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MAS Retirement Savings Scheme

Other Material Information

**Issued by Medical
Funds Management
Limited**

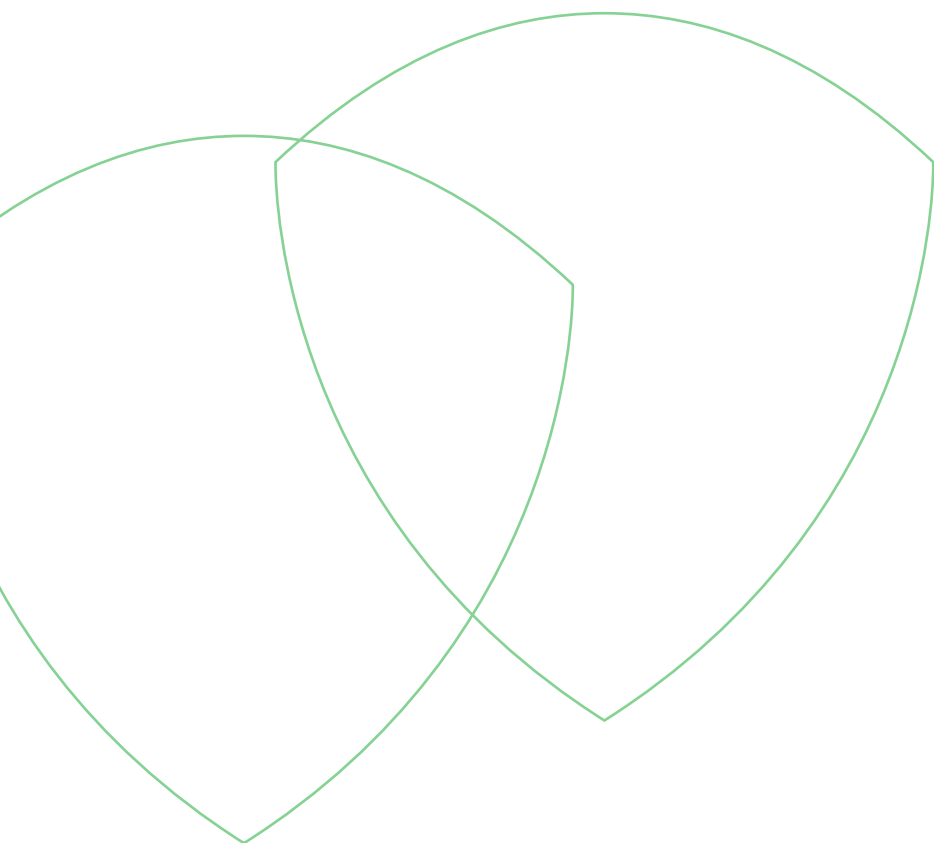
1 September 2026

Signatory of:



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1. Introduction

Welcome to the MAS Retirement Savings Scheme. This document provides additional information on an investment in the MAS Retirement Savings Scheme (the Scheme), including the benefits of investing, more information on who is involved in managing your investment, how to make withdrawals and transfer savings from a United Kingdom (UK) pension, and some key information on tax and risks that you should be aware of.

This document should be read along with the MAS Retirement Savings Scheme Product Disclosure Statement (PDS) available at mas.co.nz/retirement-savings and on the Disclose Register – Offer Register at disclose-register.companiesoffice.govt.nz.

Medical Funds Management Limited (MFM, we, us, our), a wholly owned subsidiary of Medical Assurance Society New Zealand Limited (MAS), is the manager and issuer of the MAS Retirement Savings Scheme.

The information in this document could change in the future. The latest information on the MAS Retirement Savings Scheme is available at mas.co.nz/retirement-savings.

2. More about the Scheme

Welcome to the MAS Retirement Savings Scheme, provided by MFM, a part of the MAS Group. MAS is a membership-based investment and insurance company that's been supporting New Zealanders for more than 100 years.

About MAS

We're proud to be a New Zealand-owned mutual investment and insurance company, so in choosing to invest with us, you become one of our Members and owners. This means we have your best interests in mind, and our profits can go back into our products and services helping you to invest in a better tomorrow. You can find out more about MAS at mas.co.nz.

About the MAS Retirement Savings Scheme

The main benefits

The MAS Retirement Savings Scheme is our employer-based workplace savings and superannuation scheme that's designed to help you meet your retirement savings goals. Key benefits of joining the Scheme include:

- **Actively managed:** Investing with experienced managers focused on sustaining long-term investment performance.
- **Makes saving easy:** Employer-based superannuation contributions can be paid directly to your account.
- **Accessing your retirement savings:** Begin to access your savings from age 55.*
- **Transfer your savings:** The ability to transfer savings from your UK pension.
- **A range of investment options:** Choose from 7 different funds to help you reach your investment goals.
- **Investing your money responsibly:** Restrict exposure to harmful sectors, integrate ESG considerations into investment decisions, and use shareholder voting rights to seek to influence companies to conduct their business in a socially and environmentally responsible manner.
- **Advice when you need it:** Gain access to a nationwide network of MAS Advisers to help you with your investment decisions, at no additional cost.
- **Online account:** Manage your investment online whenever it suits you.

*From 6 April 2028 onwards, members with UK pension savings in the Scheme will generally be unable to withdraw their savings until they reach the age of 57.

How we manage your investments

Actively managed for healthier returns

The performance of your investment funds over the long term makes a big difference to growing your savings.

The investment funds in the Scheme are actively managed. This means a team of professionals makes investment decisions that aim to outperform the market and deliver higher than market returns for you.

We seek specialist investment managers

The funds typically invest in several different asset classes, including Australasian equities and New Zealand fixed interest. Investment managers are often experts in some asset classes but not others. Therefore, we seek out specialist investment managers in each asset class.

The funds of the Scheme are invested with some of the world's largest managers such as BlackRock Investment Management (Australia) Limited (BlackRock) for international equities and PIMCO for international fixed interest. We also use specialist investment managers JBWere (NZ) Limited (JBWere) for Australasian equities and cash, and Amova Asset Management New Zealand Limited (Amova) for New Zealand fixed interest.

Our approach to responsible investing

The MAS Responsible Investment Policy details the approach we take to responsible investing and how we apply that approach to the investments made by the Scheme. The MAS Responsible Investment Policy can be found at mas.co.nz/responsible-investments and on the Disclose Register - Offer Register at disclose-register.companiesoffice.govt.nz.

Access to advice

Everyone's financial journey is different, and we're here to help our members create the financial future that is right for them.

We offer access to a nationwide network of MAS Advisers to help you with your investment decisions, at no additional cost.

You can speak with a MAS Adviser in person or on the phone for simple general advice about your MAS Retirement Savings account, such as making the right fund choice to meet your savings goals and adding extra contributions to your investment. You can also discuss your personal insurance and income protection needs.

If you would like to talk to a MAS Adviser, phone **0800 800 627** or email info@mas.co.nz.

3. Who is involved?

This section provides additional information about key parties involved in providing services for the Scheme.

Manager

Medical Funds Management Limited (MFM) is licensed under the Financial Markets Conduct Act 2013 (FMCA) as a manager of registered schemes. More information about our licence, including its conditions, can be obtained from the Financial Service Providers Register website at fsp-register.companiesoffice.govt.nz.

MFM as the Manager is responsible for the management and administration of the Scheme. A current list of the people involved in MAS, MFM and the Scheme is available at mas.co.nz/about-mas/our-people.

