

# Milford Investment Funds

## Product Disclosure Statement

Milford Funds Limited - 28 January 2021

This document replaces the Product Disclosure Statement dated 23 July 2020

[milfordasset.com](http://milfordasset.com)



**MILFORD**  
INVESTED IN YOU

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 [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). Milford Funds Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.







# 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. Milford Funds Limited ('Milford', 'we', 'our', 'us') will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of Milford 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 Milford Investment Funds ('Milford Funds') scheme offers eleven funds ('Funds') 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)".

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](http://www.sorted.org.nz/tools/investor-kickstarter).

## Who manages the Milford Funds?

The manager of Milford Funds is Milford. See Section 7 "Who is involved?" for more information.

## What are the returns?

The return on your investment comes from:

- any change in the unit price; and
- any income distributions made from the Fund.

We intend for Diversified Income, Trans-Tasman Bond, Global Corporate Bond and Conservative to make distributions quarterly and for Trans-Tasman Equity to make distributions twice yearly.

	Fund	Investment Objective	Risk Indicator*	Estimated Annual Fund Charges****
Multi-Asset Funds	Milford Conservative <b>(Conservative)</b>	<b>Objective</b> - Moderate returns*** and protect capital over the minimum recommended investment timeframe. <b>Description</b> - Diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities.	Lower risk 1 2 <b>3</b> 4 5 6 7 Higher risk Potentially lower returns Potentially higher returns	0.95%
	Milford Diversified Income <b>(Diversified Income)</b>	<b>Objective</b> - Income and capital growth*** over the minimum recommended investment timeframe. <b>Description</b> - Diversified fund that primarily invests in fixed interest and equity income-generating securities.	Lower risk 1 2 3 <b>4</b> 5 6 7 Higher risk Potentially lower returns Potentially higher returns	0.95% ^ (includes estimated performance fee)
	Milford Balanced <b>(Balanced)</b>	<b>Objective</b> - Capital growth*** over the minimum recommended investment timeframe. <b>Description</b> - Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities.	Lower risk 1 2 3 <b>4</b> 5 6 7 Higher risk Potentially lower returns Potentially higher returns	1.08% ^ (includes estimated performance fee)
	Milford Active Growth <b>(Active Growth)</b> <b>Not available to new investors†</b>	<b>Objective</b> - Annual returns of 10%*** over the minimum recommended investment timeframe. <b>Description</b> - Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities.	Lower risk 1 2 3 <b>4</b> 5 6 7 Higher risk Potentially lower returns Potentially higher returns	1.30% ^ (includes estimated performance fee)
	Milford Australian Absolute Growth <b>(Australian Absolute Growth)</b>	<b>Objective</b> - Targets an absolute return with an annualised return objective of 5% above the New Zealand Official Cash Rate while seeking to protect capital*** over rolling three year periods. <b>Description</b> - Diversified fund that primarily invests in Australasian equities, complemented by selective exposure to international equities and cash.	Lower risk 1 2 3 <b>4**</b> 5 6 7 Higher risk Potentially lower returns Potentially higher returns	1.50% ^ (includes estimated performance fee)



Other Funds are not currently intended to make distributions. See Section 2 “How does this investment work?” for more information.

## How can you get your money out?

Investments in the Funds are redeemable. As described in Section 2 “How does this investment work?” we may, upon providing notice to the Supervisor, defer payment or suspend your ability to withdraw your investment, in certain circumstances.

Your investment in these Funds can be sold but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment.

## How will your investment be taxed?

Each Fund is a portfolio investment entity (‘PIE’). The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (‘PIR’). To determine your PIR, go to <https://www.ird.govt.nz/pir>. See Section 6 of this PDS (What taxes will you pay?) on page 18 for more information.

## Where can you find more key information?

Milford is required to publish quarterly updates for each Fund. 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.milfordasset.com/forms-documents/fund-updates](http://www.milfordasset.com/forms-documents/fund-updates). We will also give you copies of those documents on request.

	Fund	Investment Objective	Risk Indicator*	Estimated Annual Fund Charges****
Cash Fund	Milford Cash (Cash)	<b>Objective</b> - Targets a return*** above the New Zealand Official Cash Rate. <b>Description</b> - Primarily invests in New Zealand cash, short-dated debt securities and term deposits.	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1**</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns Potentially higher returns</div> </div>	0.20%
	Milford Trans-Tasman Bond (Trans-Tasman Bond)	<b>Objective</b> - To generate a positive, low volatility return*** that exceeds the relevant benchmark over the minimum recommended investment timeframe. <b>Description</b> - Primarily invests in trans-Tasman fixed interest securities.	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns Potentially higher returns</div> </div>	0.65%
Fixed Income Funds	Milford Global Corporate Bond (Global Corporate Bond)	<b>Objective</b> - To protect capital and generate a positive NZD hedged return*** that exceeds the relevant benchmark over the minimum recommended investment timeframe. <b>Description</b> - Primarily invests in global corporate fixed interest securities.	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1</div> <div>2</div> <div>3**</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns Potentially higher returns</div> </div>	0.85%
	Milford Global Equity (Global Equity)	<b>Objective</b> - Capital growth*** by out-performing the relevant share market index over the minimum recommended investment timeframe. <b>Description</b> - Primarily invests in international equities.	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5**</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns Potentially higher returns</div> </div>	1.35% ^ (includes estimated performance fee)
Equity Funds	Milford Trans-Tasman Equity (Trans-Tasman Equity)	<b>Objective</b> - Capital growth*** by out-performing a mix of two relevant share market indices over the minimum recommended investment timeframe. <b>Description</b> - Primarily invests in Australasian equities.	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5**</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns Potentially higher returns</div> </div>	1.05% ^ (includes estimated performance fee)
	Milford Dynamic (Dynamic)	<b>Objective</b> - Capital growth*** by out-performing the relevant share market index over the minimum recommended investment timeframe. <b>Description</b> - Primarily invests in small to mid-cap Australasian equities.	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns Potentially higher returns</div> </div>	1.35% ^ (includes estimated performance fee)

\* See Section 4 “What are the risks of investing?” for an explanation of the risk indicator.

\*\* See Section 3 “Description of your investment option/s” for further information on the calculation of this risk indicator.

\*\*\* After the base fund fee but before tax and before the performance fee (if applicable).

\*\*\*\* Annual fund charges include an estimate of applicable underlying fund charges.

^ See Section 5 “What are the fees” for more information on fees.

† The Manager may consider a new direct wholesale investor at its discretion from time to time.

A “swing factor” adjustment to the unit price for applications and withdrawals may be applied (see “Swing pricing adjustment” in Section 5 and the Investor Guide for further information).

# Contents

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1. Key information summary	4
2. How does this investment work?	6
3. Description of your investment option(s)	8
4. What are the risks of investing?	11
5. What are the fees?	13
6. What taxes will you pay?	18
7. Who is involved?	19
8. How to complain	20
9. Where you can find more information	21
10. How to apply	21

## How does this investment work? 02.

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The Milford Funds are a managed investment scheme (and each Fund is established as a trust) that is governed by a trust deed.

Your money is pooled with that of other investors of the relevant Fund. However, the assets of one Fund cannot be used to cover the liabilities of another Fund. The interests of investors are represented by units, which confer an equal interest in a Fund and are of equal value.

The value of units in each Fund will increase or decrease according to the changing value of the underlying assets in which the Fund has invested.

The Funds are actively managed portfolios that provide for a broad range of investment options.

The Funds also utilise the benefits of the PIE tax regime. The Funds are managed by Milford, a wholly owned subsidiary of Milford Asset Management Limited.

**We intend for:**

- Diversified Income to make distributions quarterly in February, May, August and November; and
- Conservative to make distributions quarterly in January, April, July and October; and
- Trans-Tasman Bond and Global Corporate Bond to make distributions quarterly in March, June, September and December; and
- Trans-Tasman Equity to make distributions semi-annually in March and September.

No other Fund currently makes regular distributions. You can, however, make withdrawals from any Fund at any time.

A distribution represents a percentage of income received from your investment.

