



Public Trust Investment Service.

Diversified Funds
Information Statement
1 July 2020

Introduction

This document gives you important information about your investment in the Public Trust Investment Service Diversified Funds.

This Information Statement is made for the purposes of the Public Trust Act 2001 and the Public Trust Regulations 2002.

This is not a product disclosure statement issued under the Financial Markets Conduct Act 2013. The Financial Markets Conduct Act 2013 does not apply to this offer.

This is not an investment statement or prospectus for the purposes of the Securities Act 1978 and the Securities Regulations 2009.

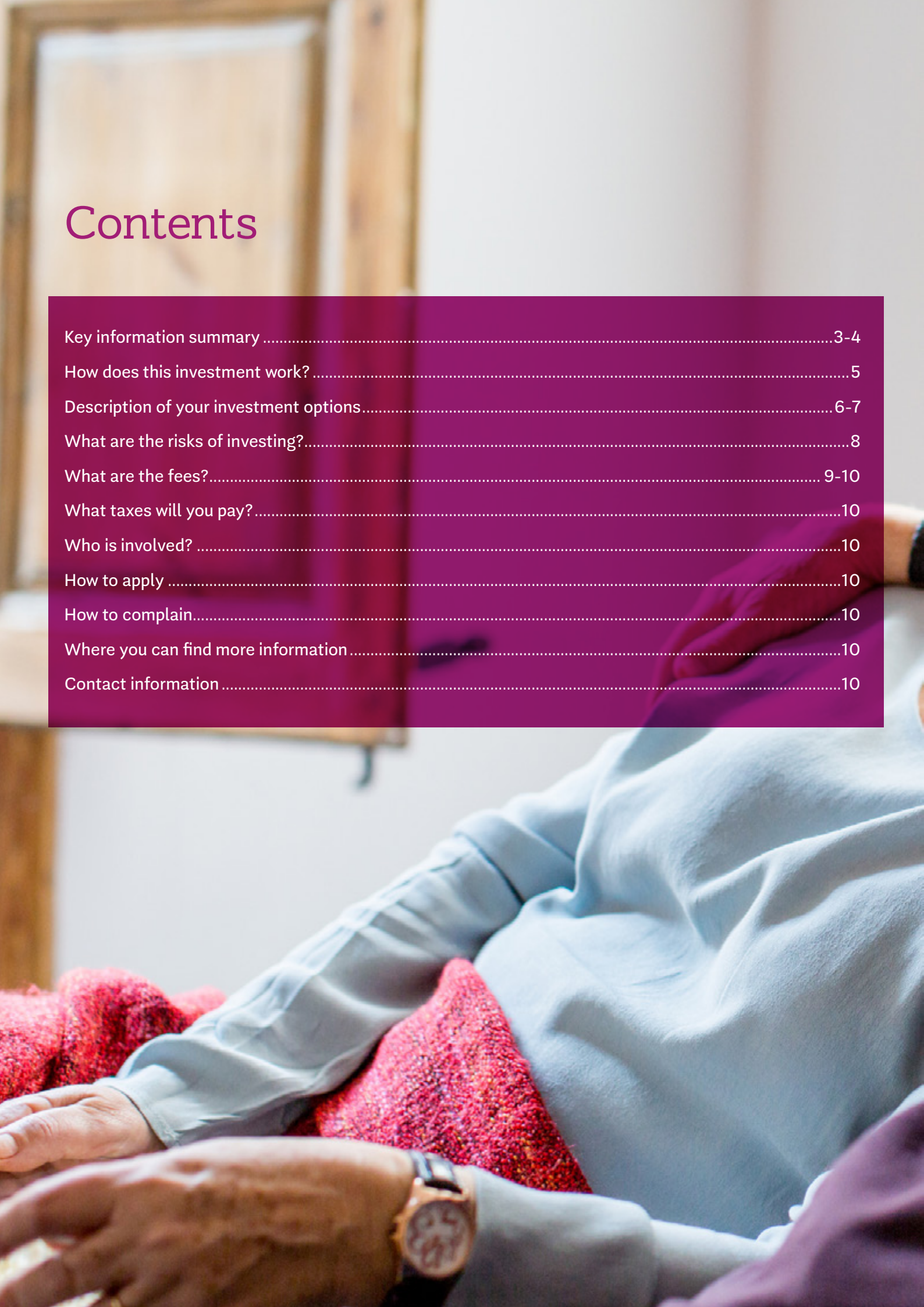
The Securities Act 1978 and the Securities Regulations 2009 do not apply to this offer.

