

Product Disclosure Statement

Offer of membership of the Dairy Industry Superannuation Scheme

30 June 2023

This is a replacement Product Disclosure Statement, which replaces the Product Disclosure Statement dated 30 June 2022.

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on <https://disclose-register.companiesoffice.govt.nz>. Dairy Industry Superannuation Scheme Trustee Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.



1 Key information summary

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Dairy Industry Superannuation Scheme Trustee Limited will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of Dairy Industry Superannuation Scheme Trustee Limited and the performance of the investments. The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

What will your money be invested in?

The Dairy Industry Superannuation Scheme (**Scheme**) offers seven investment options for you to invest in. These investment options are summarised below. More information about the investment target and strategy for each investment option is provided at Section 3, 'Description of your investment option(s)'.

Name	Brief description	Investment objective	Risk indicator	Fees – Estimated annual fund charges ¹
Cash Fund	Offers 100% exposure to income assets (New Zealand bank deposits and New Zealand short term securities issued by Government, bank or prime issuers).	Expected to achieve returns, before tax and fees, similar to the return on 90 day bank bills.	< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	0.77%
Conservative Fund	Invests 30% in growth assets (e.g. shares), and 70% in income assets (e.g. fixed interest).	To achieve returns (after tax, investment-related fees, and inflation) of 0.75% per annum over rolling 5 year averages.	< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	1.01%
Balanced Fund	Invests 60% in growth assets (e.g. shares), and 40% in income assets (e.g. fixed interest).	To achieve returns (after tax, investment-related fees, and inflation) of 2% per annum over rolling 10 year averages.	< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	1.15%
Growth Fund	Invests 80% in growth assets (e.g. shares), and 20% in income assets (e.g. fixed interest).	To achieve returns (after tax, investment-related fees, and inflation) of 2.75% per annum over rolling 15 year averages.	< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	1.18%
Multi-fund options - You can elect a 50/50 split among adjacent funds, being:				
50% Cash / 50% Conservative	Splits your investment equally between the two named funds.	To achieve the investment objective of the relevant fund in respect of the proportion invested in that fund.	< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	0.89%
50% Conservative / 50% Balanced			< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	1.08%
50% Balanced / 50% Growth			< Potentially Lower returns > 1 2 3 4 5 6 7 < LOWER RISK > HIGHER RISK >	1.16%

A fee of \$250 will be charged when you make a formal application for a first home withdrawal, but only once all of the required documents have been provided to us. A fee of \$656.22 will be charged if you make a second or subsequent application for a significant financial hardship withdrawal within three years of an initial application. A fee of \$87.90 will be charged to Individual Members for setting up a regular withdrawal facility.

¹ Percentage of net asset value.

See Section 4, 'What are the risks of investing?' for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter

Who manages the Dairy Industry Superannuation Scheme?

Dairy Industry Superannuation Scheme Trustee Limited (**we, our, or us**) is the trustee and manager of the Scheme.

See Section 7, 'Who is involved?' for more information.

How can you get your money out?

Withdrawals are restricted because the Scheme is a workplace savings scheme intended to help you save for your retirement.

Your benefit is generally paid when you stop work with your employer. However, if you are still working when you reach New Zealand Superannuation qualification age (currently age 65) you may request your benefit at that time. Benefits are payable if you die or become permanently incapacitated (including insurance cover, where applicable), or resign and are not entitled to any other benefit from the Scheme.

Different benefit rules apply to amounts held in Locked-In Accounts.

Early withdrawals may also be available in limited circumstances (e.g. for the purchase of a first home).

See Section 2, 'How does this investment work?' for more information about withdrawals.

How will your investment be taxed?

The Scheme is not a portfolio investment entity (**PIE**).

For information on taxation see Section 6, 'What taxes will you pay?'.

Where can you find more key information?

We are required to publish annual updates for each investment option.

The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at www.dairysuper.co.nz. We will also give you copies of those documents on request.

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2 How does this investment work?

About the Scheme

The Scheme is a restricted workplace savings scheme governed by a trust deed. This means that:

- › only employees, directors, and officers of certain dairy industry employers may become members of the Scheme
- › benefits are only payable in certain situations
- › one of our directors is required to hold a licence under the Financial Markets Conduct Act 2013 (**FMCA**).

The Scheme is a managed fund. Your money is pooled with other members' money and invested by us. A managed fund can give you access to investments that you may not be able to access as an individual.

All contributions are paid into your accounts and invested in the investment option you have chosen (see Section 3).

The Scheme is a 'defined contribution' scheme. This means that the benefits you receive depend on the contributions made by you and your employer, investment gains or losses, and the money deducted from your account (e.g. fees and taxes). Any investment gains are credited to the Scheme's reserve fund, where fees and expenses are deducted before we apportion the level of interest allocated to your accounts.

Your return from the Scheme is the benefit paid when you retire or leave work for any reason including death or permanent incapacity. Benefits may also be available for first home withdrawal or significant financial hardship.

The Scheme offers additional insurance cover for death and permanent incapacity. You will be notified once your membership application is accepted whether you have insurance cover, or whether additional information is required to confirm this. See the 'Other material information' (**OMI**) document on the offer register at <https://disclose-register.companiesoffice.govt.nz> or www.dairysuper.co.nz for more information on insurance.