**Making investments**

The minimum initial lump sum investment per Fund is \$1,000. For Trust, Company and Partnership applications the minimum initial investment per account is \$100,000 (with a minimum allocation per Fund of \$1,000). You can also make additional lump sum and/or regular contributions to a Fund at any time. We may impose conditions or restrictions on the offer of units as determined by us from time to time.

The unit price for investments and withdrawals is calculated by dividing the net asset value of the Fund by the number of units on issue. Costs of acquiring or selling investments is taken into account in setting the unit price payable (see “Swing pricing adjustment” in Section 5).

In certain circumstances when determining the unit price received for investments and withdrawals, the Manager may include increased trading costs that may be incurred as a result of large transactions.

**Withdrawing your investments**

You may withdraw all or part of your investment at any time by completing a withdrawal request form. We will generally aim to make the withdrawal payment within three business days after the day used for the unit price.

While it is intended that valid applications and withdrawals will be processed at the next available unit price after the application or withdrawal process is completed, up to 10 business days’ notice of a large application or withdrawal may at times be required.

Unless you are fully withdrawing your investment (or we determine otherwise), a minimum balance per Fund of \$1,000 must be maintained. All units are redeemed for cash.

We may, with prior notice to the Supervisor, suspend withdrawal requests or defer payment of withdrawals where, due to certain circumstances arising (for example, political or market conditions), we form the opinion that it is not practicable or would be prejudicial to the general interests of unitholders, or that suspension is desirable for the Fund.

**How to switch between Funds**

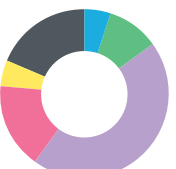



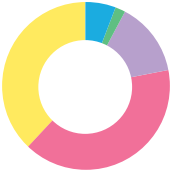


You can switch between Funds. This will be considered a withdrawal from one Fund and an application for units in another Fund. All the conditions and restrictions on applications and withdrawals will therefore apply.

**Need more information?**


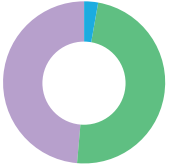
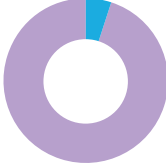
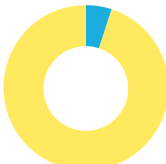
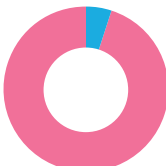

More information on investing and withdrawals is included in the Investor Guide found at [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

# Description of your investment option(s)

03.

Fund	Investment objective and strategy	Target investment mix <sup>^</sup> (see note following table)	Risk Indicator*	Minimum recommended investment timeframe
Multi-Asset Funds	<b>Conservative</b> To provide moderate returns*** and protect capital over the minimum recommended investment timeframe. A diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities.	 <p>Income 82%      Growth 18%</p>	Lower risk      Higher risk  Potentially lower returns      Potentially higher returns	3 years
	<b>Diversified Income</b> To provide income and capital growth*** over the minimum recommended investment timeframe. A diversified fund that primarily invests in fixed interest and equity income-generating securities.	 <p>Income 60%      Growth 40%</p>	Lower risk      Higher risk  Potentially lower returns      Potentially higher returns	3 years
	<b>Balanced</b> To provide capital growth*** over the minimum recommended investment timeframe. A diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities.	 <p>Income 39%      Growth 61%</p>	Lower risk      Higher risk  Potentially lower returns      Potentially higher returns	5 years
	<b>Active Growth</b> <b>Not available to new investors<sup>†</sup></b> To provide annual returns of 10%*** over the minimum recommended investment timeframe. A diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities.	 <p>Income 22%      Growth 78%</p>	Lower risk      Higher risk  Potentially lower returns      Potentially higher returns	5 years
	<b>Australian Absolute Growth</b> Targets an absolute return with an annualised return objective of 5% above the New Zealand Official Cash Rate while seeking to protect capital*** over rolling three year periods. A diversified fund that primarily invests in Australasian equities, complemented by selective exposure to international equities and cash.	 <p>Income 17.5%      Growth 82.5%</p>	Lower risk      Higher risk  Potentially lower returns      Potentially higher returns	5 years



	Fund	Investment objective and strategy	Target investment mix <sup>^</sup> (see note following table)	Risk Indicator*	Minimum recommended investment timeframe
Cash Fund	Cash	Targets a return*** above the New Zealand Official Cash Rate. Primarily invests in New Zealand cash, short-dated debt securities and term deposits.	 <p>■ Cash and Cash Equivalents 20% ■ New Zealand Fixed Interest 80%***</p> <p><b>Income 100%</b></p>	<p>Lower risk Higher risk</p> <p>1** 2 3 4 5 6 7</p> <p>Potentially lower returns Potentially higher returns</p>	N/A
	Trans-Tasman Bond	To generate a positive, low volatility return*** that exceeds the relevant benchmark over the minimum recommended investment timeframe. Primarily invests in trans-Tasman fixed interest securities.	 <p>■ Cash and Cash Equivalents 3% ■ New Zealand Fixed Interest 48.5% ■ International Fixed Interest 48.5%</p> <p><b>Income 100%</b></p>	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower returns Potentially higher returns</p>	3 years
Fixed Income Funds	Global Corporate Bond	To protect capital and generate a positive NZD hedged return*** that exceeds the relevant benchmark over the minimum recommended investment timeframe. Primarily invests in global corporate fixed interest securities.	 <p>■ Cash and Cash Equivalents 5% ■ International Fixed Interest 95%</p> <p><b>Income 100%</b></p>	<p>Lower risk Higher risk</p> <p>1 2 3** 4 5 6 7</p> <p>Potentially lower returns Potentially higher returns</p>	3 years
	Global Equity	To provide capital growth*** by out-performing the relevant share market index over the minimum recommended investment timeframe. Primarily invests in international equities.	 <p>■ Cash and Cash Equivalents 5% ■ International Equities 95%</p> <p><b>Income 5% Growth 95%</b></p>	<p>Lower risk Higher risk</p> <p>1 2 3 4 5** 6 7</p> <p>Potentially lower returns Potentially higher returns</p>	5 years
Equity Funds	Trans-Tasman Equity	To provide capital growth*** by out-performing a mix of two relevant share market indices over the minimum recommended investment timeframe. Primarily invests in Australasian equities.	 <p>■ Cash and Cash Equivalents 5% ■ Australasian Equities 95%</p> <p><b>Income 5% Growth 95%</b></p>	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower returns Potentially higher returns</p>	5 years
	Dynamic	To provide capital growth*** by out-performing the relevant share market index over the minimum recommended investment timeframe. Primarily invests in small to mid-cap Australasian equities.	 <p>■ Cash and Cash Equivalents 10% ■ Australasian Equities 90%</p> <p><b>Income 10% Growth 90%</b></p>	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6** 7</p> <p>Potentially lower returns Potentially higher returns</p>	5 years

† The Manager may consider a new direct wholesale investor at its discretion from time to time.

^ Note: Targets indicate what are expected to apply over the course of an economic cycle and should be considered as general only. Milford is an active manager and may at times deploy investment strategies that differ (within the allowable minimum and maximum bounds) materially from the above targets.

\* See Section 4 “What are the risks of investing?” for an explanation of the risk indicator.

\*\* To calculate the risk indicator for the following Funds we have used a mix of actual returns and market index returns to provide completed 5 year returns as they were launched within the last 5 years: Global Corporate Bond, Australian Absolute Growth and Cash.

The actual returns used for Global Corporate Bond are from when the Fund was previously offered to wholesale investors only and have been adjusted for current annual fund charges.

Market index returns have been used for the period in the table below to calculate the risk indicator for:

- Global Equity as its investment policy has changed significantly and its returns before the change would not reflect its current investment policy; and
- Dynamic as its investment strategy has changed to facilitate investment in a broader range of securities.

This means that the risk indicators for the Funds in the table below do not reflect the actual returns for the period specified in the table below. Therefore these risk indicators may provide a less reliable indicator of the potential future volatility of these Funds.

