Holder rather than sold and the cash proceeds paid to the Unit Holder);

**“Investment Funds”** means the Conservative Fund, Balanced Fund, Growth Fund, NZ Shares Fund, NZ Fixed Interest Fund, NZ Cash Fund, NZ Short Duration Fund, Strategic NZ Shares Fund, Equity Opportunity Fund, NZ Property Fund, Listed Property Securities Fund, Global Shares Fund, Hedged Global Fixed Interest Fund, Core Global Shares Fund, Core Hedged Global Shares Fund, Extended Markets Global Shares Fund, Global Property Securities Fund, Australian Shares Fund, Responsible Investment Leaders Balanced Fund, Global Fixed Interest Fund and the Responsible Investment Leaders Global Shares Fund;

**“International Investment Manager”** means AMP Capital Investors Limited in Australia, an AMP company;

**“Investment Manager”** means AMP Capital Investors (New Zealand) Limited;

**“Issue Price”** means the current value of a Fund divided by the number of units of that Fund plus the entry fee for that Fund plus the initial service fee (if any) for that Fund;

**“Listed Property Securities Fund”** means AMP Capital Listed Property Securities Fund established 26 November 2008;

**“Manager”** means AMP Investment Management (N.Z.) Limited;

**“New Zealand Funds”** means the NZ Shares Fund, NZ Fixed Interest Fund, NZ Cash Fund, NZ Short Duration Fund, Strategic NZ Shares Fund, Balanced Fund, Growth Fund, Conservative Fund, Responsible Investment Leaders Balanced Fund, Equity Opportunity Fund, NZ Property Fund, and the Listed Property Securities Fund;

**“NZ Cash Fund”** means AMP Capital NZ Cash Fund established 16 May 1995 (formerly called AMP Investments’ New Zealand Cash Fund);

**“NZ Fixed Interest Fund”** means AMP Capital NZ Fixed Interest Fund established 16 May 1995 (formerly called AMP Investments’ New Zealand Fixed Interest Fund);

**“NZ Property Fund”** means AMP Capital NZ Property Fund established 16 May 1995 (formerly called AMP Investments’ NZ Property Fund);

**“NZ Shares Fund”** means AMP Capital NZ Shares Fund established 16 May 1995 (formerly called AMP Investments’ New Zealand Equities Fund);

**“NZ Short Duration Fund”** means AMP Capital NZ Short Duration Fund established 29 June 2007 (formerly called AMP Capital NZ Enhanced Yield Fund);

**“NZX”** means the New Zealand Stock Exchange;

**“PIE income”** means the income attributed to a person by the PIEs in which the person has invested, less any losses attributed to the person by PIEs, but does not include any dividends paid to the person by Listed PIEs (a type of PIE). Dividends from a Listed PIE that are not excluded income under the Income Tax Act 2007 are taxable income;

**“PIR”** means the Prescribed Investor tax Rate as that term is defined in the “Income Tax Act 2007”;

**“Proxy”** means a proxy referred to in section HM 33 of the Income Tax Act 2007;

**“Promoter”** means AMP Capital Investors (New Zealand) Limited and each of its directors who are not directors of the Manager;

**“Responsible Investment Leaders Balanced Fund”** means AMP Capital Responsible Investment Leaders Balanced Fund established 17 October 2008;

**“Responsible Investment Leaders Global Shares Fund”** means AMP Capital Responsible Investment Leaders Global Shares Fund established 29 June 2007;

**“RIL Funds”** means AMP Capital Responsible Investment Leaders Global Shares Fund and AMP Capital Responsible Investment Leaders Balanced Fund;

**“Strategic NZ Shares Fund”** means AMP Capital Strategic NZ Shares Fund established 1 February 2001 (formerly called AMP Investments’ Strategic Equity Growth Fund);

**“Trust Deeds”** means the Global Funds Trust Deed (as amended from time to time) and the AIF Funds Trust Deed (as amended and consolidated from time to time) (and “Trust Deed” means either of the Trust Deeds, as applicable);

**“Trustee”** means The New Zealand Guardian Trust Company Limited; and

**“Unit”** means an undivided interest in the relevant Fund as defined in the Trust Deed.

Words or phrases not defined in this Glossary have the same meaning as in the relevant Trust Deed.

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# AMP Capital Investment Funds FORM OF APPLICATION FOR UNITS



Office use only: client number

[ATTACH CHEQUE HERE]

Please use a black pen and print in CAPITAL LETTERS.

## 1 WHAT TYPE OF INVESTOR ARE YOU?

<input type="checkbox"/> Individual	<input type="checkbox"/> Joint ownership	<input type="checkbox"/> Company	<input type="checkbox"/> Trust
<input type="checkbox"/> Superannuation scheme	<input type="checkbox"/> Partnership	<input type="checkbox"/> Unincorporated body/club	<input type="checkbox"/> Incorporated society

## ARE YOU AN EXISTING UNIT HOLDER?

Yes\*    No    \* If yes, please advise Unit Holder number \_\_\_\_\_

## ARE YOU A PROXY?

Yes    No  

## 2 COMPLETE FULL NAME DETAILS (CAPITAL BLOCK LETTERS PLEASE)

### MAIN APPLICANT

Title	Surname	Given name[s]
<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 280px; height: 20px;" type="text"/>	<input style="width: 380px; height: 20px;" type="text"/>

### Tax Status

### Prescribed Investor Rate\*

### IRD Number

<input type="checkbox"/> NZ Resident	<input type="checkbox"/> Non-Resident	<input type="checkbox"/> PIR	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>
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### JOINT APPLICANT #1

Title	Surname	Given name[s]
<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 280px; height: 20px;" type="text"/>	<input style="width: 380px; height: 20px;" type="text"/>

### Tax Status

### Prescribed Investor Rate\*

### IRD Number

<input type="checkbox"/> NZ Resident	<input type="checkbox"/> Non-Resident	<input type="checkbox"/> PIR	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>
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### JOINT APPLICANT #2

Title	Surname	Given name[s]
<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 280px; height: 20px;" type="text"/>	<input style="width: 380px; height: 20px;" type="text"/>

### Tax Status

### Prescribed Investor Rate\*

### IRD Number

<input type="checkbox"/> NZ Resident	<input type="checkbox"/> Non-Resident	<input type="checkbox"/> PIR	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>
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\*For joint accounts we must use the highest PIR rate.