If the assets of a particular fund are insufficient to meet its liabilities then the assets of other funds may be applied to meet those liabilities.

Joining the Scheme

Who can join

Your employer may invite you to become a member of the Scheme. You may either be an:

- › **employee member**: your employer contributes a percentage of your salary depending on your contributions; or
- › **elective member**: you are a totally remunerated member (a member whose salary includes a superannuation allowance).

If you are paid on a total remuneration basis when you join the Scheme, or start to be paid on that basis at some point after joining, you will become an elective member, consistent with your remuneration agreement. Your employer may, at any time, subsequently withdraw certification that you are an elective member.

To join the Scheme, please complete the appropriate application form at the back of this product disclosure statement (**PDS**).

Accounts

When you join the Scheme, two accounts are opened in your name:

- › a **Member's Account**, into which your contributions will be credited
- › an **Employer's No 1 Account**, into which your employer's contributions, less tax, will be credited.

These two accounts are referred to in this PDS as your '**standard accounts**' and will also hold any voluntary contributions and transfers from a previous scheme not required to be locked in.

You can also elect to make locked in contributions, in which case you will have a locked-in sub-account within each standard account (**Locked-In Accounts**). Having Locked-In Accounts offers contributions from the Crown in exchange for locking-in contributions in the same way as KiwiSaver. Any locked-in contributions (including any voluntary contributions you request are allocated to your Locked-In Accounts), and any transfers required to be locked-in, will be held in your Locked-In Accounts.

The following diagram shows how the accounts work:

Member's Account	Employer's No 1 Account
Your contributions (including voluntary contributions)	Your employer contribution less tax
Transfers into the Scheme not required to be locked in	Transfers into the Scheme not required to be locked in
Locked-in sub account	Locked-in sub account
Your locked in contributions	Your employer's locked in contributions
Government contribution	
Transfers into the Scheme required to be locked in	Transfers into the Scheme required to be locked in
Credited interest	Credited interest

Choosing an investment option

You can choose between the 7 investment options set out on page 8 to suit your own timeframe, goals, and attitude to risk.

If you do not choose an option, we will automatically invest your contributions in the default option (currently the Balanced Fund).

Making investments

Regular contributions

Your contribution rate will depend on your membership type and whether you have Locked-In Accounts. Choose it carefully. It affects all your benefits, including the insured portion of your death and permanent incapacity benefits.

Employee member

Your contributions

You can choose to contribute 2%, 3%, 4%, 5%, or 6% of your before-tax salary.

Before-tax salary includes all additional payments such as bonuses, overtime, and holiday pay, but excludes any retirement allowance or similar payment paid when you leave your employer.

Member contributions are calculated on your before-tax salary but deducted from your after-tax salary.

Your employer's contributions

Your employer contributes 1.5 times your contributions, up to a maximum employer contribution of 9% of your salary (before deduction of employer superannuation contribution tax (**ESCT**)).

Elective member

Your contributions

Your contribution to the Scheme is the percentage or amount of salary agreed with your employer. You will be required to contribute 3% of your salary if you do not notify any percentage or amount.

Your salary is the amount notified to us or the administration manager as being your total remuneration for the purposes of the Scheme.

If your employer withdraws certification that you are an elective member, you will cease to be an elective member from the date your employer tells us. When you cease to be an elective member, you can choose to contribute 2%, 3%, 4%, 5%, or 6% of your salary. If you don't make an election, contributions of 3% of your salary will be deducted from your after-tax pay.

Your employer's contributions

Your employer contributes the percentage or amount of your salary agreed with you and notified to us. If you do not notify us of a percentage or amount, your employer will contribute 4.5% of your salary.

If you are unable to agree on the percentage or amount, your employer will contribute 1.5 times your contributions, up to the maximum employer contribution of 9% of your salary (before deduction of ESCT) until you and your employer advise us that agreement has been reached.

You may vary your contributions (or, if you are an elective member, your employer's contributions) by providing a change form at least one month before you wish the change to take effect. You can currently do this at any time.

You may stop contributing to your standard accounts at any time by completing Form D12. Your contributions will stop being deducted from your pay from the next pay period or from the date you stipulate on your form, and:

- › your employer's contributions will stop on the same date (other than as required by law);
- › your benefit will not be paid until you cease employment and at that time only your resignation benefit will be payable; and
- › any insurance cover for death and permanent incapacity will stop.

You can restart your contributions at any time. However, your insured benefits may be varied and you may be required to provide additional information.

If you are on a leave of absence, you must contribute at least 2% of your salary to have that period count for the purposes of determining benefits and to maintain insurance cover.

Locked-in contributions

If you decide to make locked-in contributions, you must contribute 3% of your salary to your Member's Locked-In Account. Contributions over 3% of salary will be paid to your Member's Account. '**Salary**', for this purpose is defined in accordance with the complying fund rules in the Income Tax Act 2007.