Fund	Period of market returns used
Australian Absolute Growth	01/01/2016 to 28/02/2018
Cash	01/01/2016 to 28/02/2019
Global Corporate Bond	01/01/2016 to 31/01/2017
Global Equity	01/01/2016 to 30/09/2018
Dynamic	01/01/2016 to 31/10/2019

\*\*\* After the base fund fee but before tax and before the performance fee (if applicable).

\*\*\*\* The Cash Fund’s fixed interest allocation will be invested in commercial paper and term deposits.

Note: Relevant benchmarks and relevant market indices can be found in the Statement of Investment Policy and Objectives (‘SIPO’).

We regularly review our SIPO in consultation with the Supervisor. We will notify you of any material changes before making them. Changes will also be communicated no later than the next quarterly Fund Update. The current SIPO can be found at: [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

Further information about the assets in the Funds can be found in the Fund Updates at: [www.milfordasset.com/forms-documents/fund-updates](http://www.milfordasset.com/forms-documents/fund-updates) or at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## 04.

## 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 Section 3 “Description of your investment option(s)” for the risk indicators which have been calculated for the Funds.

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](http://www.sorted.org.nz/tools/investor-kickstarter).

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading “Other specific risks”) that are 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 December 2020. 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 the relevant Fund.

The risk indicator has been calculated on the basis of five years of historic Fund returns where available, and market index returns where required. Hence, the returns data used may not represent a full investment

cycle for the Fund and the risk category may be different if calculated using a longer timeframe. If the period of returns used reflected an environment of unusually low or unusually high volatility, the risk indicator may not reflect the Fund’s future volatility.

### General investment risks

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

#### Investment return risk

Past performance is no guarantee of future performance. There is a risk that a Fund may underperform compared with its investment objective or with the market.

#### Market risk

A Fund’s returns will be affected by the performance of the investments chosen for that Fund which may in turn be affected by the performance of the investment markets generally. This risk includes demand and supply in the market and economic and regulatory conditions, including market sentiment, inflation, interest rates, employment, political events, environmental (including climate change) and technological issues and consumer demands.



# What are the risks of investing?

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## **Interest rate risk**

The market value of the investments of a Fund can change due to changes in interest rates.

The market value of fixed interest securities can fluctuate significantly with relatively small changes in interest rates.

## **Credit risk**

The value of debt securities may be impacted by the issuer's ability to pay interest and principal owed when due. If the issuer's ability to meet its payment obligations is doubted, the value of the debt security may decrease.

## **Equity risk**

An investment may be affected by unexpected changes in that company's operations or business environment, including risk of insolvency. If this occurs, the Fund may receive a smaller or no return from, or it may lose, its investment in the entity.

## **Liquidity risk**

Some investments including investments in other Milford Funds may not be easily converted into cash with little or no loss of capital and minimum delay, because of insufficient availability of buyers, suspension of trading, fund outflows, or market disruptions. Securities of small entities in particular may become less liquid. Milford may hold unlisted securities that are less liquid than listed securities.

## **Currency risk**

Where investments are made outside of New Zealand, returns may be affected by movements between the other currencies and the New Zealand dollar.

More detail on these risks and other general risks is included in Milford's Other Material Information document available at [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

# What are the fees?

05.

You will be charged fees for investing in the Milford Funds. Fees are deducted from your investment and will reduce your returns. If Milford invests 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 (currently none).

## Total estimated annual fund charges, performance-based fees and other charges

	Fund	Estimated annual fund charges			Other Charges
		Base fund fee	Performance-based fees*	Total	
Multi-Asset Funds	Conservative	0.95%	N/A	0.95%	Nil
	Diversified Income	0.65%	0.30%	0.95%	
	Balanced	1.05%	0.03%	1.08%	
	Active Growth	1.05%	0.25%	1.30%	
	Australian Absolute Growth	1.05% **	0.45%	1.50%	
Cash and Fixed Income Funds	Cash	0.20%	N/A	0.20%	
	Trans-Tasman Bond	0.65%	N/A	0.65%	
	Global Corporate Bond	0.85%	N/A	0.85%	
Equity Funds	Global Equity	1.35%	0%	1.35%	
	Trans-Tasman Equity	1.05%	0%	1.05%	
	Dynamic	1.35%	0%	1.35%	

\* To estimate the annual performance fee charges, we have simulated the performance of the Fund using its assumed risk and return profile, against its stated performance benchmark over a 20-year time horizon.

This methodology results in the estimated performance fee being 0% for Global Equity, Trans-Tasman Equity and Dynamic as their performance benchmark is the market index and they would need to achieve above the market index for a performance fee to be payable.

\*\* Australian Absolute Growth base fund fee reduces by 0.15% if at the end of the month the Fund is invested in greater than 50% cash. For the purposes of a reduced base fund fee, cash includes investments in term deposits. The reduced fee will be applied in the following month.

# What are the fees?

## Historical average performance fees for completed performance years since each Fund's inception:

Fund	Historical average performance-based fees
Diversified Income	0.73%
Balanced	0.55%
Active Growth	0.73%
Australian Absolute Growth	0.36%
Global Equity	0.41%*
Trans-Tasman Equity	0.62%
Dynamic	0.31%

\* The calculation of the Global Equity historical average performance based fee includes the period prior to 1 October 2018 when the fund's performance hurdle rate of return was OCR plus 5% per annum.

Please refer to the Investor Guide for more information on performance fees.

Annual fund charges are made up of:

- a base fund fee
- any applicable estimated performance fees.

Total annual fund charges are set out as a percentage of the Fund's net asset value. Actual fund charges over the past disclosure year are available in the latest Fund Updates.

The base fund fee covers:

- normal Fund operating costs such as investment management, supervisor, custodial, fund accounting, audit and legal costs and is paid monthly. These fees are deducted from, and are reflected in, the Fund unit prices of the relevant Funds; and
- estimated underlying external fund charges, where applicable.

If Milford is unable to determine the underlying external fund charges, these have been estimated from recent financial statements based on the actual costs as a percentage of the average net asset value that were charged for the fund's previous financial year. These are reflected in the prices of the external funds that are used in the calculation of the unit price of the relevant Fund.

Performance fees are deducted from, and are reflected in, the unit prices of the relevant Funds, or deducted from and reflected in the unit prices of other Milford managed funds the relevant Funds may invest in.



Fees are inclusive of GST where applicable.

We can charge other fees on an individual basis for investor specific decisions or actions, such as entry or exit fees. At the date of this document, there is no separate entry or exit fee for acquiring units or withdrawing from the Funds. However, the cost of acquiring or selling investments or the buying or selling of units is taken into account in setting the unit price payable on application or withdrawal (see “Swing pricing adjustment” below).

## Performance fees

Balanced does not directly charge a performance fee, but it may invest in related Milford funds that have performance fees (see table below).

We are entitled to be paid a performance fee for Diversified Income, Active Growth, Australian Absolute Growth, Global Equity, Trans-Tasman Equity and Dynamic.

Our performance fees are based on a hurdle rate of return. The ‘hurdle rate’ is the minimum return the Fund must achieve before being able to charge a performance fee. In our Fund Updates we are required to report the Fund’s performance against a market index and have therefore provided a blend of market indices that represent the Fund’s target asset class positions.

Global Equity, Trans-Tasman Equity and Dynamic are relative return funds, which means that the hurdle rate of return is based on the Fund outperforming its market index.

Diversified Income, Active Growth and Australian Absolute Growth are absolute return style funds. The hurdle rate of return (which represents the Fund’s aims) is the measure for each Fund’s performance-based fees. This means you may be paying a performance fee if the Fund’s performance beats the hurdle rate of return but does not match or beat the performance of the blend of market indices.