The Funds referred to in this Information Statement are used by Public Trust as investment options in situations where it is acting as trustee, co-trustee or attorney of an estate, trust or non-consultable agency. The Funds are not open to members of the public.

Any reference to investor, you or your, in this Information Statement refers to someone who has a beneficial interest in the capital or income of that estate, trust or non-consultable agency. Any reference to us, we or our, refers to Public Trust.

Contents

Key information summary	3-4
How does this investment work?	5
Description of your investment options.....	6-7
What are the risks of investing?.....	8
What are the fees?.....	9-10
What taxes will you pay?.....	10
Who is involved?	10
How to apply	10
How to complain.....	10
Where you can find more information	10
Contact information	10





1. KEY INFORMATION SUMMARY

What is this document?

This is important information about the Public Trust Investment Service Diversified Funds.

What are the Public Trust Investment Service Diversified Funds?

The Public Trust Investment Service Diversified Funds are a collective investment scheme where investors' money is pooled with other investors' money and invested in various investments. Public Trust will charge a fee for this. The returns you receive depend on Public Trust's investment decisions and the performance of the investments. The value of these investments may go up or down. The types of investments and the fees you will be charged are described in this Information Statement.

What will your money be invested in?

There are seven options offered in the Public Trust Investment Service Diversified Funds. They are:

- Cash Fund
- Defensive Fund
- Conservative Portfolio
- Moderate Portfolio
- Balanced Fund
- Balanced Growth Portfolio
- Growth Fund

Each Fund is kept by Public Trust. The investment purposes are summarised below. More information about the investment targets and strategy for each Fund is provided in section 3 'Description of your investment options'.

Who manages the Public Trust Investment Service Diversified Funds?

The manager of the Public Trust Investment Service Diversified Funds is Public Trust. See section 7 'Who is involved?' for further information.

What are the returns?

The Funds have the option of making distributions quarterly in April, July, October and January, on the 3rd business day of the month.

How you can get your money out

Requests to withdraw money from the Funds are processed every business day and paid out within 10 business days. When you withdraw your investment from a Fund, we will cash in your units at the withdrawal price for units in that Fund. Your investment in the Funds cannot be sold or transferred to anyone else.

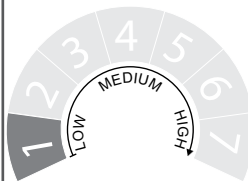
How will returns be taxed?

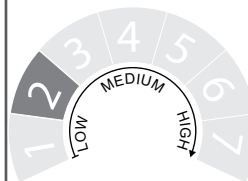
The Public Trust Investment Service Diversified Funds are registered as Portfolio Investment Entities (PIE). The amount of tax you pay in respect of a PIE is based on the Prescribed Investor Rate (PIR) nominated for the estate/trust/agency. This will be 0.0%, 10.5%, 17.5% or 28%. See section 6 'What taxes will you pay?' for more information.

Where can you find more information?

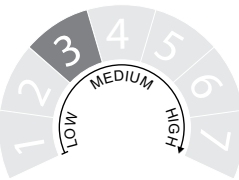
We publish a quarterly update for the Funds. The update shows the returns, and total fees actually charged to investors, during the previous year. The latest Fund update is available at: www.publictrust.co.nz. We will also give you a copy of this document on request.