Locked-in employer contributions are currently 3% of salary, but will be reduced by any amount your employer contributes on your behalf to a KiwiSaver scheme or other complying superannuation fund (**complying fund**). Any employer contributions in excess of 3% of your salary will be paid to your Employer's No 1 Account.

If you have a Locked-In Account you may qualify for a Government contribution equal to 50 cents for every dollar you contribute up to a maximum Government contribution (at the date of this PDS) of \$521.43 per year. Requirements must be met to qualify for Government contributions.

To cease contributing to your Locked-In Accounts, you will need to take a savings suspension. You can take a savings suspension for a minimum of 3 months and not more than 1 year. You can take successive savings suspensions. If you stop all contributions to the Scheme, any employer contribution not required to be paid by law will also cease.

Other contributions

You can make voluntary contributions, including contributions to your Locked-In Account to qualify for the maximum Government contribution. We can only accept contributions through payroll from your salary or wages, other than amounts transferred to the Scheme when you are on leave of absence.

Please talk to your employer about making voluntary contributions. There are limits on the amount that can be contributed.

We may also be able to accept amounts transferred to the Scheme directly from another superannuation scheme.

We can change certain requirements relating to contributions. We will notify you if we make a change that affects you.

Processing contributions

Your contributions are deducted automatically by your employer each pay day until the earlier of:

- › the date you leave your employer; or
- › the date you advise your employer you wish to stop contributing or, if you hold Locked-In Accounts, take a savings suspension.

See the OMI document on the offer register at <https://disclose-register.companiesoffice.govt.nz> or www.dairysuper.co.nz for more information about contributions. See the Scheme website for the required forms.

Withdrawing your investments

Different rules apply to withdrawals from your standard accounts and Locked-In Accounts.

In this PDS:

- › **‘standard accounts balance’** means the balance of your Member’s Account and Employer’s No 1 Account (other than your Locked-In Accounts), adjusted for interest; and
- › **‘Locked-In Accounts balance’** means the balance of your Locked-In Accounts, adjusted for interest.

Standard accounts only	
Benefit	What can I withdraw?
Retirement* On or after age 55.	Standard accounts balance.
Resignation* Leaving employer (other than to join another participating employer) and do not qualify for any other benefit.	Standard accounts balance except that you may only be entitled to a percentage of the balance in your Employer’s No 1 Account (based on your length of Scheme membership). Generally 20% of your Employer’s No 1 Account balance is payable for each completed year of Scheme membership, up to a maximum of 100% after five or more years of membership. This may vary in certain circumstances (e.g. you will receive 100% of any employer contributions made while an elective member).
In-service withdrawal You reach New Zealand Superannuation qualification age (currently 65) but remain in service.	You can choose to withdraw all or part of your standard accounts (subject to requirements relating to frequency and minimum withdrawal amounts).
Small balances You have not contributed for three years and your total account balance is less than \$2,500.	Same as resignation benefit.
Insured benefits <i>Permanent Incapacity</i> If you suffer ‘permanent incapacity’, as defined in the Scheme’s insurance policy, while you are contributing to the Scheme. <i>Death</i> If you die while contributing to the Scheme.	Standard accounts balance, plus, if you have been accepted for cover and the insurer accepts your claim, an insured benefit of 50 times your member contributions up to a maximum of 6% of your salary for the 12 months immediately before the date you became permanently incapacitated or died (as applicable). If you do not retire at the time of suffering permanent incapacity, only the insurance payment can be paid at that time. Different rules may apply if you cease and recommence contributions, or return from leave of absence. Insurance cover will also automatically decrease by 33% per annum from age 62, reaching zero at age 65. See the OMI document on the offer register at https://disclose-register.companiesoffice.govt.nz or www.dairysuper.co.nz for more information about insurance cover.

* You can receive your benefit as a cash lump sum, transfer it to another scheme, or use it to purchase an annuity. You can leave all or part of it in the Scheme and become an Individual Member. However, your Locked-In Accounts balance will be transferred to another complying fund or KiwiSaver scheme in accordance with legislation, unless you are eligible to make a withdrawal from these accounts at that time (see next page).

Locked-In Accounts only

Benefit

What can I withdraw?

Death

If you die.

Locked-In Accounts balance.

Qualifying date

Payable on the date you reach New Zealand Superannuation qualification age*.

Locked-In Accounts balance.

If you cease to be eligible for membership, any Locked-In Accounts balance not yet payable must be transferred to another complying fund or KiwiSaver scheme. If you do not make a nomination, your account balance will be transferred to a KiwiSaver scheme in accordance with legislation.

Life shortening congenital conditions

Payable on the date we determine you are eligible for a life-shortening congenital conditions withdrawal based on medical evidence.

You make a withdrawal on the same basis as if you had reached your Qualifying Date (see above).

If you make a withdrawal, you'll no longer be eligible to receive any Government contributions and your employer can stop their contributions.

* Members aged over 60 who transferred to the Scheme from another complying fund they joined before 1 July 2019 may be subject to a longer lock-in.

All accounts

Benefit

What can I withdraw?

Significant financial hardship

We are reasonably satisfied that you are suffering or are likely to suffer from significant financial hardship (as defined in the KiwiSaver Act).