Element	Description	Absolute Return Funds			Relative Return Funds		
		Diversified Income	Active Growth	Australian Absolute Growth	Global Equity	Trans-Tasman Equity	Dynamic
Hurdle rate of return (benchmark)	The return that must be achieved before a performance fee applies (after the base fund fee but before tax and before the performance fee).	Based on the OCR plus 2.5% per annum measured across six-month performance payment review periods.	Based on 10% per annum measured across six-month performance payment review periods.	Based on the OCR plus 5% per annum measured across six-month performance payment review periods.	MSCI World Index with net dividends reinvested (50% NZD-hedged).	A mix of 50% S&P/ASX 200 Total Return Index (100% NZD-hedged) and 50% S&P/ NZX 50 Gross Index.	S&P/ASX Small Ordinaries Total Return Index (100% NZD-hedged).

## What are the fees?

Element	Description	Absolute Return Funds			Relative Return Funds		
		Diversified Income	Active Growth	Australian Absolute Growth	Global Equity	Trans-Tasman Equity	Dynamic
Fee on excess return	The fee payable on the amount of the return above the hurdle rate of return.	The performance fee is equal to 10% of the amount by which the performance of the Fund (after the deduction of the base fund fee but before tax and before the performance fee) exceeds the hurdle rate of return.	The performance fee is equal to 15% of the amount by which the performance of the Fund (after the deduction of the base fund fee but before tax, the performance fee and distributions) exceeds the hurdle rate of return.				
Performance fee cap	A cap (if any) on the amount of the performance fee.	There is no cap on the level of performance fees.					
High water mark	<b>Absolute Return Funds</b> That Fund's previous highest ever net asset value per unit achieved on the performance payment review dates.	Where the value of the Fund goes up and then down over multiple periods, this ensures that no performance fee is payable until the last applicable high water mark has been reached. For a performance fee to be payable at the end of a particular six month period, the net asset value per unit of the Fund (before tax and before the performance fee and distributions) must exceed the high water mark.					
	<b>Relative Return Funds</b> That Fund's net asset value per unit used in the calculation of the last performance fee paid on the performance payment review dates.	Absolute performance losses are carried forward into the next performance period.			Performance gains (if the high water mark is not achieved) or performance losses (relative to benchmark) are carried forward into the next performance period.		
Performance payment review date	How often the performance fee may be payable.	Intended at the date of this document to be six months to 31 March and six months to 30 September, except for Australian Absolute Growth which is six months to 30 June and six months to 31 December. The payment will be made within 10 business days and a new performance period will start.					
Performance fees are payable to Milford as Manager of the Funds.							

## Swing pricing adjustment

Investors in a Fund can suffer dilution in value of their unitholding as a result of transaction costs brought about by other investors buying or selling units in the Fund. This reduction in value is due to the costs incurred when trading the Fund's underlying assets. In order to mitigate this effect and to protect unitholders' interests, we adopt a swing pricing mechanism as part of our unit valuation process. We calculate a swing factor adjustment for each Fund that, subject to a threshold being met, is applied daily when setting the price for applications and withdrawals.

The swing factor adjustment is not a fee. It is retained in the Fund to offset against the estimated transaction costs that arise from investors' applications and withdrawals. The amount of the adjustment may vary between Funds and is reviewed by us periodically in line with current market trading costs. Swing factor adjustments may change, particularly in times of heightened market volatility. Please note that the adjustment may not entirely cover transaction costs in all circumstances.

For each fund's current swing factor adjustment, please see [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents).

For further information please refer to the "Investor Guide" for the Funds which can be found at [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## Example of how fees apply to an investor

Ella invests \$10,000 in Balanced. She is not charged an establishment fee or a contribution fee, because there are currently none. A swing factor adjustment of 0.12%\* is applied to the unit price she pays for her investment. This equates to \$12 and is paid into the Fund, not to us.

This brings the starting value of her investment to approximately \$9,988.

She is also charged management and administration fees (base fund fee), which works out to about \$105 (1.05% of \$9,988). These fees might be more or less if her account balance has increased or decreased over the year.

Ella may also be indirectly charged a performance-based fee if the underlying Milford Investment Funds in which Balanced invested earned more than their target.

Over the year, Ella pays no other charges.

\* For this example, an assumption has been made that there has been a net daily inflow to Balanced prompting a swing factor adjustment and the unit price has therefore swung up. For each Fund's current swing factor adjustment, please see [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents).

### Estimated total fees for the first year

Fund	Fund charges	Other Charges
Balanced	\$105	NIL

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 Balanced. If you are considering investing in other Funds, this example may not be representative of the actual fees you may be charged.

## The fees can be changed

The existing fees may be changed or new fees imposed, provided we give you notice. We must publish a Fund Update for each Fund showing the fees actually charged during the most recent year. Fund Updates, including past Updates, are available at [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).



## What taxes will you pay?

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Each Fund is a portfolio investment entity ('PIE'). The amount of tax you pay is based on your prescribed investor rate ('PIR'). To determine your PIR go to <https://www.ird.govt.nz/pir>. If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue.

It is your responsibility to tell Milford your PIR when you invest or if your PIR changes. If you do not tell Milford, a default rate may be applied.

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.

You must provide us with your IRD number when you invest. Failure to do so within six weeks means we will need to close your account. You must provide us with both your IRD number and PIR, or tax is required to be deducted at the highest PIR. Current PIRs can be found in the application form at the back of this PDS.

We may be notified by Inland Revenue to update your PIR if they believe it is incorrect. We are required to apply this updated PIR. However, you can provide us with a different PIR if you believe that the Inland Revenue notified PIR is incorrect. Contact Inland Revenue for more information.

Please see the Investor Guide at [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for further information on tax.

07.

## Who is involved?

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### About Milford

Milford is a wholly owned subsidiary of Milford Asset Management Limited.

**Milford can be contacted at:**

Milford Funds Limited  
 Level 28, 48 Shortland Street  
 PO Box 960, Shortland Street  
 Auckland 1140  
 Telephone: 09 921 4700 or 0800 662 345  
 Facsimile: 09 921 4709  
 Email: [info@milfordasset.com](mailto:info@milfordasset.com)

### Who else is involved?

	Name	Role
Supervisor	Trustees Executors Limited	Supervisor of the Milford Funds, responsible for supervising us as Manager.
Custodian	National Australia Bank Limited	Holds the assets of the Funds separate to us, and on behalf of the Supervisor.
Administration manager	MMC Limited	Performs unit pricing, fund accounting and registry functions.

## How to complain

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08.

In the first instance, please direct any complaints to:

Milford Funds Limited  
Level 28, 48 Shortland Street  
PO Box 960, Shortland Street  
Auckland 1140  
Telephone: 09 921 4700 or 0800 662 345  
Email: [feedback@milfordasset.com](mailto:feedback@milfordasset.com)

If we are unable to resolve your complaint, you may choose to contact the Supervisor at:

Trustees Executors Limited  
Level 11, 51 Shortland Street  
PO Box 4197  
Shortland Street  
Auckland 1140  
Attn: The Manager  
Telephone: 09 308 7100

Milford and the Supervisor are both members of an independent dispute resolution scheme operated by Financial Services Complaints Limited ('FSCL'). If we haven't been able to resolve your complaint in a way that you think is satisfactory within 40 business days, you can contact FSCL at:

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

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

## Where you can find more information

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09.

Further information relating to Milford Funds, including financial statements, is available on the Disclose Register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

Copies of information on the Disclose Register are also available on request from the Registrar of Financial Service Providers.

Fund Updates relating to each of the Funds and other information is available at [www.milfordasset.com](http://www.milfordasset.com).

Milford also publishes monthly information for each Fund, which can be found at [www.milfordasset.com/forms-documents](http://www.milfordasset.com/forms-documents) or by telephoning 0800 662 345.

You will not be charged any fee to access this information.

## How to apply

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10.

For individual and joint investors, the easiest way to apply is online at [www.milfordasset.com](http://www.milfordasset.com). Please follow the instructions and make sure you have all required information to hand.

Alternatively, you can complete the application form included with this PDS.



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ADVISER CODE

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For internal use only



## Milford Investment Funds Individual / Joint Name Application Form

**The easiest way to apply is online at [milfordasset.com/invest-now](https://milfordasset.com/invest-now)**

Alternatively, please complete all fields and return this form. If you are applying on behalf of a minor, please contact us for the correct form.