MFM is a wholly owned subsidiary of Medical Assurance Society New Zealand Limited (MAS). MAS has been appointed as the Operational Manager under a Services Agreement to provide operational management services to MFM in respect of the Scheme.

- See **section 12 Conflicts of interest** on page 34 for more information about how conflicts of interest may apply to the Manager and how these are managed.

We have engaged specialist service providers to help with the investment management and administration of the Scheme. MFM remains responsible for the services delivered by our service partners. Further details on these service arrangements are outlined below.

Administration Manager

We have delegated the administration of the Scheme to MUFG Pension & Market Services (NZ) Limited (MUFG) under an Administration Services Agreement. MUFG keeps and maintains the register of unitholders and provides fund accounting services for the Scheme.

Investment Managers

We have delegated investment management services to JBWere under an Investment Management Agreement. As lead investment manager, JBWere decides what investments to make within the parameters detailed in the Scheme's Statement of Investment Policy and Objectives (SIPO) and monitors those investments to ensure they remain in compliance with the SIPO.

MFM has also appointed the following investment managers under separate Investment Management Agreements:

- Amova to provide sector related investment management services in respect of NZ fixed interest assets in the underlying investment funds that the Scheme invests into.
- BlackRock to provide sector related investment management services for a portfolio of international shares in the underlying investment funds that the Scheme invests into.
- See **section 12 Conflicts of interest** on page 34 for more information about how conflicts of interest may apply to our investment managers and how these are managed.

Unit Pricing Administrator

JBWere has appointed Apex Investment Administration (NZ) Limited (Apex) to provide unit pricing services for the Scheme. Apex is responsible for valuing the Scheme assets and calculating the unit price of each fund within the Scheme.

- See **section 9 Pricing and valuation** on page 25 for more information about how the funds are valued and priced.

Supervisor

Public Trust is the Supervisor of the Scheme. It supervises how we run the Scheme for the benefit of you, the members.

The Supervisor is a licensed supervisor under the Financial Markets Supervisors Act 2011 and is licensed to act as a supervisor of registered schemes. More information about the Supervisor's licence, including its conditions, can be obtained from the Financial Service Providers Register website at fsp-register.companiesoffice.govt.nz.

The Supervisor is also responsible for the custody of Scheme assets, and it may nominate or appoint another entity to act as custodian, in accordance with the Trust Deed and relevant law. Refer to the next part of this section 'Custodian' for more information.

You can also find a current list of those involved with the Supervisor on its website at publictrust.co.nz/corporate-trustee-services/meet-our-team.

Custodian

The Supervisor, Public Trust, has appointed JBWere (NZ) Nominees Limited to act as the custodian of Scheme assets. JBWere (NZ) Nominees Limited is a related company of JBWere, and is fully independent of the Manager and the Supervisor.

As an independent custodian, JBWere (NZ) Nominees Limited holds the Scheme's assets separately from its own assets, and the assets of any other managed investment scheme (including others issued by MFM).

4. Making investments

This section provides more information on ways to manage investments into your MAS Retirement Savings account, including making contributions, how your contributions are allocated and switching funds.

Making contributions

Employer contributions

You can generally make contributions directly from your pay via your employer to your MAS Retirement Savings account.

Employer superannuation contribution tax (ESCT) is deducted from employer contributions before they are credited to your account. The tax rate varies depending on the total amount of:

- your salary and wages in the prior tax year (or an estimate of your income for the current year if you have worked for your employer for less than a year)
- employer contributions received during the previous year (or an estimate of those contributions for the current year if you have worked for your employer for less than one year).

It is important to note that salary and wages includes bonuses, overtime and other pay, as well as parental payments and accommodation benefits.

ESCT is not applied in the same tiered way as personal income tax rates, and only one rate applies to the total amount of the employer contribution.

If you don't know, it's a good idea to talk directly to your employer to confirm what their contributions will be.

Voluntary contributions

You can make lump sum or regular contributions to your account. Further details on how to make voluntary contributions are shown in the table below.

Payment type	Payment description and how to make a payment										
Direct credit	- Make a lump sum or regular contribution by using online or phone banking. - You can make deposits into the MAS Retirement Savings Scheme account, using these details:<table><tr><td>Account name</td><td>MAS Retirement Savings Scheme</td></tr><tr><td>Bank account number</td><td>06-0541-0107564-00</td></tr><tr><td>Particulars</td><td>MAS Member number</td></tr><tr><td>Code</td><td>Surname</td></tr><tr><td>Reference</td><td>MASRSS</td></tr></table>	Account name	MAS Retirement Savings Scheme	Bank account number	06-0541-0107564-00	Particulars	MAS Member number	Code	Surname	Reference	MASRSS
Account name	MAS Retirement Savings Scheme										
Bank account number	06-0541-0107564-00										
Particulars	MAS Member number										
Code	Surname										
Reference	MASRSS										
Direct debit	- Make a regular contribution by direct debit. - You can set up regular weekly, fortnightly, monthly, quarterly, six-monthly or annual payments. - Complete the Direct Debit Authority Form available at mas.co.nz/retirement-savings-documents. - You can increase, reduce or suspend your regular direct debit payment at any time by completing a Direct Debit Change Form available at mas.co.nz/retirement-savings-documents.										

Currently there is no minimum amount you have to make as a voluntary contribution. However, we can change this from time to time.

Contributions are usually processed within 5 business days.

You can find more information about how to make contributions at mas.co.nz/retirement-savings-contributions.

Future investment strategy

When you join the MAS Retirement Savings Scheme you will need to choose a fund or funds to invest in. The initial investment you make across your chosen fund will define your 'future investment strategy'. When any additional contributions (including employer and any member voluntary contributions) are made, the additional contributions will be invested automatically in accordance with your future investment strategy.

How does your future investment strategy work?

Your current account balance may be invested differently from how your future investment contributions are invested. For example, the investment balance of your funds will change over time as a result of movements in the unit price. Your future investment strategy and how you would like your future contributions allocated will remain the same unless you instruct us to make a change.

You can make a change to your future investment strategy online at any time, or by completing a Switch and Future Investment Strategy Change Form available at mas.co.nz/retirement-savings-documents.

Additional contributions

Additional contributions by lump sum or through a regular investment by direct debit will be automatically allocated in accordance with your future investment strategy. To change how your regular investments are allocated, you will need to change your future investment strategy.

Your financial goals can change over time. For this reason, it's important to review your future investment strategy regularly and adjust your strategy as needed.

Switching between funds

You can build your own investment portfolio from our range of 7 investment funds. The 7 funds are designed to suit a broad range of investors.

The MAS Retirement Savings Scheme offers you the flexibility to change your fund at any time, and there is no minimum amount required to switch fund. We do not currently charge a fee for switching between funds. This may change in the future.

You can switch funds by making a change online, or by completing a Switch and Future Investment Strategy Change Form available at mas.co.nz/retirement-savings-documents.

If we receive a switch request by 5pm on any given valuation day (which is generally every business day in Auckland and Wellington) and the application is accepted, we will process your switch and issue units in the fund using the unit price for that day. If your switch request is received after 5pm or on a non-business day, we will generally use the unit price for the next valuation day being the day the request is accepted.

If you request a switch, we'll sell units from one investment options and use the proceeds to buy units in the other investment options.

- See section **Deferring or suspending withdrawals, transfers and switches** on page 16 for a description of the circumstances where we may suspend or defer switches.

We do not currently apply a buy/sell spread to fund switches.

You can also find out more information about the funds we offer in the MAS Retirement Savings Scheme PDS available at mas.co.nz/retirement-savings.