A maximum of your resignation benefit plus your Locked-In Accounts balance excluding any Government contributions.

First home withdrawal

- › You wish to purchase a first home (or in special circumstances a second home) and have not made a first home withdrawal from the Scheme, a complying fund, or a KiwiSaver scheme previously;
- › You have contributed to the Scheme or have been a member of one or more KiwiSaver schemes or complying funds for at least three years; and
- › We consent to the withdrawal.

A maximum of:

- › your resignation benefit, plus
- › your Locked-In Accounts balance less \$1,000 as prescribed by the KiwiSaver Act.

We may also be required to release some or all of your money under a Court order (e.g. for a relationship property settlement). Returns are not guaranteed. Fees apply to some withdrawals (see Section 5).

Transfers

Type	What can I transfer?
Between participating employers	You will continue to be a member of the Scheme.
From Locked-In Accounts	<p>You may transfer part or all of the amount in your Locked-In Accounts if:</p> <ul style="list-style-type: none">> the transferee scheme is a KiwiSaver scheme or complying fund;> the provider of that scheme consents to the transfer; and> the requirements of the KiwiSaver Act are met (if to a KiwiSaver scheme) or the provider of that scheme confirms that the amount transferred will be subject to the complying fund rules. <p>We may be required to transfer your Locked-In Accounts balance to a KiwiSaver scheme in some circumstances (e.g. if the Scheme ceases to be a complying fund).</p>
To another scheme	<p>We will pay your benefits to another retirement scheme or equivalent overseas retirement scheme (as those terms are defined in the FMCA) at your written request if:</p> <ul style="list-style-type: none">> you cease to be employed by a participating employer, but are employed in the dairy industry by an entity approved by us;> you are a member of that other scheme; and> we and the other provider consent to the transfer. <p>Any Locked-In Accounts balance can only be transferred to another complying fund or KiwiSaver scheme.</p>
Wind up of the Scheme	If the Scheme were to wind-up, your Locked-In Accounts balance would be transferred in accordance with the complying fund rules. Your standard accounts balance would be paid to you.

See the Scheme's register entry for more information about withdrawals. See www.dairysuper.co.nz or contact us for the required forms. You will need to satisfy certain requirements before you can make a withdrawal. Withdrawals will generally be paid within 5 business days of all necessary documentation being submitted.

Individual Membership

If you retire, resign (other than to join another participating employer), or are made redundant, you may be entitled to leave all or part of your benefit (other than your Locked-In Accounts balance) in the Scheme. Your Locked-In Accounts must be either withdrawn (if you are entitled to do so) or transferred to another complying fund or KiwiSaver scheme.

Different rules apply to Individual Members, including fees and restrictions on withdrawals, and contributions. For more information see the OMI document on the Scheme's register entry.

How to switch between funds

You can switch between investment options twice each Scheme year (1 April to 31 March). You can do so at any time, either online or by completing the appropriate form. The switch will take effect from the first of the month following your request being received, as long as it is submitted at least five days before the first of that month.

For the second switch in a Scheme year, a \$80.34 fee is charged. The first switch is free.

3 Description of your investment option(s)

This table shows details of each investment option. You can select one option at any time. If you do not choose an option you will be invested in the Balanced Fund.

Name	Summary of investment objectives and strategy	Risk category	Minimum suggested investment timeframe (years)
Cash Fund	<p><i>Target investment mix</i> - Offers 100% exposure to income assets (New Zealand bank deposits and New Zealand short term securities issued by Government, bank or prime issuers).</p> <p>Aims to provide a return broadly in line with that of the S&P/NZX 90 Day Bank Bill Index after tax.</p>	1	0
Conservative Fund	<p><i>Target investment mix</i> - Invests 30% in growth assets and 70% in income assets.</p> <p>Provides the opportunity for better returns than New Zealand bank term deposits over a medium to long term period.</p> <p>Aims to achieve returns (after tax, investment-related fees, and inflation) of 0.75% per annum over rolling 5 year periods.</p>	3	3
Balanced Fund	<p><i>Target investment mix</i> - Invests 60% in growth assets and 40% in income assets.</p> <p>Provides an opportunity to gain exposure to a diversified, medium risk portfolio of investments.</p> <p>Aims to achieve returns (after tax, investment-related fees, and inflation) of 2% per annum over rolling 10 year periods.</p>	4	6
Growth Fund	<p><i>Target investment mix</i> - Invests 80% in growth assets and 20% in income assets.</p> <p>Provides an opportunity to gain exposure to a diversified, medium/high risk portfolio of investments.</p> <p>Aims to achieve returns (after tax, investment-related fees, and inflation) of 2.75% per annum over rolling 15 year periods.</p>	5	9

Multi-fund options - You can elect a 50/50 split among adjacent funds, being:

50% Cash / 50% Conservative	<p>Target investment mix - Splits your investment equally between the two named funds.</p>	<p>Aims to achieve the investment objective of the relevant fund in respect of the proportion invested in the fund.</p>	3	1.5
50% Conservative / 50% Balanced			4	4.5
50% Balanced / 50% Growth			4	7.5

Responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this PDS. You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures at the issuer’s internet site at <https://secure.superfacts.com/public/dairy/Documents.tpz>.