### Investor Details 1

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
PREFERRED NAME	DATE OF BIRTH	OCCUPATION	
	/ /		
EMAIL ADDRESS (required for access to online client portal)	MOBILE PHONE NUMBER	HOME PHONE NUMBER	
PHYSICAL ADDRESS (cannot be a PO Box)	SUBURB		
CITY	COUNTRY	POSTCODE	
POSTAL ADDRESS (if different from physical address)	SUBURB		
CITY	COUNTRY	POSTCODE	

### Investor Identification

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('AML Act') requires Milford to verify the identity of new clients and periodically reconfirm information about existing clients. At the date of the attached Product Disclosure Statement ('PDS') we have two options for clients to confirm their identity. Please select one of the options below.

#### Option 1 - Electronic Identity Verification and Proof of Address

Milford can confirm the identity and/or New Zealand address of many of our clients electronically, with their permission. Please note that we use an external third party system not owned by Milford to conduct identity checks in this way.

- ☐ I confirm that I give Milford authority to check my identity and/or address electronically using the documentation provided. I have included a copy of my current signed NZ Passport (preferred) or NZ Driver Licence (front & back)
- Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option 2 below.**

#### Option 2 - Certified Copies of Identity Documents

Please provide a certified photocopy of your documents (we need the copy that has been physically certified). These documents cannot be scanned to us. Please do not send original versions of your identity documents.

- ☐ Please verify my identity and address with the attached documents:

- Certified copy of identification document/s
- Certified copy of physical address

**For further detail on document requirements, including who can certify them and correct certification wording, see page 8.**

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Investor Details 1 (continued)

#### NZ Tax Residency

Are you a tax resident of New Zealand? ☐ Yes ☐ No

IRD NUMBER #

If IRD number is only 8 characters long, please leave first box blank.

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# For New Zealand residents, if no IRD number has been received within six weeks of joining the Fund, we are required by law to close your account.

#### Prescribed Investor Rate ('PIR') (Please tick appropriate box)

You can find out more about PIRs at [www.ird.govt.nz/pir](http://www.ird.govt.nz/pir). If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue. **If a PIR is not selected, or an IRD number is not supplied, a 28% PIR will apply.**

☐ 0% (Notified Foreign Investor)\* ☐ 0% (Transitional resident)\* ☐ 10.5% ☐ 17.5% ☐ 28%

\*Milford Global Equity Fund only. Please see additional documentation requirements in the Investor Guide to qualify for these PIR rates.

#### Foreign Tax Residency

Are you a US citizen or US tax resident? ☐ Yes ☐ No

Are you a tax resident in any other country (other than the US or NZ)? ☐ Yes ☐ No

If you answered 'Yes' to either of the above questions please list all countries below and provide the Tax Identification Number ('TIN') for each country. If you are a US citizen or US tax resident your TIN will typically be your Social Security Number.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)

For further information on your personal tax residency status please see <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency> or speak to a tax adviser.

#### How did you hear about Milford? (Please select as many that apply).

☐ Newspaper/magazine advertising ☐ Online advertising ☐ Online search ☐ Radio ☐ Social Media ☐ Referral

☐ TV/video advertising Other \_\_\_\_\_

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Investor Details 2

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
PREFERRED NAME	DATE OF BIRTH	OCCUPATION	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
EMAIL ADDRESS (required for access to online client portal)	MOBILE PHONE NUMBER	HOME PHONE NUMBER	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
PHYSICAL ADDRESS (cannot be a PO Box)	SUBURB		
<input type="text"/>	<input type="text"/>		
CITY	COUNTRY	POSTCODE	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
POSTAL ADDRESS (if different from physical address)	SUBURB		
<input type="text"/>	<input type="text"/>		
CITY	COUNTRY	POSTCODE	
<input type="text"/>	<input type="text"/>	<input type="text"/>	

### Investor Identification

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('AML Act') requires Milford to verify the identity of new clients and periodically reconfirm information about existing clients. At the date of the attached Product Disclosure Statement ('PDS') we have two options for clients to confirm their identity. Please select one of the options below.

#### Option 1 - Electronic Identity Verification and Proof of Address

Milford can confirm the identity and/or New Zealand address of many of our clients electronically, with their permission. Please note that we use an external third party system not owned by Milford to conduct identity checks in this way.

- ☐ I confirm that I give Milford authority to check my identity and/or address electronically using the documentation provided. I have included a copy of my current signed NZ Passport (preferred) or NZ Driver Licence (front & back)
- Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option 2 below.**

#### Option 2 - Certified Copies of Identity Documents

Please provide a certified photocopy of your documents (we need the copy that has been physically certified). These documents cannot be scanned to us. Please do not send original versions of your identity documents.

- ☐ Please verify my identity and address with the attached documents:
- Certified copy of identification document/s
  - Certified copy of physical address

**For further detail on document requirements, including who can certify them and correct certification wording, see page 8.**

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Investor Details 2 (continued)

#### NZ Tax Residency

Are you a tax resident of New Zealand? ☐ Yes ☐ No

IRD NUMBER #

If IRD number is only 8 characters long, please leave first box blank.

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# For New Zealand residents, if no IRD number has been received within six weeks of joining the Fund, we are required by law to close your account.

#### Prescribed Investor Rate ('PIR') (Please tick appropriate box)

You can find out more about PIRs at [www.ird.govt.nz/pir](http://www.ird.govt.nz/pir). If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue. **If a PIR is not selected, or an IRD number is not supplied, a 28% PIR will apply.**

☐ 0% (Notified Foreign Investor)\* ☐ 0% (Transitional resident)\* ☐ 10.5% ☐ 17.5% ☐ 28%

\*Milford Global Equity Fund only. Please see additional documentation requirements in the Investor Guide to qualify for these PIR rates.

#### Foreign Tax Residency

Are you a US citizen or US tax resident? ☐ Yes ☐ No

Are you a tax resident in any other country (other than the US or NZ)? ☐ Yes ☐ No

If you answered 'Yes' to either of the above questions please list all countries below and provide the Tax Identification Number ('TIN') for each country. If you are a US citizen or US tax resident your TIN will typically be your Social Security Number.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)

For further information on your personal tax residency status please see

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency> or speak to a tax adviser.

#### How did you hear about Milford? (Please select as many that apply).

☐ Newspaper/magazine advertising ☐ Online advertising ☐ Online search ☐ Radio ☐ Social media ☐ Referral

☐ TV/video advertising Other \_\_\_\_\_



# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Investment Details

#### Source of Funds/Wealth\*

Please tell us the original source of the funds you are investing with us. You may need to supply proof of the source of funds such as sale & purchase agreement, payslips, legal documentation.

☐ Inheritance/windfall ☐ Property sale ☐ Asset/Business sale ☐ Personal income ☐ Accumulated savings ☐ Superannuation

Please provide further details about the source of funds. For example, sale of property at 123 Sample Street for \$600,000 on 21/06/2014.

#### Primary Purpose for the Investment\*

Please tell us the primary reason you are investing these funds with us.

☐ Retirement ☐ Income ☐ Investment ☐ Other (please specify)

How do you intend to transact on this account?

#### Deposits (please select at least one)

- ☐ Regular  
☐ Now and then  
☐ Lump Sum (one-off)

#### Withdrawals (please select at least one)

- ☐ Regular  
☐ Now and then  
☐ Lump Sum (one-off)

\* Please note this information is requested solely in relation to Milford's AML Act obligations and is not used to assess the suitability of your product selection, or to provide financial advice.

#### Investment Details

##### Minimum total initial investment - \$1,000

		Investment Amount (Minimum of \$1,000 Per Fund)	Distribution Options (If no option is selected, all distributions will be reinvested)	
Multi-Asset Funds	Milford Conservative Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Diversified Income Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Balanced Fund	\$	N/A	N/A
	Milford Australian Absolute Growth Fund	\$	N/A	N/A
Cash & Fixed Income Funds	Milford Cash Fund	\$	N/A	N/A
	Milford Trans-Tasman Bond Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Global Corporate Bond Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
Equity Funds	Milford Global Equity Fund	\$	N/A	N/A
	Milford Trans-Tasman Equity Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Dynamic Fund	\$	N/A	N/A
Total		\$		

Please note the Milford Active Growth Fund is closed to new investors. The Manager may consider a new direct wholesale investor at its discretion from time to time.