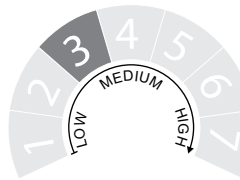
See section 4 'What are the risks of investing?' for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator.

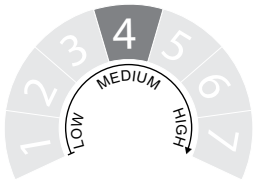
Cash Fund	
Aims to produce low risk returns by investing in short-term bank deposits and fixed interest securities.	 <p>Risk indicator</p>
Fees – refer section 5 'What are the fees?' for more information	
Management fee	0.40% of your balance each year
Third party management fees	Nil
Entry/exit spread	Nil

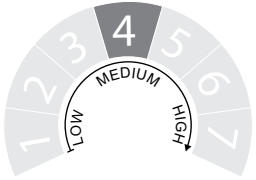
Defensive Fund	
Aims to produce stable returns with low capital growth and low risk over the medium-term by investing 80% in diversified income assets (cash and bonds) and 20% in diversified growth assets (shares and listed property).	 <p>Risk indicator</p>
Fees – refer section 5 'What are the fees?' for more information	
Management fee	1.05% of your balance each year
Third party management fees	0.02% of your balance each year
Entry/exit spread	+/- 0.13%

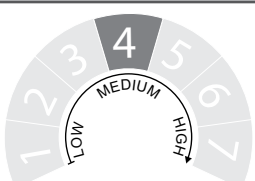
Note 1: Fee is not charged in the Fund itself, but is based on the buy / sell spread of the wholesale funds in which it invests.

Conservative Portfolio	
Aims to produce stable returns with some capital growth and low to medium risk over the medium-term by investing 62.5% in the Defensive Fund and 37.5% in the Balanced Fund.	 <p>Risk indicator</p>
Fees – refer section 5 ‘What are the fees?’ for more information	
Management fee	1.11% of your balance each year
Third party management fees	0.03% of your balance each year
Entry/exit spread	+/- 0.18%

Moderate Portfolio	
Aims to produce moderate capital growth with moderate risk over the medium-term by investing 75% in the Balanced Fund and 25% in the Defensive Fund.	 <p>Risk indicator</p>
Fees – refer section 5 ‘What are the fees?’ for more information	
Management fee	1.16% of your balance each year
Third party management fees	0.04% of your balance each year
Entry/exit spread	+/- 0.23%

Balanced Fund	
Aims to produce long-term capital growth with medium levels of risk by investing 60% in diversified growth assets (shares and listed property) and 40% in diversified income assets (cash and bonds).	 <p>Risk indicator</p>
Fees – refer section 5 ‘What are the fees?’ for more information	
Management fee	1.20% of your balance each year
Third party management fees	0.05% of your balance each year
Entry/exit spread ¹	+/- 0.26%

Balanced Growth Portfolio	
Aims to provide significant long-term capital growth with medium to high levels of risk by investing 50% in the Balanced Fund and 50% in the Growth Fund.	 <p>Risk indicator</p>
Fees – refer section 5 ‘What are the fees?’ for more information	
Management fee	1.20% of your balance each year
Third party management fees	0.06% of your balance each year
Entry/exit spread ¹	+/- 0.29%

Growth Fund	
Aims to produce high long-term capital growth by investing 80% in diversified growth assets (shares and listed property) and 20% in diversified income assets (cash and bonds).	 <p>Risk indicator</p>
Fees – refer section 5 ‘What are the fees?’ for more information	
Management fee	1.25% of your balance each year
Third party management fees	0.08% of your balance each year
Entry/exit spread ¹	+/- 0.32%

2. HOW DOES THIS INVESTMENT WORK?

Selecting the right investment option

We will determine the best investment option for you from the Public Trust Investment Service Diversified Funds range. This is done using a class advice based investment risk profiling tool. We review your investment needs annually to ensure that the investment option you are invested in remains appropriate.