If you are unsure how to determine your prescribed investor rate you can determine this at [www.ird.govt.nz/toii/pir](http://www.ird.govt.nz/toii/pir). If the PIR is invalid the default rate will apply.

### ENTITY/JOINT NAME

## 3 COMPLETE POSTAL ADDRESS AND CONTACT DETAILS

Unit number	Street number	Street name
<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 700px; height: 20px;" type="text"/>

Suburb/Town	Postcode	Work phone
<input style="width: 400px; height: 20px;" type="text"/>	<input style="width: 60px; height: 20px;" type="text"/>	<input style="width: 180px; height: 20px;" type="text"/>

Home phone	Email
<input style="width: 240px; height: 20px;" type="text"/>	<input style="width: 640px; height: 20px;" type="text"/>



## 6 ACKNOWLEDGEMENTS

I/We have read the latest Investment Statement to which this application form is attached and understand that the terms and conditions of the Trust Deed will be binding on us. I/We agree to accept the Units issued to me/us by the Manager as a Unit Holder under the relevant Trust Deed for those Units. I/We agree to be bound by the provisions of that Trust Deed (as duly amended from time to time).

I/We agree that all information about me/us disclosed in this form may be used by AMP Investment Management (N.Z.) Limited or disclosed to and used by AMP Capital Investors (New Zealand) Limited and the Trustee for the purpose of managing the Funds and my/our holding. I/We know that I/we can request such access to and correction of any information held about me/us by AMP Investment Management (N.Z.) Limited or AMP Capital Investors (New Zealand) Limited and the Trustee. I/We will inform AMP Investment Management (N.Z.) Limited of any changes to the information provided by me/us to AMP Investment Management (N.Z.) Limited, AMP Capital Investors (New Zealand) Limited or the Trustee. I/We acknowledge that I/we may be required separately in relation to this application to pay a fee to AMP Capital Investors (New Zealand) Limited or an associated person.

I/we acknowledge that if I/we am/are a custodian applying on behalf of another person(s):

\* I/we warrant to the Trustee and the Manager that the other person(s) has received a copy of the current Investment Statement for the Funds, prior to this application being submitted; and

I/we acknowledge that if I/we am/are a custodian applying on behalf of another person(s):

- I/we warrant to the Trustee and the Manager that the other person(s) has received a copy of the current Investment Statement for the Funds, prior to this application being submitted; and
- If I/we am/are a Proxy, I/we:
  - agree to establish systems and procedures to monitor the holdings of underlying investors and to monitor such holdings, and to manage and remedy any breach of the maximum investor interests requirements in the Income Tax Act 2007 or the minimum number of investors requirements in the Income Tax Act 2007, relating to underlying investors within the time periods permitted under the Income Tax Act 2007, and to immediately notify the Manager on becoming aware of any such breach; and
  - agree to indemnify the Trustee and the Manager for any losses, liabilities, costs or expenses arising from any breach of the maximum investor interests requirements in the Income Tax Act 2007 or the minimum number of investors requirements in the Income Tax Act 2007 relating to underlying investors who I/we, as Proxy, am/are responsible for, including the losses, liabilities, costs or expenses arising from the Fund losing PIE status.

## 7 DECLARATION AND SIGNATURE

Joint holders should all sign this form. A company should execute this form in accordance with its constitution. If this form is executed under Power of Attorney, the certificate of non-revocation of Power of Attorney below should be completed and a copy of the Power of Attorney forwarded with this form.

Signature(s) of applicant(s) (or for companies, execute as a deed)

MAIN APPLICANT  Date

or

JOINT APPLICANT #1  Date

JOINT APPLICANT #2  Date

This Application Form must not be issued, circulated, or distributed unless accompanied by the Investment Statement dated 1 March 2012.

### Certificate of non-revocation of Power of Attorney

I,  of

Hereby certify:

THAT, by a Power of Attorney dated the  day of

(Name of person for whom attorney is signing)

appointed me his/her/its attorney on the terms and conditions set out in the Power of Attorney.

THAT I have executed the application for Units printed on the face of this form as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me.

THAT at the date of this certificate I have not received any notice or information of the revocation of that Power of Attorney by the death or liquidation of the donor or otherwise.

Signed at  This  day of  20

Signature of attorney



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# Contacting AMP Capital

For information about investing with AMP Capital, please contact us.

## Auckland office

Level 7

21 Queen Street, Auckland

PO Box 5436 Auckland 1141

## Wellington office

Ground Floor, 113 - 119 The Terrace

Wellington

PO Box 3764 Wellington 6140

## Telephone

0800 400 499

8.30am – 5.00pm New Zealand time, Monday to Friday

## Website

[www.ampcapital.co.nz](http://www.ampcapital.co.nz)

AMP Capital Investors (New Zealand) Limited

[www.ampcapital.co.nz](http://www.ampcapital.co.nz)