#### Payment details and process

**Please note your account must be established with Milford before we can accept any funds for investment.**

Once your account has been setup we will contact you with the appropriate bank account details and references for you to make a direct credit payment.

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Bank Account Details

You must provide us with NZ domiciled bank account details and proof of these details. The bank account you provide should be the account you make payments to Milford from and will be the account that Milford will make any withdrawal payments to. We recommend using your cheque account rather than a savings account. Milford does not accept payments from international or third party bank accounts.

ACCOUNT NAME **(Must be in the same name as your Milford Funds holding)**

BANK

BRANCH

ACCOUNT NUMBER

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BANK

BRANCH

ACCOUNT NUMBER

SUFFIX

### Proof of bank account

Must be a NZ domiciled bank account in the name of the investor.

One of the following:

- ☐ Bank statement dated within the last 12 months
- ☐ Bank deposit slip
- ☐ Online bank summary page or transaction history, dated within the last 12 months
- ☐ Deposit receipt, account summary or transaction receipt, dated within the last 12 months and must be stamped by the bank
- ☐ Bank correspondence with the account name and account number, dated within the last 12 months

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Your Agreement

#### Privacy Statement

1. The personal information you provide in this Application Form (and identity information collected in connection with this Application Form), or in the future, will be collected and held by Milford Funds Limited ("Milford") for purposes relating to the administration, marketing, operation, security and management of the Funds, the provision of services to you, and compliance with any laws, rules and regulations whether in New Zealand or in any other country. Milford will do this in accordance with all applicable New Zealand privacy laws and our Privacy Policy which can be accessed on our website at [milfordasset.com/privacy-policy](http://milfordasset.com/privacy-policy). Your personal information may be disclosed to, and held and used by, the following persons:
  - The Supervisor of the Funds
  - Milford Asset Management Limited or any of its subsidiaries or related companies (together, the "Milford Group")
  - Inland Revenue
  - Financial Markets Authority
  - Any third party, whether in New Zealand or elsewhere, that provides services to the Milford Group. In particular, if you have opted for electronic identity verification, the information will be shared with external agencies who may use a credit file header database to verify your address (note, this is not a credit check)
  - Your own financial adviser (and their staff), this only applies if you have notified us of this relationship (you are responsible for advising us if and when this relationship ends)
  - Any other person or entity where it is relevant to do so for the purposes set out above.We can also release personal information to third parties as instructed by you and in other ways permitted by the Privacy Act.
2. Your personal information may also be used by, and you consent to the use of your personal information by, Milford or any other member of the Milford Group to keep you informed about other financial opportunities, products and services of any Milford Group member, including by email, by text message, by Milford Group's online portal or by any other electronic means. Any electronic communication offering other financial opportunities, products or services will include an unsubscribe facility.
3. You have the right to access and request correction to the personal information you have supplied, by contacting Milford on 0800 662 345 or by emailing us at [info@milfordasset.com](mailto:info@milfordasset.com). Any update to your personal information may be used to update other information held about you by any member of the Milford Group.

#### Electronic provision of information

4. I/We consent to receiving any communication from the Supervisor or any member of the Milford Group electronically via Milford Group's online portal, or at the email address specified in this Application Form, or any other email address advised to any Milford Group entity from time to time. These communications include those required by law and those provided in connection with your Fund, including annual reports, annual tax certificates and six-monthly transaction confirmations.

#### Declaration

- I/We have received and read a copy of the Product Disclosure Statement dated 28 January 2021 ("PDS"), and understand that additional information about the Funds is available on the Funds' online register entry.
- I/We agree to be bound by the terms and conditions of the PDS and the Trust Deed.
- I/We understand that the value of my/our investment is liable to fluctuations and may rise and fall from time to time.
- I/We accept that it is solely my/our decision to make this investment and that I/we have chosen the appropriate Fund for my/our risk tolerance and circumstances.
- I/We understand that Milford has not assessed the suitability of this investment for my/our personal financial situation, financial needs or goals.
- I/We understand the manner in which the fees will be deducted from my/our investment.
- I/We acknowledge that I/we will be unable to make any withdrawal from the Funds until Milford has received my/our signed withdrawal request and any supporting or identification information required.
- I/We understand that if Milford receives contradictory instructions from any persons authorised to operate my/our account, Milford can refuse to act on any or all such instructions.
- All the information I/we have provided in this Application Form is to the best of my/our knowledge and belief, correct and complete.
- I/We undertake to notify Milford of any change in tax residency status or a change which causes the information to become incorrect or incomplete.
- I/We acknowledge and agree to the terms of the Privacy Statement and electronic provision of information above.

SIGNATURE OF APPLICANT

DATE

SIGNATURE OF APPLICANT (if relevant)

DATE

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Investor Identification

If you have opted not to use Electronic Identity Verification or did not pass this system check then you will need to provide the following documentation: **Please provide a certified photocopy of each document:**

- The documents can be verified by a Milford employee or certified by a Trusted Referee as described below.
- These documents cannot be scanned to us (we need the copy that has been physically certified).
- Please do not send in original versions of your identity documents.

#### 1. CERTIFIED COPY OF IDENTIFICATION

##### Option 1

One of the following:

- ☐ Current signed Passport (preferred)
- ☐ New Zealand Firearms Licence

**OR**

##### Option 2

- ☐ New Zealand Driver Licence (front and back)

In combination with one of the following:

- ☐ Bank statement, received in the post from the bank and dated within the last 12 months
- ☐ Valid credit or debit card with name embossed and signature
- ☐ Birth certificate
- ☐ Citizenship certificate
- ☐ Government agency letter (IRD, Work & Income, Electoral Commission) that you received in the post and dated within the last 12 months
- ☐ SuperGold card with photo, name and signature

#### 2. CERTIFIED ADDRESS PROOF

Must state name and physical address, cannot be a PO Box address.

One of the following (as received in the post):

- ☐ Bank statement dated within the last 12 months
- ☐ Current house or contents insurance policy or renewal statement
- ☐ Current vehicle registration dated within the last 12 months
- ☐ Government agency letter (IRD, Work & Income, Electoral Commission) dated within the last 12 months
- ☐ Utility bill (power, water, internet, fixed home phone, SKY) dated within the last 12 months
- ☐ Rates bill dated within the last 12 months
- ☐ Tenancy agreement dated within the last 12 months
- ☐ Letter issued by local Health Board dated within the last 12 months

#### 3. ACCEPTED TRUSTED REFEREES

Originals can be verified by a Milford employee **OR** certified by a Trusted Referee in accordance with the instructions outlined below. Certified copies of identification must be presented to Milford within three months of certification.

Identification must be certified by one of the following:

- Lawyer with a current practising certificate
- Chartered Accountant
- Member of the Police
- Justice of the Peace
- Registered Medical Doctor
- Registered Teacher
- New Zealand Honorary Consul
- Notary Public
- A person who has the legal authority to take statutory declarations or the equivalent in New Zealand

The certifier must:

- Make the statement **"I certify this to be a true copy of the original which I have sighted and represents a true and correct likeness of [name of the person presenting the documentation for certification]."**
- Include their **name, occupation and capacity to be a certifier** e.g. registration number (if applicable), **signature and date** of certification.
- Not be living at the same address, a relative or spouse of the individual presenting the documents or, be involved in the transaction or business requiring the certification.