Your investment is in fund units

The Public Trust Investment Service Diversified Funds are a collective investment scheme established by conditions of establishment dated 3 April 2014 under an amending and consolidating declaration of trust deed dated 17 September 2007 (as amended on 8 March 2011).

The money invested on your behalf buys units in the Funds we choose. Each Fund invests in assets, such as shares, bonds and cash. It does this by purchasing units in other funds that Public Trust manages. Each of these underlying funds invests in a single asset class, for example Australasian shares.

Units are not legal ownership of a Fund's assets but they give you rights to share in the returns of the Fund's assets.

The price of each unit depends on the value of the Fund at the time you invest. We calculate the unit price for a Fund by subtracting the total value of the Fund's liabilities from the market value of its assets and dividing that number by the number of units the Fund has issued. The unit price is calculated each business day.

A change in the value of the Fund's assets affects the price of the units held on your behalf by Public Trust. The unit price for a Fund will change as the market value of that Fund's assets change.

The number of units held on your behalf, when multiplied by the unit price, gives you the total value of your investment in any one Fund (minus any unpaid tax).

Distributions

The Funds have the option of making distributions quarterly in April, July, October and January on the 3rd business day of the month. These redemptions will be recorded as income transactions rather than capital transactions. The amount of the distributions will be determined by Public Trust.

Making your investment

The minimum balance you may have in a Fund or combination of Funds is \$5,000*.

The minimum contribution amount you can make to your Public Trust investment is \$500.

Withdrawing your investment

Subject to the terms of the governing trust deed or will (if relevant) you may withdraw your money in the Funds by writing to us at any time at the details given in section 11 'Contact information', in a manner approved by us. However, you must have held units in the Fund from which you are withdrawing for a minimum of seven business days. The minimum withdrawal amount is \$500. Withdrawal requests are processed each business day.

If your withdrawal request results in your investment falling below \$5,000*, we may treat this as a request for a full withdrawal.

When you withdraw your investment from a Fund, we will cash in the units held on your behalf at the withdrawal price for that Fund. We will process your application and pay the withdrawal price to your Public Trust account within 10 business days.

Subject to the terms of the governing trust deed or will (if relevant), you may also set up regular withdrawals to be made to your Public Trust account at monthly, quarterly, six-monthly or yearly intervals. The minimum regular withdrawal amount is \$500.

We may, in good faith, suspend withdrawals from a Fund or Funds. We may do this if, in our opinion, withdrawals from a Fund or Funds would not be practicable or would be materially prejudicial to your interests or the interests of other investors. In this case, withdrawals will be suspended until we give you notice stating otherwise.

Your investment in the Funds cannot be sold or transferred to anyone else.

No assets of a Fund are available to be applied to meet the liabilities of any other Fund in the Public Trust Investment Service Diversified Funds.

*Except where investment is by or through a Prepaid Funeral Trust or Education Trust where the minimum balance is \$500.