Manage your account online

You can manage your investment online whenever it suits you. myMAS (the MAS Member Portal) allows you to view your investment and personal details – making it easy to keep track of your investment savings. You can set up or manage your account online at mas.co.nz/members.

5. Withdrawing your investment

This section provides additional information on the types of withdrawals and how to make a withdrawal from the Scheme.

There are different withdrawal rules depending on which Section of the Scheme you choose to join.

You may also be able to make an early withdrawal under certain conditions with agreement by us or the Supervisor. For additional information on how to make an early withdrawal, you can call us on **0800 627 738** or email mas@invest.mas.co.nz.

This table summarises the conditions for withdrawals allowed for in the Workplace Savings Section and the Superannuation Section. Additional information about the eligibility for each withdrawal method is outlined further below.

If you have UK pension sourced funds in your Scheme Section account, you will be subject to other terms and conditions for withdrawal. Please refer to **section 6 UK Pension Transfer** for additional information.

Type of withdrawal	Workplace Savings Section	Superannuation Section
Normal retirement age	55*	65
Early retirement	✓	✓
Resignation	✓	✗
Permanent disability	✓	✗
Transition to retirement	✗	✓
Permanent emigration	✓	✗
Significant financial hardship	✓	✓
Serious illness	✓	✓
Death	✓	✓
Court order	✓	✓

* From 6 April 2028, if you have UK pension sourced funds in the Workplace Savings Section of the Scheme, you generally will not be able to withdraw your money in that Scheme Section account until you are 57.

Workplace Savings Section

The following withdrawal types are specific to the Workplace Savings Section of the Scheme.

The Workplace Savings Section only applies to eligible individuals who joined the Scheme after 19 September 2016.

These rules, with the exception of 'Benefit on Resignation', also apply to individuals (including joint accounts) who joined the Scheme before 19 September 2016.

At retirement age

If you are a member of the Workplace Savings Section, you are able to withdraw from the age of 55. You can choose to leave your savings in the Scheme or make withdrawals.

- See 'Making withdrawals' later in this section for more information.

Before retirement age

Early retirement

If the Supervisor is satisfied that you have totally and permanently retired before age 55, you will be able to withdraw all or part of your investment.

Benefit on resignation

If we are satisfied that you have ceased to be an employee of MAS or in the industry of professionals listed in the definition of the Eligible Member below, we may grant a full and final withdrawal.

Eligible Members, meaning individuals from the following classes of professionals:

- Doctors
- Dentists
- Veterinarians
- Students of those professions listed in (a) to (c) above
- Professionals registered under the Health Practitioners Competence Assurance Act 2003
- Lawyers
- Accountants
- Architects
- Engineers; and
- Employees of any employer who is of a class of professional listed in (a)-(i) above.

Permanent disability

We may grant a withdrawal if we are satisfied that you have suffered a permanent disability or other incapacity of such a nature that due to the permanent disability or incapacity you are unable to obtain employment of a similar nature to that in which you have been employed and you are not likely to obtain other employment of an equivalent standing and remuneration.

To apply, you need to complete a Serious Illness and Permanent Disability Withdrawal Application Form for your Scheme, available at mas.co.nz/retirement-savings-documents and complete a statutory declaration that you understand the consequences of the withdrawal and have a declaration from your doctor that you are suffering from a permanent disability.

Permanent emigration

You can withdraw your account balance if you are permanently emigrating from New Zealand. You will need to provide proof of your departure from New Zealand and residence at an overseas address.

To apply, you need to complete a Permanent Emigration Withdrawal Application Form for your Scheme, available at mas.co.nz/retirement-savings-documents and provide proof of emigration.

Superannuation Section

The following withdrawal types are specific to the Superannuation Section of the Scheme. The Superannuation Section only applies to individuals who joined the Scheme after 23 June 2021 and are not part of the Workplace Savings Section.

At retirement age

If you are a member of the Superannuation Section, you are able to make a full withdrawal when you reach the NZ superannuation qualification age (currently age 65). You can choose to leave your savings in the Scheme or make withdrawals.

- See 'Making withdrawals' later in this section for more information.

Before retirement age

Early retirement

If the Supervisor is reasonably satisfied that you have permanently retired from business or employment, and you have reached an age that is five years before the NZ superannuation qualification age (currently 65), you will be able to withdraw some or all of your account balance.

Transition to retirement (from age 55)

If the Supervisor is reasonably satisfied that you qualify for a transition to retirement benefit, you can make partial withdrawals. You qualify if you have reached an age that is 10 years before NZ superannuation qualification age (currently age 65). The amount you can withdraw each year depends on the balance of your account and the time until you reach the NZ superannuation qualification age.

The withdrawals are required to be made through periodic payments from the Scheme that relate to each other over an identifiable period of time. Periodic withdrawals are calculated in accordance with the Superannuation Scheme Rules set out in the Financial Markets Conduct Regulations 2014 (Regulations).

The key aspects of the rules are outlined below.

Age at which transition to retirement withdrawals can be made

- The first withdrawal can be applied for from age 55 (under the Regulations, an age that is 10 years before NZ superannuation qualification age which is currently age 65).

Relevant period

- The relevant period(s) in which periodic payments can be made are 12-month periods commencing from the date of the first application to make a withdrawal, and any successive anniversary of this date. A period commencing less than a year before the date you reach the NZ superannuation qualification age will end on this date.

Maximum withdrawal amount

- The maximum amount that can be withdrawn during each relevant period is determined in accordance with a formula calculated based on the balance of your account at the start of the relevant period and the number of relevant periods remaining prior to the NZ superannuation qualification age of 65.
- The maximum withdrawal amount is recalculated at the beginning of each new relevant period.
- You will be able to withdraw all or part of the maximum withdrawal amount for each relevant period.

The formula is

$$m = \frac{a}{y + 1}$$

where —

m is the maximum amount

a is the amount of the scheme participant's accumulation at the start of the relevant period

y is the number of remaining relevant periods that commence before the scheme participant reaches the NZ superannuation qualification age calculated at the start of the relevant period

Example

Harry is invested in the Superannuation Section of the Scheme and will reach the NZ superannuation qualification age on 5 October 2026. Harry applies for a withdrawal on 1 January 2023.

The first relevant period is 1 January 2023 to 31 December 2023. On 1 January 2023, Harry's account balance is \$200,000.

The number of relevant periods that commence before 5 October 2026 is 4 (the relevant periods that commence on 1 January 2023, 1 January 2024, 1 January 2025, and 1 January 2026).

The maximum amount that can be withdrawn in the first relevant period is \$40,000: $\$200,000 / (4 + 1)$.

At the start of the second relevant period on 1 January 2024, Harry's account has accumulated to \$170,000.

(Harry withdrew the full \$40,000 and returns were \$10,000).

The number of remaining relevant periods is 3. The maximum amount that can be withdrawn in the second relevant period is \$42,500: $\$170,000 / (3 + 1)$.

Early withdrawals (common to both Sections of the Scheme)

The early withdrawal types outlined in this section are common to both Sections of the Scheme.

You may be able to make an early withdrawal under certain conditions with agreement by us or the Supervisor as applicable.

Significant financial hardship

You may be able to make an early withdrawal if you are suffering or likely to suffer from significant financial hardship. This includes if you are, or likely to be:

- unable to meet minimum living expenses; or
- unable to meet mortgage payments on your family residence, resulting in the mortgage provider seeking to enforce the mortgage on your property; or
- modifying your home to meet special needs because of you or a dependent family member having a disability; or
- paying for medical treatment if you or a dependent family member become ill, has an injury, or requires palliative care; or
- incurring funeral costs if a dependent family member dies; or
- suffering from a serious illness.