# Milford Investment Funds

## Individual / Joint Name Application Form (continued)

### Application Form Checklist

Individual / Joint
<input type="checkbox"/> Name of each investor
<input type="checkbox"/> IRD number of each investor
<input type="checkbox"/> Date of birth for each investor
<input type="checkbox"/> Tax residency details, including Tax Identification Number (if applicable) for each investor
<input type="checkbox"/> Bank account details and proof of account
<input type="checkbox"/> Original certified personal identification or Electronic Identity Verification consent for each investor - refer to page 8
<input type="checkbox"/> Original certified address verification or Electronic Identity Verification consent for each investor - refer to page 8
<input type="checkbox"/> Application signed by all applicants

### RETURNING YOUR COMPLETED FORM

Please send your application form and all supplementary documentation to:

1. If **all** applicants have agreed to use **Electronic Identity Verification**, then you may scan and email your application to **transactions@milfordasset.com** or to your client manager directly.
2. If you are sending **certified copies of documents**, please post to:

**Milford Funds Limited**  
**PO Box 960**  
**Shortland Street**  
**Auckland 1140**



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ADVISER CODE

For internal use only



## Milford Investment Funds Company / Trust / Partnership or Estate Application Form

**Note: For Trust, Company & Partnership account applications there is a minimum initial investment of \$100,000 per account (this can be split across multiple Funds). For Estate applications the minimum initial investment is \$10,000.**

Please send this application form (we are unable to accept scanned copies), together with any other required documentation to:  
**Milford Funds Limited, PO Box 960, Shortland Street, Auckland 1140**

### A - Investing Entity Details

COMPANY/TRUST NAME (please list names of Trustees, Directors etc on pages 3-6)

EMAIL ADDRESS

CONTACT PHONE NUMBER

PHYSICAL ADDRESS/REGISTERED COMPANY ADDRESS (if investing entity is a company) (cannot be a PO Box) SUBURB

CITY

COUNTRY

POSTCODE

POSTAL ADDRESS (if different from physical address)

SUBURB

CITY

COUNTRY

POSTCODE

#### Entity Tax Details

IRD NUMBER\*

\* For New Zealand residents, if no IRD number has been received within six weeks of joining the Fund, we are required by law to close your account.

**Prescribed Investor Rate ('PIR')** (Please tick appropriate box)

You can find out more about PIRs at [www.ird.govt.nz/pir](http://www.ird.govt.nz/pir). If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue. **If a PIR is not selected, or an IRD number is not supplied, a 28% PIR will apply.**

☐ 0% (Notified Foreign Investor)\* ☐ 0% (Transitional resident)\* ☐ 0% ☐ 10.5%\*\* ☐ 17.5% ☐ 28%

\*Milford Global Equity Fund only. Please see additional documentation requirements in the Investor Guide to qualify for these PIR rates.

\*\* For trusts, a PIR of 10.5% can only be selected for a testamentary trust.

#### Type of Trust (for Trust accounts only)

Please select the appropriate box which describes your trust.

☐ Discretionary Trust ☐ Charitable Trust ☐ Non-Discretionary Trust\*

\*Please provide full name and date of birth for all named beneficiaries along with your application. For beneficiaries with a 25% or greater interest in the trust, you will need to provide full identification documentation. Please refer to page 12 for requirements.

**How did you hear about Milford?** (Please select as many that apply).

☐ Newspaper/magazine advertising ☐ Online advertising ☐ Online search ☐ Radio ☐ Social media ☐ Referral

☐ TV/video advertising Other \_\_\_\_\_

9601007

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### B - Entity Foreign Tax Residency Details

International tax compliance regulations have been introduced to protect the integrity of tax systems around the world. These require Milford, along with other financial institutions, to collect information about their clients' foreign tax residency. Further information about the Foreign Account Tax Compliance Act ('FATCA') and the Common Reporting Standard ('CRS') is available from Inland Revenue, [www.ird.govt.nz/infoshare](http://www.ird.govt.nz/infoshare).

**If you need tax advice, please contact a qualified tax professional.**

**1. Is the entity a foreign tax resident?** ☐ Yes ☐ No

If 'Yes' please list below all countries, other than New Zealand, in which the entity is a tax resident and provide the Tax Identification Number ('TIN') for each country.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)

**2. Is the entity a Financial Institution for FATCA or CRS purposes?**

The term Financial Institution ('FI') as defined by FATCA and CRS includes custodial institutions, depository institutions, investment entities or specified insurance companies. A family trust is likely to be a Financial Institution if 50% or more of the trust's income is from financial assets and is managed by another financial institution.

☐ No - please continue to Question 3 below

☐ Yes - please complete both column A and B in the table below, then continue straight to Section C

A: CRS FI Status	B: FATCA FI status
<p>Select from the list below:</p> <p><input type="checkbox"/> Managed investment entity that is resident in a jurisdiction that is not participating in the OECD's CRS regime*</p> <p><input type="checkbox"/> Other financial institution</p>	<p>Select from the list below:</p> <p><input type="checkbox"/> New Zealand financial institution</p> <p><input type="checkbox"/> IGA foreign financial institution</p> <p><input type="checkbox"/> Participating foreign financial institution</p> <p><input type="checkbox"/> Deemed compliant financial institution</p> <p><input type="checkbox"/> Other - Please describe:</p> <p>_____</p>

\* The phrase "managed investment entity that is resident in a jurisdiction that is not participating in the OECD CRS regime" captures any entity, the gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, and that is (i) managed by a Financial Institution; and (ii) not tax resident in a jurisdiction with which an agreement is in place in relation to the automatic exchange of financial account information as set out in the CRS.

**3. Is the entity an Active or Passive Non-Financial Entity (NFE)?**

Generally, an entity will be an Active NFE if less than 50% of its income is passive income and less than 50% of its assets produce (or could produce) passive income. An entity will be a Passive NFE if it primarily (50% or more) derives passive income and/or has assets that primarily (50% or more) produce (or could produce) passive income. **Passive income** generally includes non-trading investment income in the form of: interest or equivalents, dividends, annuities, other financial arrangements' income, and rents and royalties.

☐ Active NFE

☐ Passive NFE

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### C - Director / Trustee / Partner 1 Details

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
PREFERRED NAME		DATE OF BIRTH	HOME PHONE NUMBER
<input style="width: 90%;" type="text"/>		<input style="width: 20%;" type="text"/> / <input style="width: 20%;" type="text"/> / <input style="width: 20%;" type="text"/>	<input style="width: 90%;" type="text"/>
PHYSICAL ADDRESS (cannot be a PO Box)			SUBURB
<input style="width: 90%;" type="text"/>			<input style="width: 90%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>		<input style="width: 90%;" type="text"/>
POSTAL ADDRESS (if different from physical address)			SUBURB
<input style="width: 90%;" type="text"/>			<input style="width: 90%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>		<input style="width: 90%;" type="text"/>
EMAIL ADDRESS (required for access to online client portal)			OCCUPATION
<input style="width: 90%;" type="text"/>			<input style="width: 90%;" type="text"/>
IRD NUMBER			
<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>

#### Foreign Tax Residency\*

Are you a US citizen or US tax resident?

☐ Yes ☐ No

Are you a tax resident in any other country (other than the US or NZ)?

☐ Yes ☐ No

If you answered 'Yes' to either of the above questions please list all countries below and provide the Tax Identification Number ('TIN') for each country. If you are a US citizen or US tax resident your TIN will typically be your Social Security Number.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>

\*For further information on your personal tax residency status please see <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency> or speak to a tax adviser.

#### Investor Identification

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('AML Act') requires Milford to verify the identity of new clients and associated parties, and periodically reconfirm information about existing clients and associated parties. At the date of the attached Product Disclosure Statement ('PDS') we have **two options** for clients to confirm their identity. Please select one of the options below.

##### Option 1 - Electronic Identity Verification and Proof of Address

Milford can confirm the identity and/or New Zealand address of many of our clients electronically, with their permission. Please note that we use an external third party system not owned by Milford to conduct identity checks in this way.

☐ I confirm that I give Milford authority to check my identity and/or address electronically using the documentation provided. I have included a copy of my current signed NZ Passport (preferred) or NZ Driver Licence (front & back)

**Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option 2 below.**

##### Option 2 - Certified Copies of Identity Documents

Please provide a certified photocopy of your documents (we need the copy that has been physically certified). These documents cannot be scanned to us. Please do not send original versions of your identity documents.