3. DESCRIPTION OF YOUR INVESTMENT OPTIONS

Public Trust's investment beliefs and strategy

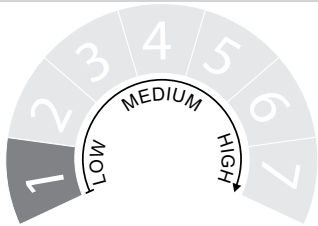
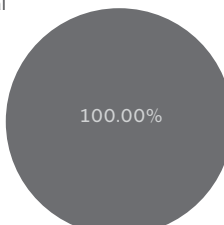
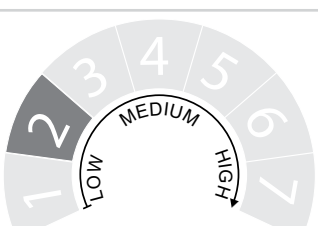
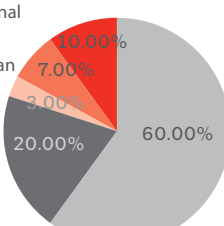
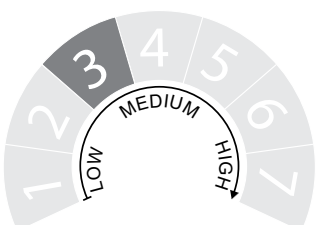
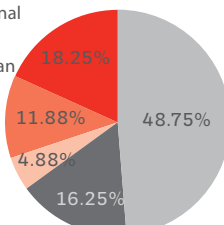
Public Trust has been managing money for over 140 years and as at the date of this Information Statement manages funds of over \$1 billion. The Diversified Funds Service is used by Public Trust where it is acting in a fiduciary capacity. Consequently the investment programme may be characterised as prudent so as to meet obligations under the Trustee Act.

Within the overall investment programme a key investment belief is that, the main stream investment markets in which the Diversified Funds invest are competitive and dynamic, with active returns very difficult to find and constantly changing source.

Therefore, the investment strategy we employ is a market capitalisation indexed strategy i.e. investing in accordance with the composition of the relevant benchmark for each asset class. The key benefits of this strategy are; that it provides reliable returns relative to the performance of the underlying market, is able to be implemented at a significantly lower cost than more active strategies that attempt to outperform the market and is simple to understand.

The benefits of investing in the Funds

In each Fund, investors' money is pooled together with that of other investors and invested by Public Trust in accordance with the investment purpose and investment strategy of each Fund. This enables investors to have their money professionally managed and to gain access to a wider range of investment opportunities than is likely to be available to an individual investor.

Option	Investment purpose and investment strategy	Target investment mix
<p>Cash Fund</p>  <p>Risk Indicator</p>	<p>Investment purpose To provide investors with low risk returns consistent with short-term wholesale bank deposits.</p> <p>Investment strategy Uses an index investment management style to invest 100% in income assets (short-term bank deposits and short-term fixed interest securities issued by New Zealand corporates).</p>	<ul style="list-style-type: none"> ■ International Shares ■ Australasian Shares ■ NZ Listed Property ■ Cash ■ NZ Bonds  <p>ASSETS</p> <p>■ GROWTH 0% ■ INCOME 100%</p>
<p>Defensive Fund</p>  <p>Risk Indicator</p>	<p>Investment purpose To provide investors with stable returns, low capital growth and low risk over the medium-term.</p> <p>Investment strategy Uses an index investment management style to invest 80% in diversified income assets (cash and bonds) and 20% in diversified growth assets (shares and listed property).</p>	<ul style="list-style-type: none"> ■ International Shares ■ Australasian Shares ■ NZ Listed Property ■ Cash ■ NZ Bonds  <p>ASSETS</p> <p>■ GROWTH 20% ■ INCOME 80%</p>
<p>Conservative Portfolio</p>  <p>Risk Indicator</p>	<p>Investment purpose To provide investors with stable returns, some capital growth and low to medium risk over the medium-term.</p> <p>Investment strategy Invests 62.5% in the Defensive Fund and 37.5% in the Balanced Fund.</p>	<ul style="list-style-type: none"> ■ International Shares ■ Australasian Shares ■ NZ Listed Property ■ Cash ■ NZ Bonds  <p>ASSETS</p> <p>■ GROWTH 35% ■ INCOME 65%</p>

Option	Investment purpose and investment strategy	Target investment mix
Moderate Portfolio	<p>Investment purpose To provide investors with moderate capital growth with moderate risk over the medium-term.</p> <p>Investment strategy Invests 25% in the Defensive Fund and 75% in the Balanced Fund.</p>	<p>ASSETS</p> <p>GROWTH 50% INCOME 50%</p>
<p>Risk Indicator</p>		