We may change the statement of investment policy and objectives (SIPO) for the Scheme from time to time by directors’ resolution without notifying you. See the Scheme’s register entry or www.dairysuper.co.nz for a copy of the current SIPO. A summary of material changes to the SIPO will be included in the Scheme’s annual report.

Further information about the assets in the funds can be found in the fund updates at www.dairysuper.co.nz.

4 What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator.

The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.

See the table on page 1 for the filled-in risk indicator for each investment option.

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

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

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

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 31 March 2023. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for each investment option.

< Potentially
Lower returns

Potentially
higher returns >



< LOWER RISK

HIGHER RISK >

General investment risks

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

Investment risk	Description
Investment return risk	The risk of negative returns on the Scheme's or an investment option's investments, or that the returns for a particular investment option or the Scheme generally are insufficient to meet expenses resulting in negative returns.
Market risk	The value of investments may rise or fall as a result of developments in economic conditions, market sentiment, political events, consumer demand, environmental issues, and technology issues.
Company risk	The value of an investment in a specific company will be affected by its particular operations and reputation, and the risk of unexpected changes in the operations or the business environment of the company.
Credit risk	The risk that a counterparty may default on their financial obligations or be otherwise unable to meet their financial obligations to the Scheme. The impact of this will be a reduction in the level of returns or the full amount of the investment not being recovered.
Currency risk	As some of the assets in the funds are invested overseas, returns can be affected by movements between the New Zealand dollar and overseas currencies.
Liquidity risk	The risk that the Scheme will have difficulty in either selling assets or otherwise raising sufficient funds to meet benefit payments, resulting in the Scheme having to sell assets at below market value.

Other specific risks

We are not aware of any circumstances that exist or are likely to arise that significantly increase the risk to returns for members, other than circumstances already reflected in the risk indicator.

See the OMI document on the Scheme's offer register at <https://disclose-register.companiesoffice.govt.nz> or www.dairysuper.co.nz for more information about risks.

5 What are the fees?

You will be charged fees for investing in the Scheme. Fees are deducted from your investment and will reduce your returns. If we invest in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- › regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term
- › one-off fees (for example, switching fees).

The Scheme's fees are as follows:

Investment option	Estimated total annual fund charges (p.a. of net asset value of each option)*
Cash Fund	0.77%
Conservative Fund	1.01%
Balanced Fund	1.15%
Growth Fund	1.18%
50% Cash / 50% Conservative	0.89%
50% Conservative / 50% Balanced	1.08%
50% Balanced / Growth	1.18%

* We may rebate the annual fund charges for a member who is not covered by the Scheme's insurance policy by a proportionate amount of the insurance premium paid.

The annual fund charges outlined above cover the following:

Fee	Components	How it is charged
Annual fund charges	<p>The annual fund charges include:</p> <ul style="list-style-type: none"> › fees paid to the managers and trustees of the underlying funds into which the Scheme invests (including performance fees paid to underlying managers) › expenses charged to the Scheme and those underlying funds (including professional adviser fees, and our directors' fees and expenses) › insurance premiums for the Scheme's insurance policy (these are not charged to members individually) › fees paid to the Scheme's administration manager. <p>As the percentage of each as a proportion of net asset value of the investment options will vary from month to month, estimates have been made of those costs in calculating the annual fund charges.</p>	<p>Performance fees and expenses paid by the underlying funds will be reflected in the unit prices of those funds. The other fees paid to the managers of those funds are paid by redeeming units held by the Scheme.</p> <p>All other fees and expenses are paid from the Scheme's reserve fund before interest is allocated to members' accounts. If the balance of the reserve fund is insufficient to meet these costs these may be deducted from members' standard accounts in proportion to all account balances at the end of the Scheme year.</p> <p>See the OMI document for more information about fees.</p>

All fees are disclosed on a before-tax basis. GST will be added to fees and may be included in some expenses, where applicable.

Individual action fees

We do not currently charge contribution, establishment, termination or transfer fees. We could charge these or other fees in the future. We do charge the following fees:

- › \$80.34 for the second investment option switch made in each Scheme year (the first switch is free).
- › \$250 when you make a formal application for a first home withdrawal. This is only payable once all of the required documents have been provided to us.
- › \$656.22 will be charged if you make a second or subsequent application for a significant financial hardship withdrawal within three calendar years of an initial application (the first application is currently free).
- › \$87.96 will be charged to an Individual Member for setting up a regular withdrawal facility.

These will be deducted from your Member's Account.

You may also be charged other fees on an individual basis for investor-specific decisions or actions. See the Scheme's register entry for more information on these fees.

Example of how fees apply to an investor

Mary invests \$10,000 in the Balanced Fund. The starting value of her investment is \$10,000. She is charged management and administration fees, which work out to about \$115 (1.15% of \$10,000). These fees might be more or less if her account balance has increased or decreased over the year.

Estimated total fees for the first year

Individual action fees: \$80.34 (for a second switch)

Fund charges: \$115

Other charges: \$0

See the latest fund update for an example of the actual returns and fees investors were charged over the past year.