To apply, you need to complete a Significant Financial Hardship Withdrawal Application Form for the Scheme, available at mas.co.nz/retirement-savings-documents.

You will also need to complete a statutory declaration with a statement of your financial position and evidence that you are suffering or likely to suffer from significant financial hardship.

The Supervisor will determine whether you're eligible for a significant financial hardship withdrawal, and if accepted you'll receive the amount that in the Supervisor's opinion is needed to alleviate your hardship.

Serious illness

You may be able to make an early withdrawal if you have an injury, illness or disability that means that you are:

- totally and permanently unable to work at a job that your education, training or experience makes you suited to; or
- that poses a serious and imminent risk of death.

To apply, you need to complete a Serious Illness and Permanent Disability Withdrawal Application Form for the Scheme, available at mas.co.nz/retirement-savings-documents.

You will also need to complete a statutory declaration that you understand the consequences of the withdrawal and have a declaration from your doctor that you are suffering from a serious illness.

The Supervisor will determine whether you're eligible for a serious illness withdrawal.

Death

If you die, your account balance will be paid to your estate's personal representative. Or, if your balance does not exceed the prescribed amount (currently \$40,000) and other conditions are met, your account balance may be paid out to your surviving partner or children.

Court order

Some laws, such as the Property (Relationships) Act 1976, may require us to pay some or all of your Scheme savings if required by law or a court order.

If you have UK pension sourced funds in your Scheme Section account, you will be subject to other terms and conditions to withdraw. More information about withdrawing UK pensions is provided in **section 6 Transfer of UK pension funds**.

Making withdrawals

If you are in the Workplace Savings Section and reach the age of 55, or you are in the Superannuation Section and reach the NZ superannuation qualification age (currently age 65) - you can choose to leave your savings in your account, or start making lump sum or regular withdrawals.

Lump sum withdrawals

The minimum lump sum withdrawal amount is \$500.

When making a lump sum withdrawal you can choose which funds to deduct your money from. You can also choose to withdraw your funds on a proportional basis, where the withdrawal is made proportionally based on the fund you are invested in. For example, if you have 50% of your investment in the Cash Fund and 50% in the Balanced Fund, a \$1,000 withdrawal would take \$500 from each fund.

If you do not provide any instructions on how you would like your money withdrawn, your funds will be withdrawn on a proportional basis.

Regular withdrawals

The minimum regular withdrawal amount is \$100. You can set up regular weekly, fortnightly and monthly withdrawals.

When making a regular withdrawal you can choose which fund to deduct your money from. You can also choose to withdraw your funds on a proportional basis, where the withdrawal is made proportionally based on the fund you are invested in. It is important to note that if you have a regular withdrawal plan in place with funds selected for your withdrawals, your payments will reduce and eventually stop when the selected funds have no remaining balance. If your account balance reaches zero at any time, your account will be closed.

Members can complete a withdrawal request through the Withdrawal Form available at mas.co.nz/retirement-savings-documents.

Minimum account balance

Unless you are making regular contributions or withdrawals, your minimum account balance must be at least \$5,000 or such amount as determined by us from time to time. At our discretion, your account may be closed if the value of units falls below the minimum account balance.

Deferring or suspending withdrawals, transfers and switches

We may defer giving effect to a permitted withdrawal, transfer or switch if we determine that (having regard to certain circumstances set out in the trust deed), earlier withdrawal, transfer or switch would be imprudent or is impracticable. We need to give notice to affected members and the Supervisor.

Switches from a fund may be postponed or effected over such period as we think prudent if we consider it is in the best interests of all members of that fund to ensure the stability and continued viability of that fund and its investments.

If by reason of:

- a decision to terminate the Scheme; or
- financial, political or economic conditions applying in respect of any financial market in which investments may be sold; or
- the nature of any investments or assets of the Scheme; or
- the occurrence or existence of any other circumstances or events,

we think that it is not practicable or would be materially prejudicial to the interests of members of the Scheme to realise investments or borrow to permit payments of benefits, we may suspend payment of some or all withdrawals and give notice to the members of the Scheme.

Any suspension notice will be in effect until:

- we give notice that the suspension is cancelled; or
- after the expiration of 12 months,

whichever is the earliest.

The Supervisor can approve the continuation of a suspension, a further suspension notice will need to be issued.

6. Transfer of UK pension funds

This section provides additional information about the transfer of UK pension funds into the Scheme.

Transferring your UK pension is an important decision. You should discuss your potential transfer with us and seek UK and NZ tax advice on any transfer or withdrawal.

We have based the following summary on our understanding of UK and NZ pension tax rules at the date this document was prepared. There may be changes to these rules in the future, with or without our knowledge.

You should seek UK and NZ tax advice if you are intending on transferring UK pension funds.

More information about the risks around transferring UK pensions is provided in **section 11 Universe of investment risks**.

Qualifying Recognised Overseas Pension Scheme (QROPS)

The Scheme is registered with His Majesty's Revenue and Customs (HMRC) and is a QROPS. The reference number for the Scheme is QROPS500084.

Under the UK Pension Schemes Act 2015, the Scheme is classified as providing 'flexible benefits'. This means that transfers to it from unfunded public pension schemes such as the National Health Service are generally not permitted.

As a QROPS, the Scheme can accept UK pension sourced funds from a UK registered pension scheme, or another NZ based QROPS or KiwiSaver scheme.

Scheme terms and conditions of transfer

If you transfer your UK pension funds into the Scheme, your investment will be governed by the terms and conditions of this Scheme, and not by the terms and conditions of the pension scheme your funds were transferred from.

You will be subject to any terms and conditions set by the HMRC in respect of QROPS, including restrictions on how you can withdraw or transfer your UK pension funds. A summary of these restrictions are outlined below.

Withdrawal criteria of your UK pension funds

We are required to comply with any withdrawal requirements imposed by HMRC. This may affect when you are able to access your savings.

The criteria to withdraw UK pension funds is as follows:

- At the UK normal minimum pension age. The UK normal minimum pension age is currently 55, set to rise to 57 from 6 April 2028.
- If you suffer from ill health or serious ill health.
- In the event of death.

The HMRC considers that UK pension funds are withdrawn before any other contributions. This impacts your ability to withdraw any contributions from other sources made into the same Scheme account. Where the UK normal minimum pension age is higher than the eligibility age stated in the Scheme's Trust Deed, the UK rules apply and withdrawals from that account can only be made at the higher age.

You can transfer UK pension sourced funds to another NZ based superannuation scheme that is a QROPS.

If UK pension sourced funds are transferred to a scheme that is not a QROPS or a withdrawal is made that is not allowable under UK legislation, a UK unauthorised payment tax charge may arise. This UK tax charge may be significant – up to 55% of the withdrawal or transfer amount.

UK Overseas transfer charge

If you are not a New Zealand tax resident at the time of your UK pension transfer, you could be liable for a UK tax charge (Overseas Transfer Charge) of 25% of the transferred value.

However, if you are a New Zealand tax resident at the time of your UK pension transfer, you will be exempt from that Overseas Transfer Charge.

You may still be required to pay the charge in some circumstances – including if you cease to be a New Zealand tax resident within the first five full UK tax years or do not provide all required information to the UK pension scheme administrator. To determine whether and how the Overseas Transfer Charge may apply to you, contact your tax adviser.

If this is the case, we may be required to notify HMRC, and to withdraw the amount of the Overseas Transfer Charge from your investment in the Scheme and pay this to HMRC.