Option	Investment purpose and investment strategy	Target investment mix
Balanced Fund	<p>Investment purpose To provide investors with long-term capital growth with medium levels of risk.</p> <p>Investment strategy Uses an index investment management style to invest 60% in diversified growth assets (shares and listed property) and 40% in diversified income assets (cash and bonds).</p>	<p>ASSETS</p> <p>GROWTH 60% INCOME 40%</p>
<p>Risk Indicator</p>		

Option	Investment purpose and investment strategy	Target investment mix
Balanced Growth Portfolio	<p>Investment purpose To provide investors with significant long-term capital growth with medium to high levels of risk.</p> <p>Investment strategy Invests 50% in the Balanced Fund and 50% in the Growth Fund.</p>	<p>ASSETS</p> <p>GROWTH 70% INCOME 30%</p>
<p>Risk Indicator</p>		

Option	Investment purpose and investment strategy	Target investment mix
Growth Fund	<p>Investment purpose To provide investors with high long-term capital growth.</p> <p>Investment strategy Uses an index investment management style to invest 80% in diversified growth assets (shares and listed property) and 20% in diversified income assets (cash and bonds).</p>	<p>ASSETS</p> <p>GROWTH 80% INCOME 20%</p>
<p>Risk Indicator</p>		

Public Trust may make changes to the investment purpose and investment strategy for each Fund without notice. Further information about the target and actual investment mix for each Fund can be found in the Fund updates at www.publictrust.co.nz

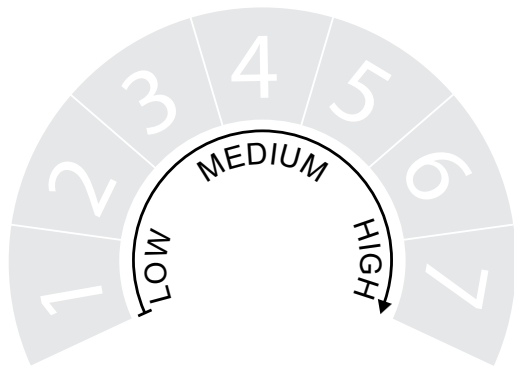
4. WHAT ARE THE RISKS OF INVESTING?

Understanding the risk indicator

The risk indicator used in this Information Statement is a standard risk indicator designed to help you understand the uncertainties both for loss and growth that may affect your investment. You can compare Funds using the risk indicator.

See section 3 'Description of your investment options' for the risk indicators of each Fund.

Risk Indicator



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

Note that even the lowest category does not mean a risk-free investment.

The risk indicator is not a guarantee of a Fund's future performance. Because the Funds are relatively new it is not possible to base the risk indicator on long-term actual performance. Instead the risk indicator is based on historical fund performance for similar funds managed by Public Trust for the five years ended 30 April 2014. While risk indicators are usually relatively stable, they do shift from time to time.

You can see the most recent risk indicator for each Fund in the latest Fund update.

General investment risks

The main risk impacting on the risk indicator is investment return risk. This is the risk that returns from your investment may be negative or lower than expected due to unfavourable market conditions. The factors that may give rise to this risk and the steps we take to mitigate them are outlined below.

Market risk	
Affects all Funds	Economic changes, regulatory conditions (for example, changes in the law) and political events may all affect markets generally and thereby the value of the assets in which the Funds invest.
	We mitigate this risk by diversifying across asset classes, investment sectors and countries.
Company risk	
Affects all Funds (other than the Cash Fund)	Changes to management, or the performance of an individual company may lead to a fall in its share price, reducing its value if held by a Fund.
	We mitigate this risk by diversifying amongst many different individual companies.
Credit risk	
Affects all Funds	Investment in deposits and fixed interest securities may be exposed to the risk of borrowers defaulting. This may result in a reduction in returns or the full amount of the investment being unable to be recovered.
	We mitigate this risk by applying credit limits.
Exchange rate risk	
Affects all Funds (other than the Cash Fund)	Movements in the exchange rate of foreign currencies relative to the New Zealand dollar will affect the performance of foreign currency denominated assets directly or indirectly held by a Fund.
	We mitigate this risk by using derivatives to fully or partially hedge the effect of the exchange rate movements in foreign currency denominated assets.