This example applies only to the Balanced Fund. If you are considering investing in other funds or investment options in the Scheme, this example may not be representative of the actual fees you may be charged.

The fees can be changed

The fees paid to the administration manager (excluding the first home withdrawal application fee) can be adjusted annually by the annual increase (if any) in the National Average Wage Earnings Index. Fees may be otherwise amended by agreement between us and the administration manager. The fees payable to the underlying managers, and the insurance premiums, can be changed by the relevant party subject to an agreed period of notice or with our agreement. We can also alter the remuneration paid to our directors. Other components of the annual fund charges (e.g. third-party underlying fund charges) are variable and may change from time to time.

We must publish a fund update for each option showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at www.dairysuper.co.nz.

6 What taxes will you pay?

Tax can have significant consequences for investments. As at the date of this PDS employer contributions are subject to ESCT but benefits paid from the Scheme are not taxable.

If you have queries in relation to the tax consequences of an investment in the Scheme, you should obtain professional advice on those consequences.

See the OMI document on the offer register at <https://disclose-register.companiesoffice.govt.nz> or www.dairysuper.co.nz for the applicable ESCT rates and more information about the tax consequences of an investment in the Scheme.

7 Who is involved?

About Dairy Industry Superannuation Scheme Trustee Limited

We are the manager and trustee of the Scheme. We are responsible for managing and administering the Scheme. You may contact us through the Scheme Secretary. Our licensed independent director is Bruce John Kerr.

Call: 0800 355 900 during normal business hours.

Write to: Scheme Secretary
Dairy Industry Superannuation Scheme
C/- Mercer (N.Z.) Limited
Level 2, 20 Customhouse Quay
PO Box 2897
Wellington

Who else is involved?

	Name	Role
Administration manager, actuary, investment consultant, and Scheme Secretary	Mercer (N.Z.) Limited	Looks after the day-to-day running of the Scheme. Provides investment advice and recommendations.
Custodian	Dairy Industry Superannuation Scheme Trustee Limited	Holds the assets of the Scheme.
Insurer	AIA New Zealand Limited	Insures the insured portion of the death and permanent incapacity benefits.

8 How to complain

You can lodge a complaint with us:

Call: 0800 355 900 during normal business hours

Write to:

Scheme Secretary
Dairy Industry Superannuation Scheme
C/- Mercer (N.Z.) Limited
Level 2, 20 Customhouse Quay,
PO Box 2897
Wellington

We are a member of an approved dispute resolution scheme operated by Financial Services Complaints Limited (**FSCL**). If you have complained to us and you have reached the end of our internal complaints process without your complaint being resolved to your satisfaction, FSCL may be able to consider your complaint.

Call: 0800 347 257 during normal business hours

Email: complaints@fscl.org.nz

Write to:

Financial Services Complaints Limited
PO Box 5967
Level 4, 101 Lambton Quay
Wellington 6145

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

9 Where you can find more information

Further information relating to the Scheme, including financial statements, annual reports, annual fund updates, the trust deed, and SIPO, is available on the offer register and the scheme register at <https://disclose-register.companiesoffice.govt.nz>. A copy of the information on the offer register or scheme register is available on request from the Registrar of Financial Service Providers.

The above information is also available free of charge on our website at www.dairysuper.co.nz or by contacting us.

Once the processing of your application has been completed, you can view monthly online reports and other information about your investment by logging on through www.dairysuper.co.nz.

You can obtain general information about us and the Scheme at www.dairysuper.co.nz.

10 How to apply

To apply to join the Scheme, please complete the appropriate application form at the back of this PDS.

Application for employee membership

To be completed by those applying for membership who are **not** salaried employees paid on a totally remunerated basis.

Product Disclosure Statement
date: 30 June 2023

Mr / Mrs / Ms / Miss _____ Last Name _____

First Names _____

Full Postal Address _____

Date of Birth _____ IRD No _____

Phone _____ Email* _____

Work Location _____ Employer: _____

*By providing my email address, I am consenting to receiving information about the Scheme (including the annual report) electronically including by way of a hyperlink. Should I not wish to receive such information electronically, or should my email address change, I undertake to advise the Scheme's administration manager whose contact details are on page 12 of the Product Disclosure Statement.

I wish to become a member of the Dairy Industry Superannuation Scheme ("the Scheme").

I wish my contributions and the contributions made by my employer on my behalf to be allocated as follows:

	Total contributions (Please ensure this section is completed)	Locked-In accounts	Standard accounts
Member contributions (The total of your locked and standard accounts may be any whole % of your before-tax salary or wages up to a maximum of 6%)	Total member contributions: <input type="text"/> % of before-tax salary or wages (locked and standard contributions)	3% of my before-tax salary or wages to my Locked-In Account <input type="checkbox"/> Tick box if applicable	<input type="text"/> % The balance of your member contributions go to your Member's Account
Voluntary member contributions (Any regular member contributions in excess of 6% of your before-tax salary or wages)	Total voluntary contributions: <input type="text"/> % of before-tax salary or wages	0%	All voluntary contributions go to your Member's Account
Employer contributions	1.5 x member contributions (up to a total employer contribution of 9% of gross before-tax).	Your employer matches your contributions to your Locked-In Account but will be reduced by any amount it contributes on your behalf to a KiwiSaver scheme or other complying superannuation fund	The balance of your employer's contributions go to your Employer's No.1 Account

I understand and acknowledge that:

- If I do not tick the 3% contribution to Locked-In Account box above, all contributions will be paid to my standard accounts;
- If, in future, I elect to change my member contribution rate this will affect my insurance benefit on death and permanent incapacity;
- I may vary my member contributions by completing and returning form D12 'Change, suspend or cease contributions'.

