

Public Trust Investment Service

premium service

with you for
generations
to come



Are you looking for a more effective approach to investing? Our premium service is based on quality advice, personal service, expert management and an attractive range of investment options. Investing couldn't be more efficient or easier to manage.



What does our premium service offer?

The premium service is ideal for astute investors who require an investment portfolio that...

- is professionally managed
- provides a well diversified mix of assets
- gives access to non-traditional investments
- simplifies investment management.

We will recommend one of our model portfolios based on your individual requirements which may include various Public Trust Investment Service Funds and specialist externally managed funds.

The Public Trust Investment Service Funds are only available through the Public Trust Investment Service.

How does the service work?

Professional advice and service

From experience we know how vital it is for investors to get personal, quality advice from a trusted source before they invest. The Public Trust Investment Service gives you access to a team of experienced investment professionals. Our advisers are Authorised Financial Advisers (AFAs) or Registered Financial Advisers (RFAs) and are backed by our in-house Customer Investment Services team and experienced investment researchers and managers.

We've been helping New Zealanders with their financial affairs for over 135 years and we manage funds of more than \$1.2 billion on behalf of New Zealanders.

A personalised investment plan

We will work with you to develop an investment plan based on your investment goals and what you want to achieve, how long you have to invest, how you feel about risk and whether you need income or higher growth opportunities from your money (or both). This plan gives us a base to work from and to ensure your portfolio remains on track.

A well diversified portfolio

It's important to have a good mix of investments across different asset classes (shares, property, bonds and cash) and across different industry sectors and countries so your risks are well spread. But it's difficult to do this as an individual investor – it can be time consuming and expensive and many options, especially for international investments, are not available to or practical for private investors. By using our investment service you have access to our buying power to build a well diversified, quality portfolio.

Exclusive access to select investments

After extensive research we've hand-picked a range of quality investments and created a number of model portfolios that are only available to our investment service customers. These portfolios are designed to suit different investors – from aiming to provide regular income to opportunities for higher capital growth, or both. Each model portfolio includes a number of the Public Trust Investment Service Funds which, as portfolio investment entities (PIEs), offer tax advantages to investors including tax on investment income being capped at 28%*.

An alternative way of doing things

Traditionally, managed funds are either actively managed for higher returns, or index-linked to an index to reduce costs. With our model portfolios we've come up with a way to give you the best of both – we call it enhanced indexing – and we aim to give you more growth opportunities and lower fund management fees.

Other investments

Externally managed funds from other leading investment managers are selected after a rigorous research process for our recommended portfolios providing you with alternative ways to access different asset classes and investment styles, potentially adding value to the portfolio over the long term.

Expert investment management

Our team monitors your investments and researches new opportunities worldwide. To ensure your portfolio remains within our recommended asset allocation it will be re-balanced at least annually. We'll provide you with regular updates, six monthly reports and, because we know life changes, we'll also review things with you every year to ensure your investments still match your requirements.

Simplified reporting and management

Your portfolio is held via a WRAP service – meaning all the investments are held together using an external custodial service, (currently provided by FNZ Limited), which streamlines administration. We manage everything for you so, instead of a mountain of paperwork, every six months you get a combined report clearly showing how your investments are doing and what the fees are. You also get one consolidated tax report covering everything in your portfolio, to help simplify your annual tax return. Each year we'll arrange a needs review with your Public Trust adviser.

How much can I invest?

The **premium service** is designed for investors with \$200,000 or more to invest. If you have larger amounts to invest you may be interested in our tailored service which provides greater flexibility, and allows you to include other investments you may already hold in your portfolio.

Portfolio minimums	
Recommended initial investment	\$200,000 or more
Adding money – lump sums or regular amounts	\$100 or more
Taking money out – lump sums or regular amounts	\$500 or more <i>(providing your portfolio doesn't fall below \$5,000)</i>
Minimum portfolio value	\$5,000

What will it cost?

There are once-only fees for setting up your portfolio and ongoing fees for looking after it.