Important note

No particular rate of return is promised. None of Public Trust, the Government of New Zealand or any other person guarantees the repayment of any investment in the Funds, the performance of the Funds or any particular rate of return.

5. WHAT ARE THE FEES?

You will be charged fees for investing in the Public Trust Investment Service Diversified Funds. Fees are deducted from your investment, and will reduce your returns. If Public Trust invests in other funds, those funds may charge fees also. The total fees you pay are made up of three main types of fees:

- Public Trust management fee. This fee is expressed below as a percentage of your balance each year.
- Third party management fee. This fee is expressed below as a percentage of your balance each year.
- Entry/exit spread. These are one-off fees charged for investing or withdrawing from a Fund.

Management fee and third party management fee

Option	Public Trust management fee	Third party management fee
Cash Fund	0.40%	Nil
Defensive Fund	1.05%	0.02%
Conservative Portfolio	1.11%	0.03%
Moderate Portfolio	1.16%	0.04%
Balanced Fund	1.20%	0.05%
Balanced Growth Portfolio	1.20%	0.06%
Growth Fund	1.25%	0.08%

Third party management fees are calculated on the value of each Fund's investment in funds offered by the sub-contracted investment manager appointed to manage international shares. These fees are calculated and deducted daily from the third party funds in which these Funds invest.

Management fee rebate

Accounts with larger amounts invested qualify for a rebate of part of Public Trust's management fee, as outlined in the table below:

Amount Invested	Rebate
On the first \$500,000	0.00%
On the next \$500,000	0.40%
On the next \$1,000,000 plus	0.80%

The rebates are calculated daily and applied quarterly to your account held with Public Trust.

Entry/exit spread

Transaction costs are incurred by a Fund when buying and selling investments. In order to help the Funds recover these expenses when investors enter or exit the Funds, an adjustment is made to the calculation of the Funds' entry and exit unit prices. This is known as an entry/exit spread. The entry/exit spread applicable to each investment option is outlined in the table top right.

Option	Application price plus:	Withdrawal price less:
Cash Fund	Nil	Nil
Defensive Fund	0.13%	0.13%
Conservative Portfolio	0.18%	0.18%
Moderate Portfolio	0.23%	0.23%
Balanced Fund	0.26%	0.26%
Balanced Growth Portfolio	0.29%	0.29%
Growth Fund	0.32%	0.32%

The Fee is not charged in the Fund itself, but is based on the buy / sell spread of the wholesale funds in which it invests.

As transaction costs may change, the entry/exit spread may also change without prior notice. The income earned by the entry/exit spread goes towards the Fund's transaction costs and is not paid to Public Trust.

Certain administration expenses may be charged to the Funds where they are necessary in exercising our powers, as permitted under the Trust Deed. These include, but are not limited to, audit, legal and specialist investment advice. These expenses are not fixed and cannot be completely known ahead of time, but are not expected to be material.

Public Trust does not charge entry or exit fees (excluding the entry/exit spread), establishment fees, termination fees or any other fees or charges unless disclosed in this Information Statement.

Example of how fees in a Fund apply

Bob invests \$10,000 in the Balanced Fund. He is charged an entry spread of \$26 (0.26% of 10,000).

This brings the starting value of his investment to \$9,974.00

Over the next year the average value of Bob's investment in the Balanced Fund is \$10,000. Bob is charged fees which work out to \$125.00 for that year:

Public Trust management fee 1.20% of \$10,000 = \$120.00

Third party management fee 0.05% of \$10,000 = \$5.00

These fees might be more or less if Bob's account balance has increased or decreased more substantially over the year.