Investment Choice (please tick ONE option):

- 100% Cash Fund 100% Balanced Fund 50% Cash Fund plus 50% Conservative Fund
 100% Conservative Fund 100% Growth Fund 50% Conservative Fund plus 50% Balanced Fund
 50% Balanced Fund plus 50% Growth Fund

I acknowledge that:

- If I do not identify an investment choice, my election will be deemed to be 100% in the Balanced Fund.
- I can change my investment choice at any time by completing form D5 'Investment Alteration' up to twice in each Scheme year. The first alteration in any Scheme year will be free of charge but the second will incur a fee which will be deducted from my Member's Account.

I have received:

- a copy of the Product Disclosure Statement relating to membership of the Scheme.
- copies of all other documents I have requested to which I am entitled under applicable legislation (see the Scheme’s product disclosure statement).

I understand that:

- additional information about the Scheme is available on the Scheme’s online register entry.
- my membership of the Scheme will take effect from the first day of the pay period following the date my application is accepted by the Trustee.
- acceptance of all or part of my insurance cover may be automatic based on my joining the Scheme within six months of commencing permanent employment and being at work carrying out my normal duties.
- I am required to notify the Scheme’s Administration Manager as soon as possible of any changes in my residential address.
- contributions and any Government Contributions paid into my Locked In Accounts cannot be accessed until the date I would ordinarily qualify for New Zealand Superannuation (currently age 65).

My signature on this form authorises:

- my employer to deduct my contributions from my salary and to pay such contributions to the Trustee. All payments made on my behalf in accordance with this authority shall be deemed to be payments by me personally to the Trustee.
- the Trustee to disclose any personal information relating to me to any actuary, auditor, advisor, administrator or insurer and my employer as necessary for the purposes of the Scheme and to obtain personal information from any of those sources for the purposes of the Scheme.
- my employer to give the Trustee the information provided on this form and any other personal information required from time to time.

I agree to:

- be bound by the provisions of the Trust Deed of the Scheme together with any amendments made from time to time;
- supply health information or undergo an examination if requested from time to time by the Scheme’s insurer; and
- disclose any pre-existing conditions likely to affect payment of my insured permanent incapacity and death benefits

I have included:

- a copy of evidence of my date of birth.

I DECLARE THE INFORMATION I HAVE PROVIDED ON THIS FORM TO BE TRUE AND CORRECT.

Signed _____

Date _____



MEMBER – PLEASE RETURN THIS FORM TO HUMAN RESOURCES/YOUR PAYROLL DEPARTMENT.



**HUMAN RESOURCES/PAYROLL – PLEASE RETURN COMPLETED FORM TO:
DAIRY INDUSTRY SUPERANNUATION SCHEME C/- MERCER (N.Z.) LIMITED, PO BOX 1849, WELLINGTON 6140.
TELEPHONE: 0800 355 900 EMAIL: dairy@mercerc.com**

Human Resources/Payroll Authorised Signatory to complete:

Participating Employer _____

Site _____

Employee Number _____

Date started permanent employment _____

(any period of employment as a temporary employee not to be included)

Gross Salary or Wages \$ _____

\$

Employer Subsidy to KiwiSaver _____

Documentary Proof of Age (Please tick one option) Included Will be forwarded

I acknowledge the above applicant has received a copy of the Product Disclosure Statement for the Dairy Industry Superannuation Scheme before completing this Application for membership form. I confirm that the directors of the member’s participating employer have authorised me to sign this acknowledgement.

I CERTIFY THAT THE EMPLOYER HAS VERIFIED THE IDENTITY OF THE MEMBER

Authorised signature _____

Date _____

Application for elective membership

Only to be completed by those applying for elective membership who are salaried employees paid on a totally remunerated basis.

Product Disclosure Statement
date: 30 June 2023

Mr / Mrs / Ms / Miss _____ Last Name _____

First Names _____

Postal Address _____

Date of Birth _____ IRD No _____

Phone _____ Email* _____

Work Location _____

*By providing my email address, I am consenting to receiving information about the Scheme (including the annual report) electronically. Should I not wish to receive such information electronically, or should my email address change, I undertake to advise the Scheme's administration manager whose contact details are on page 12 of the Product Disclosure Statement.

I wish to become a member of the Dairy Industry Superannuation Scheme ("the Scheme").