New Zealand tax

Transferring your UK pension funds may generate a New Zealand tax liability, or you will be required to make a student loan repayment in some circumstances.

You can elect to have any arising tax liability deducted from the transferred amount by selecting the 'scheme pays' option, if you elect to use the 'scheme pays' option, we will pay the tax liability to Inland Revenue (called Transfer Scheme Withholding Tax) from the balance of your transfer (pre-investment).

Transfer Scheme Withholding Tax is payable at a flat rate of 28%.

Members can also choose to pay any tax liability from other savings.

You should seek UK and NZ tax advice if you are intending on transferring UK pension funds. You can find more information about UK pension transfers at mas.co.nz/uk-pension-transfers.

UK tax

The UK tax rules applying to the transfer and withdrawal of UK pensions are complex. You should seek UK and NZ tax advice to determine if any tax is payable on the transfer or withdrawal of UK pension funds.

You may be subject to a UK tax charge if you withdraw or transfer from the Scheme and your account includes UK pension funds. The tax charge may be significant – up to 55% of the withdrawal or transfer amount.

What we will report to HMRC

Where you have UK pension sourced funds in a Scheme account, we are required to report to HMRC any withdrawals or transfers you make within:

- 10 full UK tax years after you ceased to be a UK tax resident; and
- 10 years after you first made your UK pension transfer into the Scheme.

Warning statements

Transferring UK pension funds to the Scheme is an important and complex decision. We recommend that you seek independent tax advice before you transfer, as there can be significant penalties imposed by the UK authorities if the UK rules and legislation are not followed.

We do not guarantee that the Scheme will remain a QROPS. If the QROPS status of the Scheme is lost, your UK tax obligations may change.

You should seek UK and NZ tax advice if you are intending on transferring or withdrawing UK pension funds.

Neither us, the Administration Manager, nor any other person involved in providing the Scheme to you takes any responsibility for any UK or NZ tax charges that may arise as a result of:

- you transferring UK pension funds into the Scheme; or
- you withdrawing or transferring UK pension funds from the Scheme to another scheme; or
- the Scheme losing its QROPS status.

Transfer of UK pension funds from a KiwiSaver scheme

Members with UK pension funds in a KiwiSaver scheme are able to transfer to a ROPS product, such as the MAS Retirement Savings Scheme. For information about the transfer process please contact us.

7. Information on fees

This section provides additional information about the fees that will be charged for investing in the Scheme.

Annual fund charge

The annual fund charge of the Scheme is made up of:

- the Manager's basic fee (management fee); and
- fund expenses, and the fees and expenses of funds that the Funds invest in.

Together these are referred to as 'Other management and administrative charges'.

Further information on the components of the annual fund charge is outlined in the table below.

Manager's basic fee

Fund	Manager's basic fee (as a percentage of the net asset value of the Fund)
Global Equities	0.89%
Aggressive	0.87%
Growth	0.86%
Balanced	0.85%
Moderate	0.78%
Conservative	0.66%
Cash	0.24%

The Manager's basic fee is calculated daily and will reduce a fund's unit price. The fee is accrued daily and paid monthly in arrears from the Scheme.

The fee we charge you is used to pay such things as:

- the Administration Manager to administer the Scheme; and
- the investment managers to invest in the Scheme's assets.

Other management and administrative charges

Other management and administrative charges are made up of:

Fund expenses	The Trust Deed permits us to deduct fees, costs and expenses for the administration of the Scheme. Examples include legal, regulatory and audit costs.
Underlying fund charges	The funds may invest in other funds (underlying funds) to obtain exposure to certain asset classes, for instance international fixed interest. These underlying funds may charge their own management fees and expenses and may charge performance fees. These charges have an impact on the returns from the underlying funds and, therefore, on the value of your investment. MFM does not charge a fee for the Scheme's investment in the MAS Wholesale Investment Funds.

Supervisor fee

The Trust Deed entitles the Supervisor to charge a fee for its services. This fee is currently met by us, however, this may change in the future.

Basis for estimates of fund annual charges

The funds' administrative costs and expenses may vary from year to year. Calculating these costs and expenses takes into account estimates provided by the Scheme's professional service providers.

We have estimated fees and expenses charged by underlying funds, based on their public disclosures. While we have assumed that these will not change, we regularly review these.

We have estimated what future performance fees, if any, may be charged by underlying funds. Our estimate considers the previous year's fee disclosed by the underlying fund.

We review all these estimates on an annual basis.

The estimated annual fund charges include GST as applicable.

See the latest Fund Update for the most recent actual charges. These are available at mas.co.nz/retirement-savings-documents and on the Disclose Register – Offer Register at disclose-register.companiesoffice.govt.nz.

Administration fee

Currently, there is no administration fee.

Transaction fees

Currently, we don't charge a fee to enter or leave our funds, or for switching between funds. This may change in the future.

Investment costs

The costs of buying and selling investments are paid by the funds and they are reflected in the value of your investment. These costs are an additional cost and not included in the annual fund charges.

Currently no buy/sell spread is applied in the unit price for our funds. This could change at any time.

The fees can be changed

We can vary or introduce new fees. There is no maximum fee that may be charged.

Members will be given at least 1 month's notice of any new fees or fee increase.

8. Tax on your Investment

This section provides additional information on how tax is applied to members in the MAS Retirement Savings Scheme.

The information provided in this document is intended to be general information only. There may be changes to these rules in future and we will update this document and other offer documents, such as the Product Disclosure Statement, to take account of any material changes. We recommend that you seek professional tax advice if you intend to invest.

Tax law is complex and changes frequently. Investors should regularly monitor the tax implications of investing in the Scheme and should not assume that the position will remain the same as it is when they start investing. The comments under this section 'Tax on your investment' are provided as general background only and are not a comprehensive discussion of tax issues.

You can find more information about the tax rules applying to portfolio investment entities on Inland Revenue's website at ird.govt.nz.

Portfolio investment entity (PIE)

The Scheme is a multi-rate PIE as defined in the Income Tax Act 2007. The tax regime applicable to a PIE provides that all taxable income, losses and tax credits related to a fund's investments must be allocated to you in proportion to your daily unit holdings in that fund, with tax payable (or refunded) at your prescribed investor rate (PIR).

In some circumstances, such as you being attributed a tax loss or excess imputation credits, the multi-rate PIE can claim a credit back from Inland Revenue and apply this to your account by issuing you with more units in the Scheme.

We arrange, with reference to your advised PIR, for PIE tax applicable to your investment account to be paid (or refunded). We do this at the end of the tax year (after 31 March) or earlier if you have made a withdrawal (with reference to the proportion of your investment withdrawn).

New Zealand resident investors

Under the PIE tax legislation, the Scheme will calculate and pay tax on the net income it allocates to investors using the relevant PIR.

At the date of this document, if you are an individual investor and a New Zealand tax resident, you will have a PIR of 10.5%, 17.5% or 28%.

To qualify for a 10.5% or 17.5% PIR, you must be a New Zealand resident for tax purposes, must supply a valid IRD number to us and must determine that your PIR for the current year is 10.5% or 17.5% based on your income for either of the previous two income years (income years generally commence on 1 April in any year and end on 31 March in the following year). For more information on determining your PIR, you can refer to Inland Revenue's website at ird.govt.nz/pir.

Inland Revenue may instruct us to change your PIR if you have not notified us of your PIR or if Inland Revenue considers that your notified PIR is incorrect, based on the information it holds on you that is sufficient to determine a correct PIR.