Estimated total fees for the first year:

Entry spread: \$26.00

Public Trust management fee: \$120.00

Third party management fee: \$5.00

See the latest Fund update for an example of the actual returns and fees investors were charged.

This example only applies to the Balanced Fund. If you invest in other Funds in the Public Trust Investment Service Diversified Funds, this example may not be representative of the actual fees you may be charged.

The fees can be changed

Public Trust publishes an update for all its Funds showing the fees actually charged during the most recent year. The Fund update, including past reports, is available at www.publictrust.co.nz

6. WHAT TAXES WILL YOU PAY?

The Public Trust Investment Service Diversified Funds are Portfolio Investment Entities. The amount of tax you will pay is based on the PIR nominated for your estate/trust/agency. If you have been asked to provide your PIR, you can determine your PIR by visiting www.ird.govt.nz. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell Public Trust if your PIR changes. If you do not tell Public Trust your PIR when requested, a default rate may be applied. If the default rate, or the advised rate, is lower than the correct PIR, you will need to complete a personal tax return, and pay any tax shortfall, interest or penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.

7. WHO IS INVOLVED?

About Public Trust

Public Trust is the manager and trustee of the Funds. Public Trust has 140 years' experience in a wide range of services as trustee, executor, manager and attorney. As at the date of this Information Statement, Public Trust administers or supervises estates, trusts, funds and agencies of a value of approximately \$42 billion and Public Trust's Investment Team manages funds of more than \$1 billion.

Public Trust is a statutory corporation under the Public Trust Act 2001 and is a Crown entity under the Crown Entities Act 2004. Public Trust is governed by a board, appointed by the Minister of Justice acting with the agreement of the Minister of Finance.

Who else is involved?

	Name	Role
Manager and trustee	Public Trust	Makes decisions about what the Funds invest in.
Custodian	BNP Paribas Fund Services Australasia Pty Limited (BNP Paribas) (trading as BNP Paribas Securities Services)	Appointed by the trustee to hold the assets of the Funds on behalf of investors.
Registry	Trustees Executors Limited	Keeps individual records of investments into the Funds.

8. HOW TO APPLY

The Funds referred to in this Information Statement are used by Public Trust as investment options in situations where it is acting as trustee, co-trustee or attorney of an estate, trust or non-consultable agency. The Funds are not open to members of the public.

9. HOW TO COMPLAIN

If you have any problems with your investment or the service you receive from Public Trust, please contact your Public Trust adviser directly or through our contact centre on 0800 371 471 between 8am-5:30pm Monday to Friday.

If you would prefer you can write to us at:

Public Trust Complaints
PO Box 31543
Lower Hutt 5040
Email: complaints@publictrust.co.nz
Fax: (04) 978 4938

Public Trust is a member of the Financial Services Complaints Limited Scheme (FSCL), an independent dispute resolution scheme approved by the Ministry of Consumer Affairs. If you are still not satisfied after discussing your concerns with Public Trust, you can approach FSCL with your concerns, subject to certain criteria being met at:

Financial Services Complaints Limited
Level 4, 101 Lambton Quay
Wellington 6145
PO Box 5967
Wellington 6145
Telephone: 0800 347 257
Fax: (04) 472 3728
Email: complaints@fscl.org.nz

Further information about referring a complaint to FSCL can be found at www.fscl.org.nz

10. WHERE YOU CAN FIND MORE INFORMATION

Further information on the Public Trust Investment Service Diversified Funds, is available in the quarterly Fund update. This may be found at www.publictrust.co.nz, or alternatively, your adviser can provide you a copy on request, at no charge.

11. CONTACT INFORMATION

Public Trust
40-42 Queens Drive,
Lower Hutt 5010
PO Box 31543
Lower Hutt 5040
Telephone: 0800 371 471
Email: info@publictrust.co.nz

0800 371 471
info@publictrust.co.nz
publictrust.co.nz