I wish my contributions and the contributions made by my employer on my behalf to be allocated as follows:

	Total contributions <small>(Please ensure this section is completed)</small>	Locked-In accounts	Standard accounts
Member contributions <small>(The total of your locked and standard accounts may be any % of your before-tax salary)</small>	Total member contributions: <input type="text"/> % of before-tax salary (locked and standard contributions)	<input type="checkbox"/> 0% or <input type="checkbox"/> 3% of my before-tax salary to my Locked-In Account	<input type="text"/> % The balance of your member contributions go to your Member's Account
Voluntary member contributions <small>(Any regular member contributions in excess of the % of your before-tax salary notified above)</small>	Total voluntary contributions: <input type="text"/> % of before-tax salary	0%	All voluntary contributions go to your Member's Account
Employer contributions <small>(salary sacrifice)</small>	Total contributions to Employer's No.1 Account: <input type="text"/> % of before-tax salary	Your employer matches your contributions to your Locked-In Account but will be reduced by any amount it contributes on your behalf to a KiwiSaver scheme or other complying superannuation fund	Your salary sacrifice contributions go to your Employer's No.1 Account

I understand and acknowledge that:

- If I do not notify my employer of the rate at which I wish to contribute or cannot agree a rate, a default rate will apply;
- If, in future, I elect to change my member contribution rate this will affect my insurance benefit on death and permanent incapacity;
- I may vary my member contributions by completing and returning form D12B 'Change, suspend or cease contributions'.

Investment Choice (please tick ONE option):

- | | | |
|---|---|---|
| <input type="checkbox"/> 100% Cash Fund | <input type="checkbox"/> 100% Balanced Fund | <input type="checkbox"/> 50% Cash Fund plus 50% Conservative Fund |
| <input type="checkbox"/> 100% Conservative Fund | <input type="checkbox"/> 100% Growth Fund | <input type="checkbox"/> 50% Conservative Fund plus 50% Balanced Fund |
| | | <input type="checkbox"/> 50% Balanced Fund plus 50% Growth Fund |

I acknowledge that:

- If I do not identify an investment choice, my election will be deemed to be 100% in the Balanced Fund.
- I can change my investment choice at any time by completing form D5 'Investment Alteration' twice each Scheme year. The first change in any Scheme year is free but the second incurs a fee which will be deducted from my Member's Account.

I have received:

- a copy of the Product Disclosure Statement relating to membership of the Scheme.
- copies of all other documents I have requested to which I am entitled under applicable legislation (see the Scheme's product disclosure statement).

I understand that:

- additional information about the Scheme is available on the Scheme's online register entry.
- my membership of the Scheme will take effect from the first day of the pay period following the date my application is accepted by the Trustee.
- acceptance of all or part of my insurance cover may be automatic based on my joining the Scheme within six months of commencing permanent employment and being at work carrying out my normal duties.
- I am required to notify the Scheme's Administration Manager as soon as possible of any changes in my residential address.
- contributions and any Government contributions paid into my Locked In Accounts cannot be accessed until the date I would ordinarily qualify for New Zealand Superannuation (currently age 65).
- my salary will be reduced by my employer to offset the cost to my employer of making any salary sacrifice contributions.
- the gross amount sacrificed will be subject to contribution tax and the net amount will be allocated to my Employer's No.1 Account.

My signature on this form authorises:

- my employer to deduct my contributions from my salary and to pay such contributions to the Trustee. All payments made on my behalf in accordance with this authority shall be deemed to be payments by me personally to the Trustee.
- the Trustee to disclose any personal information relating to me to any actuary, auditor, advisor, administrator or insurer and my employer as necessary for the purposes of the Scheme and to obtain personal information from any of those sources for the purposes of the Scheme.
- my employer to give the Trustee the information provided on this form and any other personal information required from time to time.

I agree to:

- be bound by the provisions of the Trust Deed of the Scheme together with any amendments made from time to time;
- supply health information or undergo an examination if requested from time to time by the Scheme's insurer; and
- disclose any pre-existing conditions likely to affect payment of my insured permanent incapacity and death benefits

I have included:

- a copy of evidence of my date of birth.

I DECLARE THE INFORMATION I HAVE PROVIDED ON THIS FORM TO BE TRUE AND CORRECT.

Signed _____

Date _____

PLEASE RETURN TO YOUR PAYROLL DEPARTMENT ON COMPLETION.

Human Resources Authorised Signatory to complete:

Participating Employer _____

Site _____

Employee Number _____

Date started permanent employment _____

(any period of employment as a temporary employee **not** to be included)

Gross Salary \$ _____

Employer Subsidy to KiwiSaver _____

Documentary Proof of Age (Please tick one option) Included Will be forwarded

I acknowledge the above applicant has received a copy of the Product Disclosure Statement for the Dairy Industry Superannuation Scheme before completing this Application for membership form. I confirm that the directors of the member's participating employer have authorised me to sign this acknowledgement.

I CERTIFY THAT THE EMPLOYER HAS VERIFIED THE IDENTITY OF THE MEMBER

Authorised signature _____

Date _____

**PLEASE RETURN TO THE DAIRY INDUSTRY SUPERANNUATION SCHEME
C/- MERCER (N.Z.) LIMITED, PO BOX 1849, WELLINGTON 6140, NEW ZEALAND.
TELEPHONE: 0800 355 900 EMAIL: dairy@mercer.com**

Notes