If Inland Revenue instructs us to change your PIR, we must apply the new PIR as soon as reasonably practicable. If you notify us of a different PIR after any instruction we receive from Inland Revenue, we will apply the new rate provided by you.

It is important that you provide us with both your PIR and IRD number, otherwise you will be taxed at the highest PIR. When you become an investor, you will need to provide your IRD number within 6 weeks, or we will have to close your account at the conclusion of that period.

If you're investing with another person

If you are investing jointly with another person, we will apply the highest PIR of the joint investors to calculate the tax. Each joint investor will need to provide us with their own PIR and IRD number. If one or more of the investors does not provide us with their PIR or IRD number, a default rate of 28% will be applied.

We notify Inland Revenue of the joint investors' details and Inland Revenue divide the income, credits and tax equally between all joint investors. If you disagree with Inland Revenue's allocation of income, credits and tax to joint investors, we are unable to change this, however, joint investors can change their allocation by signing in to 'myIR' on Inland Revenue's website at ird.govt.nz.

Non-New Zealand tax resident

If you are a non-NZ tax resident and do not qualify for a 10.5% or 17.5% PIR, your PIR will be 28%. If you have a PIR of less than 28%, you may need to file a New Zealand income tax return. We recommend that you contact Inland Revenue for further information.

- For more information on how to determine your PIR refer to Inland Revenue's website at ird.govt.nz/pir. If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue.

In addition to New Zealand reporting obligations, the Scheme needs to meet global rules put in place to avoid offshore tax evasion, by the exchange of information between tax authorities in different overseas jurisdictions.

If you are a non-New Zealand tax resident, as part of the application process we will collect additional information relating to the country in which you are a tax resident. If you become a non-New Zealand tax resident while investing in the Scheme, you will need to provide us with additional information.

We will report certain information to Inland Revenue annually, such as tax residency, account balances and returns earned. Inland Revenue then passes on this information to the tax authority in the relevant jurisdiction.

- For more information on the Automatic Exchange of Information (AEOI) and Common Reporting Standards (CRS) refer to Inland Revenue's website at ird.govt.nz/international-tax/exchange-of-information.

If you are a non-NZ tax resident, there may be tax consequences in the country that you are a tax-resident of that are not addressed here. We recommend that you seek professional tax advice regarding your individual circumstances.

9. Pricing and valuation

This section provides additional information on how the funds in the Scheme are valued and priced.

JBWere has appointed Apex as the Unit Pricing Administrator for the Scheme.

The policies of Apex have been adopted as the policies relating to pricing and valuation for the Scheme.

The key aspects of pricing and valuations are listed below:

- The funds will be valued and the units are priced on each valuation day (which is generally every business day in Auckland and Wellington).
- Where assets are traded on financial markets, prices are to be sourced from independent market data providers such as Bloomberg and Thomson Reuters. In general, Apex is the valuation provider for the majority of the securities.
- Where an asset is deemed illiquid, or pricing has been suspended, a valuation will generally be agreed between us and the Supervisor, and notified to Apex. In the absence of manifest error, our decision is final.
- If there is uncertainty over the taxation treatment of an asset, we will seek guidance from specialist tax advisers before instructing Apex.

10. Market index information

This section provides information on the market index for each fund in the Scheme.

The performance of each fund is measured against a market index. The market index for a fund comprises the benchmark index return of each of the asset classes the fund invests in, weighted by the fund's benchmark asset allocation to each asset class.

The current benchmark index is outlined in the table below.

Asset class	Benchmark index
International Equities	MSCI All Country World Total Return Index (ACWI) (50% hedged to NZD)
Australasian Equities	S&P/NZX 50 Gross Index
International Fixed Interest	Bloomberg Global Aggregate Index (hedged to NZD)
New Zealand Fixed Interest	Bloomberg NZ Bond Composite 0+ Yr Index
Cash and Cash Equivalents	S&P/NZX Bank Bills 90-Day Index

These indices may be updated or changed at any time.

More information on the market indices may be obtained from the websites outlined in the table below.

Source	Website
MSCI	msci.com/indexes
S&P indices	spglobal.com (and refer to New Zealand indices)
Bloomberg	bloomberg.com/markets/rates-bonds

These websites are current at the date of this Other Material Information document and may change.

11. Universe of investment risks

This section provides you with a summary of risks that may have an impact on the performance of your investment in the Scheme. It provides important information about the impact of these risks that you may face alongside mitigation strategies and controls we and our agents, including MAS, use to help identify and manage these risks.

All investments have a potential return and carry a degree of risk. The principal risks you face are that you may not receive the returns you expect and/or that you may not be able to recover the full amount of your investment in the Scheme.

As illustrated in the Long-Term Risk/Return graph below, different asset classes and funds carry a different level of risk based on the underlying asset allocations and benchmarks.

Risk can be reduced through investment diversification, which means investing in a range of asset classes within a fund such as cash and cash equivalents, fixed interest and equities. A key benefit of diversification, is when different asset classes are uncorrelated (or negatively correlated), some assets may fall in value while others rise. The lesser the correlation the more the diversification benefit.

Different asset classes will have different risk and return characteristics.

Income assets

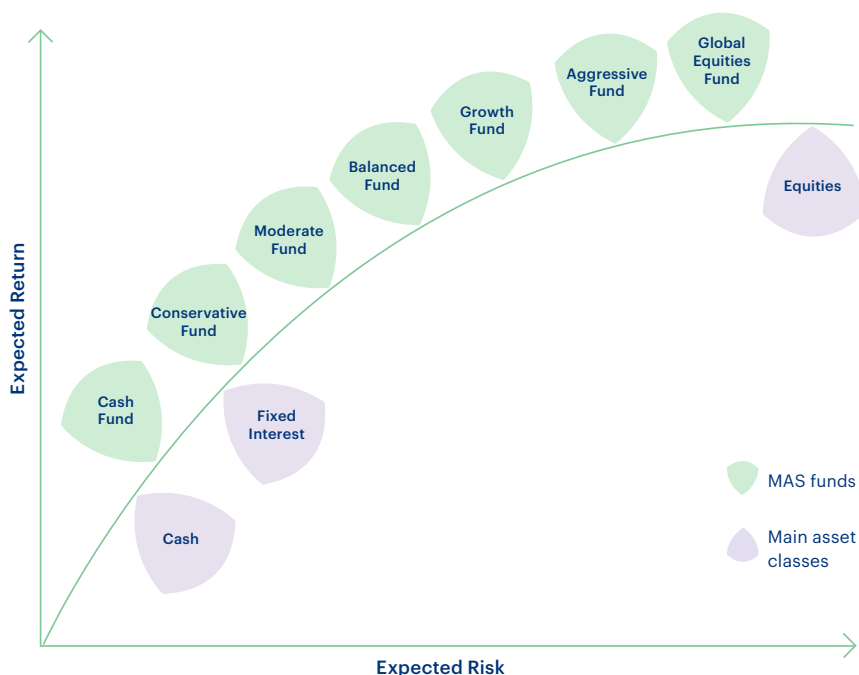
At the lower end of the risk spectrum are income assets, which include cash and cash equivalents and fixed interest. They are expected to provide returns in the form of income with potential for some capital change. Income assets are generally lower risk with lower return potential over the longer term compared with growth assets.

Growth assets

Conversely, at the other end of the risk spectrum are growth assets such as equities. They are designed to grow your investment. These have the potential for higher returns over the long term compared with income assets, but returns may fluctuate up and down and be negative on occasion.