Investment advice fees ²	
Initial planning fee	\$900 + GST
Implementation fee	1% of the initial amount invested and 1% of each subsequent additional investment.
Switching fee	This only applies if you switch to the tailored service and is 0.25% of the amount moved. (A new investment plan will be required and a fee may also apply for that plan.)

Investment service fees ² – each year		
	If you invest...	The fee ¹ is...
Portfolio monitoring fee, includes custodial service <i>A minimum fee of \$2,000 (+GST) pa applies</i>	On the first \$5,000 up to \$500,000	1.20% a year
	On the next \$500,000 up to \$1 million	0.95% a year
	On the next \$1 million to \$5 million	0.70% a year
	On any additional amount above \$5 million	0.45% a year
<i>(GST is currently payable on up to 79% of this fee, depending on the total invested.)</i>		
Investment fund management fee	The management fee is based on the individual assets in your portfolio. <ul style="list-style-type: none"> • Fees for Public Trust Investment Service Funds range from 0.4%, 0.6% or 0.9% of funds under management a year + GST¹ • Fees vary for other externally managed funds – please see the current investment statement 	

¹ GST is currently payable on 10% of this fee.

² All fees shown (except the implementation fee which is not subject to GST) are exclusive of GST.

Fees for the Public Trust Investment Service Funds

With the Public Trust Investment Service Funds, the investment fund management fees are calculated and deducted each day, so they're reflected in each Fund's unit price. These fees are paid to Public Trust to cover our fund management services, and depend on the type of assets we're looking after. There may also be other types of costs deducted from the fund, such as brokerage fees or trustee expenses. If we appoint someone else to run a fund they may charge extra fees and costs.

Please note Public Trust and other fund managers may change their funds or fees at any time. We'll provide detailed information for any investment we recommend.

How do I invest?

We're here to make it easier for you to invest more effectively, and to streamline the management involved with a substantial portfolio.

The first step is to meet with one of our advisers. They'll talk with you about your investment goals and the way you feel about investment risks.

One of Public Trust's Authorised Financial Advisers with the support of our Customer Investment Services team will consider the options from the model portfolios we've developed and prepare a personalised and detailed written plan for you. This will set out a strategy and a recommended model portfolio based on your situation.

Our Authorised Financial Adviser will then meet you to go over your plan, and if you want to go ahead we'll set everything up for you.

But our service doesn't end there. You're important to us and we'll keep in touch to make sure your portfolio is appropriate for you.

An important note about investments

We'll use our expertise to help you find an investment solution that meets your needs and which you feel comfortable with. But it's important to understand that investments fluctuate – we don't promise a certain level of returns and your investment (including returns) could go up or down in value.

None of Public Trust, the Government of New Zealand or the Statutory Supervisor of the Public Trust Investment Service Funds guarantees the repayment of any investment in the Portfolio, the performance of any investment within the Portfolio or any particular rate of return.

We review the range of funds we offer from time to time and may change them at any stage.

Next steps

If you're ready to take the next step, talk with your Public Trust adviser. Or for more information call us on 0800 371 471 between 8am and 5.30pm Monday to Friday, email info@publictrust.co.nz, or visit www.publictrust.co.nz

A Public Trust adviser's disclosure statement is available, on request and free of charge.

This information was correct as at August 2011. It is of a general nature and doesn't constitute investment advice. You should seek investment advice specific to your own situation. The Public Trust Investment Service Funds are only available to New Zealand residents. More information is available in the current Public Trust Investment Service Funds Investment Statement and registered Prospectus, copies of which are available from Public Trust on request and free of charge, and in the current Fund Fact Sheet available on the Public Trust website at www.publictrust.co.nz. Terms and conditions apply to the Public Trust Investment Service. These may vary at times.

*For more information on the tax treatment of PIE investments, please refer to the current Public Trust Investment Service Funds Investment Statement. For more information on Prescribed Investor Rates (PIRs) go to the Inland Revenue website www.ird.govt.nz. Tax law is complex and changes frequently. The information provided is not intended as tax advice and is based on our understanding of law that is current at August 2011. You should seek taxation advice specific to your own situation.