The principal risks that can affect the return or value of the Scheme have been broken into General Investment Risks and Other General Risks and are outlined in the rest of this section.

Long-term risk/Return



General investment risks

The value of your investment may be adversely affected by any or all of the general investment risks outlined in the table below.

Risk type	Risk description	Impact of risk	How we mitigate these risks
Asset Allocation Risk	Funds that invest more in growth assets such as Australasian and international equities have higher potential returns. At the same time, they also have greater risks than funds that invest more in income assets such as cash or fixed interest.	Potential for lower investment returns if there is not a spread of assets.	The Scheme's Statement of Investment Policy and Objectives (SIPO)* sets Strategic Asset Allocation benchmarks for each fund, such as shares, bonds and cash. Investment managers may change the mix of assets to either take advantage of market conditions or to protect fund values during periods of market volatility, as long as they remain within the permitted ranges.
Market Risk	The value of our funds can move up and down due to the overall performance of financial markets, which in turn are affected by factors such as changes in the economy, political events and investor sentiment.	Potential for lower investment returns due to adverse market movements.	The SIPO requires that when making investment decisions the investment managers comply with the investment guidelines, invest in the approved asset classes and maintain diversification between assets and asset classes. Investment managers also actively research markets and keep up to date on market impacts.
Currency Risk	Many of the Scheme's investments are denominated in foreign currencies. As the value of these currencies fluctuate relative to the New Zealand dollar, the value of funds can change as well.	Potential for lower investment returns due to currency volatility.	The Currency Hedging Policy is documented in the SIPO and defines the requirements for managing currency risk in individual asset classes.
Interest Rate Risk	The market value of fixed interest securities changes when interest rates change. These fluctuations have more impact on funds with more longer-term fixed interest investments.	Potential for lower investment returns due to adverse market movements.	The SIPO requires investment managers to invest in an approved range of securities and places limits on the term of cash and fixed interest investments.
Credit Risk	The risk that any counterparty subject to a financial contract defaults or is otherwise unable to fulfil its obligations.	Potential reduction in the level of returns if the full amount of an investment is not able to be recovered due to the default of a borrower.	Investment managers monitor credit risk exposures on a daily basis and take proactive action to reduce exposure to credit where there is emerging risk.

* A copy of the latest SIPO relating to the Scheme can be found at mas.co.nz/retirement-savings and on the Disclose Register – Scheme Register at disclose-register.companiesoffice.govt.nz.

Risk type	Risk description	Impact of risk	How we mitigate these risks
Liquidity Risk	Funds are sometimes unable to sell an investment when they want to or are forced to accept a lower price than would be expected in normal conditions.	Potential that the Scheme is unable to meet monetary obligations in a timely manner. Risk of lower investment returns if assets are required to be sold at depressed prices.	The SIPO sets Strategic Asset Allocation benchmarks for the cash asset class for each fund to ensure sufficient liquidity to meet demands for payments. In addition, the funds hold a diversified range of assets with a high level of liquidity.
Active Management Risk	Our investment managers actively manage the investments held in our funds. Decisions made by the investment managers (such as how they will allocate money between asset classes, investment sectors and individual investments) may improve or reduce fund returns.	Potential for lower returns if our investment managers choose investments that underperform the market or the fund's benchmark.	The SIPO sets criteria to monitor the performance of our investment managers. We can change investment managers at any time if we are not satisfied with their performance.
Concentration Risk	A fund investments may be concentrated in a particular region/country, sector or security. The outlook for a specific security, group of securities or region/country may deteriorate due to a variety of factors, including demand for its goods/ service, management changes, regulatory changes, competitor activities or geopolitical events.	Potential for lower returns where a fund invests in a particular region/country, or group or individual securities that do not perform.	Our funds hold a diversified exposure of assets, to reduce concentration to single region/ country, sectors or companies. By diversifying investments, we lower the concentration risk.
Counterparty Risk	The risk that any counterparty subject to a financial contract defaults or is otherwise unable to fulfil its obligations.	Potential for lower investment returns due to a transaction having to be replaced with one on less favourable terms.	When selecting counterparties to transact with, the investment managers follow a due diligence process.
Derivative Risk	Derivatives are financial contracts whose value is dependent on, or derived from, the value of one or more underlying assets (such as equities, fixed interest, commodities, currency, or cash). Derivatives provide exposure to an underlying asset without the need to buy or sell that asset. The Scheme and any funds that the Scheme invests into may use derivatives for the purpose of risk management (particularly in managing interest rate and currency risk), to enhance performance or to optimise investment strategy implementation.	Derivatives may not perform in line with expectations, resulting in unexpected gains or losses and increased volatility.	Investment managers may enter into derivative contracts as permitted under the SIPO. Derivative exposures are monitored daily by investment managers. Derivatives are not used to leverage the funds as at the date of the current SIPO.

Other general risks

The value of your investment and your ability to withdraw, may also be affected by some or all of the general risks outlined in the table below.

Risk type	Risk description	Impact of risk	How we mitigate these risks
Operational Risk	The risk of loss to members due to a technological, process, people, third party or other failure affecting the Scheme's operations or the financial markets in general.	Potential for failures (caused by technology, people, process, third party, other) to result in lower returns to you, or affect your ability to withdraw from the Scheme.	We and MAS, as the operational manager of the Scheme, have a Compliance and Risk framework in place. In the event of an operational failure, MAS has a Business Continuity Plan in place to manage the resumption of business in a timely manner. We also actively monitor third party providers involved in providing services to the Scheme to ensure contractual and regulatory compliance.
Legislative and Regulatory Risk	The risk that the Scheme is affected by future changes to tax, managed funds, or other legislation.	Potential for lower returns or changed benefits.	We and our legal advisers actively monitor new developments in the regulatory environment. We regularly engage with other market participants and regulators to stay informed of any potential changes.
Tax Risk	The risk of the Administration Manager either over or underpaying tax within the Scheme on your behalf as a result of you providing the Administration Manager with the wrong PIR or not advising the Administration Manager to change your PIR when it needed to be changed or not advising the Administration Manager of your IRD number. If the rate applied to your PIE income is lower than your correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR, any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you. Tax risk also exists in relation to the types and rates of tax imposed on underlying investments, which can impact on the returns made from that investment.	You are personally responsible for advising us of your correct PIR, and for any underpayment of tax. Changes in taxation may affect the taxable income, Portfolio Investment Entity (PIE) tax paid and/or the returns of the Scheme.	We request that you review your PIR each year and notify us of any changes. Inland Revenue will notify us of any update to your PIR, based on the information they hold. You can provide us with a different PIR. We, and our agents including MAS, its tax advisers and investment managers, actively monitor New Zealand taxation changes.

Risk type	Risk description	Impact of risk	How we mitigate these risks
Risk of losing PIE Tax Status	The risk that if the Scheme loses its PIE status, it will no longer be taxed as under the PIE regime. Your tax treatment as a member will differ accordingly.	Loss of PIE tax status, and resulting change in your tax rate, could result in lower after-tax returns.	We and our Administration Manager have processes in place to monitor compliance with PIE eligibility.
Borrowing Risk	The risk that where borrowing has occurred in relation to a fund, the lender would have the right to demand payment from that fund. If there are insufficient assets in the fund to repay the loan, the assets of other funds in the Scheme could be used to meet the repayment. The level of borrowings by the funds is subject to certain conditions in the Trust Deed.	Risk of lower investment returns if assets of one fund are required to be sold to ensure repayment of obligations of another fund.	We mitigate this risk by restricting borrowings of the funds under the Statement of Investment Policy and Objectives (SIPO).
Climate Change Risk	Climate change risk comes from a variety of interacting sources, including threats to physical and natural resources, regulatory requirements and technological improvements. Climate change impacts will vary across different geographic regions, industry sectors and asset classes.	Lower and/or negative returns.	In accordance with the MAS Responsible Investment Policy, we consider factors that affect the climate, such as restricting investment in fossil fuels. Our investment managers implement the MAS Responsible Investment Policy for the Scheme.

Other specific risks

The section describes the other specific risks that we are aware of in relation to the Scheme.

Risk type	Risk description	Impact of risk	How we mitigate these risks
Responsible Investment Policy breach	Potential to hold investments that are excluded from, or inconsistent with, our Responsible Investment Policy	Investors holding securities they seek to avoid.	Exclusion screens are applied to the portfolio on a quarterly basis, and any non-complying investments are divested in accordance with the MAS Responsible Investment Policy.
Restricted Investible Universe Risk	Investments excluded from our investible universe may outperform the market, or our approach to responsible investment fails to lead to meaningful ESG change.	Potential for lower returns from a restricted investible universe or our responsible investment approach not contributing to a sustainable future.	We seek to increase holdings in companies that we consider likely to be better long-term investments aligned with our active management approach, and seek to influence company ESG matters through use of shareholder voting rights and incorporating ESG considerations into investment decision making.
Loss of Qualifying Recognised Overseas Pension Scheme (QROPS) Status Risk	If the Scheme loses its QROPS status, UK tax implications may be incurred in relation to any UK pension transfers into the Scheme. Neither we nor any other person will be responsible for any tax consequences arising for you in that eventuality.	If the Scheme loses its QROPS status, any UK pension transfers into the Scheme after that time will be subject to a UK tax liability of up to 55% and you may also be subject to other tax consequences.	We monitor the UK Tax and QROPS regulations. Where we identify material changes we will endeavour to provide you with relevant information to assist you with managing this risk. However, you are responsible for any NZ and UK tax consequences that may arise from your membership of the Scheme or that may arise on receipt of a benefit from the Scheme. You should discuss proposed transfers with your financial adviser, as well as their UK and New Zealand tax advisers and your UK pension provider. We recommend that you seek tax advice in relation to the NZ and UK tax consequences that may arise on receiving a benefit from the Scheme.

Risk type	Risk description	Impact of risk	How we mitigate these risks
UK Tax Risk	The risk that if you have transferred funds from a UK pension scheme to the Scheme, a transfer or withdrawal of that UK Pension scheme money will give rise to a liability for UK tax on that withdrawal. There is also a risk that a UK tax charge may apply if you are not a New Zealand resident at the time of the transfer, or may subsequently apply if your tax residency changes.	You incur a UK tax liability of up to 55% of the UK transfer amount that may have an adverse impact on the value of your retirement savings. Where you are not a New Zealand resident at the time of the transfer, or your residency changes within the first 5 full UK tax years following the original transfer out of a UK pension scheme, you may incur a tax charge of 25%.	We monitor the UK Tax and Qualifying Recognised Overseas Pension Scheme (QROPS) regulations and apply the HMRC rules as we understand them. However, you are responsible for any NZ and UK tax consequences that may arise from your membership of the Scheme or that may arise on receipt of a benefit from the Scheme. We recommend that you seek tax advice in relation to the NZ and UK tax consequences that may arise on receipt of a benefit from the Scheme.
QROPS withdrawal accessibility risk	The risk that if you have UK pension funds in your Scheme Section account, you will not be able to withdraw contributions made from other sources until you are eligible to withdraw your UK pension funds, as the HMRC considers that UK pension funds are withdrawn first.	Where the UK normal minimum pension age is higher than the withdrawal eligibility age for the relevant Scheme Section, the UK rules apply and withdrawals from that account can only be made at the higher age. The UK normal minimum pension age is currently 55 years old, increasing to 57 years old from 6 April 2028.	We monitor the UK Tax and Qualifying Recognised Overseas Pension Scheme (QROPS) regulations and apply the HMRC rules as we understand them.

12. Conflicts of interest

This section provides additional information on conflicts of interest in relation to your investment in the Scheme.

Conflicts of interest can arise when the interests of the Manager, investment managers or their representatives (including any related entities) diverge from or are inconsistent with the interests of members in the Scheme. As Manager of the Scheme, we are responsible for identifying and managing any actual, apparent or potential conflicts of interest. Conflicts generally arise where there is the ability for the Manager or investment managers to influence investment decisions for their own benefit.

When we exercise our powers or perform our duties as Manager of the Scheme, we must act in good faith and act in what we believe to be the best interests of members in the Scheme.

Details of conflicts of interest that currently exist and how they are managed are outlined in the table below.

Nature of conflict	How it is managed
The assets of the funds are generally invested in wholesale funds for which MFM is also the Manager. A conflict may arise where the Manager 'double-dips' and charges fees to members in the Scheme and then charges fees to the Scheme's investment in the wholesale funds.	MFM does not charge a fee for the Scheme's investment in the MAS Wholesale Investment Funds, which ensures there is no double-dipping of management fees.
The funds may invest in assets issued by related parties of the Manager and the lead investment manager. A conflict may arise where the related party of the Manager or investment manager benefits from the transaction. For example, charges additional fees or exposes the Scheme to a loss of assets.	Related party transactions, including the Scheme's investment in the wholesale funds, must be completed at arms-length and commercial terms and notified to the Supervisor. There are provisions within the Trust Deed and the FMCA that govern the Manager's ability to transact with related parties.
MFM's parent company MAS is responsible for the operational management of the Scheme and MAS directors, senior managers and staff may invest in the Scheme. A conflict may arise if one of these persons attempted to change or influence the investment strategy of the Scheme or a fund for their own benefit.	MFM has a duty under relevant law to act in the best interests of members which extends to MAS as the parent of the Manager. MAS have processes in place to identify, declare, manage and mitigate conflicts. An Interests Register is maintained and all directors are required to provide current declarations of interest prior to each Board meeting.

Nature of conflict	How it is managed
The investment manager appointments are not exclusive to MFM and they may act for other competing fund managers or issuers. A conflict may arise as the investment manager has access to potential commercially sensitive information relevant to the Scheme.	The investment management agreements that govern the relationships between MFM and the investment managers, have confidentiality clauses which mitigates the risk of information sharing for potential competitive advantage. JBWere has reasonable arrangements and processes that a prudent person engaged in the business of being a professional investment manager of a registered scheme (within the meaning of the FMCA) would have in the same circumstances for the management of conflicts of interest and conflicts of duty that arise in relation to the services provided under this investment management agreement.
Directors, senior managers and staff of the investment managers may invest in the Scheme. A conflict may arise if one of these persons attempted to change or influence the investment strategy of the Scheme, funds or wholesale funds to their own benefit.	The investment managers each have a Conflicts of Interest policy and internal procedures in place to identify, assess and manage potential conflicts of interest. MFM has appropriate governance structures in place to review, approve and monitor all investment management policies and activity of the Scheme.

13. Trade allocation and execution

Trades for MAS Wholesale Investment Funds (other than foreign currency hedging) in which the Scheme invests, are executed by the underlying investment managers using their respective trade allocation and execution policies. This is designed to ensure that all investors are treated fairly and equitably when trades are allocated across investment portfolios, with respect to priority of execution of orders and in the allocation of trades.

Foreign exchange hedging is undertaken by a registered bank, and the method of trade execution is set out in an agreement for foreign currency hedging services.