☐ Please verify my identity and address with the attached documents:

- Certified copy of identification document/s
- Certified copy of physical address

**For further detail on document requirements, including who can certify them and correct certification wording, see page 12.**

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### C - Director / Trustee / Partner 2 Details

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
PREFERRED NAME		DATE OF BIRTH	HOME PHONE NUMBER
<input style="width: 90%;" type="text"/>		<input style="width: 20%;" type="text"/> / <input style="width: 20%;" type="text"/> / <input style="width: 20%;" type="text"/>	<input style="width: 90%;" type="text"/>
PHYSICAL ADDRESS (cannot be a PO Box)			SUBURB
<input style="width: 90%;" type="text"/>			<input style="width: 90%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>		<input style="width: 90%;" type="text"/>
POSTAL ADDRESS (if different from physical address)			SUBURB
<input style="width: 90%;" type="text"/>			<input style="width: 90%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>		<input style="width: 90%;" type="text"/>
EMAIL ADDRESS (required for access to online client portal)			OCCUPATION
<input style="width: 90%;" type="text"/>			<input style="width: 90%;" type="text"/>
IRD NUMBER			
<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>

#### Foreign Tax Residency\*

Are you a US citizen or US tax resident?

☐ Yes ☐ No

Are you a tax resident in any other country (other than the US or NZ)?

☐ Yes ☐ No

If you answered 'Yes' to either of the above questions please list all countries below and provide the Tax Identification Number ('TIN') for each country. If you are a US citizen or US tax resident your TIN will typically be your Social Security Number.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>

\*For further information on your personal tax residency status please see <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency> or speak to a tax adviser.

#### Investor Identification

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('AML Act') requires Milford to verify the identity of new clients and associated parties, and periodically reconfirm information about existing clients and associated parties. At the date of the attached Product Disclosure Statement ('PDS') we have **two options** for clients to confirm their identity. Please select one of the options below.

##### Option 1 - Electronic Identity Verification and Proof of Address

Milford can confirm the identity and/or New Zealand address of many of our clients electronically, with their permission. Please note that we use an external third party system not owned by Milford to conduct identity checks in this way.

☐ I confirm that I give Milford authority to check my identity and/or address electronically using the documentation provided. I have included a copy of my current signed NZ Passport (preferred) or NZ Driver Licence (front & back)

**Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option 2 below.**

##### Option 2 - Certified Copies of Identity Documents

Please provide a certified photocopy of your documents (we need the copy that has been physically certified). These documents cannot be scanned to us. Please do not send original versions of your identity documents.

☐ Please verify my identity and address with the attached documents:

- Certified copy of identification document/s
- Certified copy of physical address

**For further detail on document requirements, including who can certify them and correct certification wording, see page 12.**



# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### C - Director / Trustee / Partner 3 Details

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
PREFERRED NAME		DATE OF BIRTH	HOME PHONE NUMBER
<input style="width: 90%;" type="text"/>		<input style="width: 20%;" type="text"/> / <input style="width: 20%;" type="text"/> / <input style="width: 20%;" type="text"/>	<input style="width: 90%;" type="text"/>
PHYSICAL ADDRESS (cannot be a PO Box)			SUBURB
<input style="width: 95%;" type="text"/>			<input style="width: 95%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
POSTAL ADDRESS (if different from physical address)			SUBURB
<input style="width: 95%;" type="text"/>			<input style="width: 95%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
EMAIL ADDRESS (required for access to online client portal)			OCCUPATION
<input style="width: 95%;" type="text"/>			<input style="width: 95%;" type="text"/>
IRD NUMBER			
<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>

#### Foreign Tax Residency\*

Are you a US citizen or US tax resident?

☐ Yes ☐ No

Are you a tax resident in any other country (other than the US or NZ)?

☐ Yes ☐ No

If you answered 'Yes' to either of the above questions please list all countries below and provide the Tax Identification Number ('TIN') for each country. If you are a US citizen or US tax resident your TIN will typically be your Social Security Number.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

\*For further information on your personal tax residency status please see <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency> or speak to a tax adviser.

#### Investor Identification

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('AML Act') requires Milford to verify the identity of new clients and associated parties, and periodically reconfirm information about existing clients and associated parties. At the date of the attached Product Disclosure Statement ('PDS') we have **two options** for clients to confirm their identity. Please select one of the options below.

##### Option 1 - Electronic Identity Verification and Proof of Address

Milford can confirm the identity and/or New Zealand address of many of our clients electronically, with their permission. Please note that we use an external third party system not owned by Milford to conduct identity checks in this way.

☐ I confirm that I give Milford authority to check my identity and/or address electronically using the documentation provided. I have included a copy of my current signed NZ Passport (preferred) or NZ Driver Licence (front & back)

**Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option 2 below.**

##### Option 2 - Certified Copies of Identity Documents

Please provide a certified photocopy of your documents (we need the copy that has been physically certified). These documents cannot be scanned to us. Please do not send original versions of your identity documents.

☐ Please verify my identity and address with the attached documents:

- Certified copy of identification document/s
- Certified copy of physical address

**For further detail on document requirements, including who can certify them and correct certification wording, see page 12.**

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### C - Director / Trustee / Partner 4 Details

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
PREFERRED NAME		DATE OF BIRTH	HOME PHONE NUMBER
<input style="width: 90%;" type="text"/>		<input style="width: 15%;" type="text"/> / <input style="width: 15%;" type="text"/> / <input style="width: 15%;" type="text"/>	<input style="width: 90%;" type="text"/>
PHYSICAL ADDRESS (cannot be a PO Box)			SUBURB
<input style="width: 95%;" type="text"/>			<input style="width: 95%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
POSTAL ADDRESS (if different from physical address)			SUBURB
<input style="width: 95%;" type="text"/>			<input style="width: 95%;" type="text"/>
CITY	COUNTRY		POSTCODE
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
EMAIL ADDRESS (required for access to online client portal)			OCCUPATION
<input style="width: 95%;" type="text"/>			<input style="width: 95%;" type="text"/>
IRD NUMBER			
<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>

#### Foreign Tax Residency\*

Are you a US citizen or US tax resident?

☐ Yes ☐ No

Are you a tax resident in any other country (other than the US or NZ)?

☐ Yes ☐ No

If you answered 'Yes' to either of the above questions please list all countries below and provide the Tax Identification Number ('TIN') for each country. If you are a US citizen or US tax resident your TIN will typically be your Social Security Number.

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

\*For further information on your personal tax residency status please see <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency> or speak to a tax adviser.

#### Investor Identification

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('AML Act') requires Milford to verify the identity of new clients and associated parties, and periodically reconfirm information about existing clients and associated parties. At the date of the attached Product Disclosure Statement ('PDS') we have **two options** for clients to confirm their identity. Please select one of the options below.

##### Option 1 - Electronic Identity Verification and Proof of Address

Milford can confirm the identity and/or New Zealand address of many of our clients electronically, with their permission. Please note that we use an external third party system not owned by Milford to conduct identity checks in this way.

☐ I confirm that I give Milford authority to check my identity and/or address electronically using the documentation provided. I have included a copy of my current signed NZ Passport (preferred) or NZ Driver Licence (front & back)

**Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option 2 below.**

##### Option 2 - Certified Copies of Identity Documents

Please provide a certified photocopy of your documents (we need the copy that has been physically certified). These documents cannot be scanned to us. Please do not send original versions of your identity documents.

☐ Please verify my identity and address with the attached documents:

- Certified copy of identification document/s
- Certified copy of physical address

**For further detail on document requirements, including who can certify them and correct certification wording, see page 12.**

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### D - Controlling Persons' Details

**If you have answered yes to Question 3, or are a Passive NFE from page 2, you will need to complete this section for each Controlling Person. If the individual is a Director/Trustee/Partner and has already provided their information on pages 3-6, you do not need to include them in this section.**

Controlling Person means any individual who can exercise control over the investing entity or any other natural person exercising or having the ability to exercise control (including through an intermediary, or a chain of control or ownership). For example, any individual who owns, directly or indirectly, more than 25% of a company's share capital or the trustee, beneficiary, appointer or settlor of a trust.

#### Controlling Person 1

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
DATE OF BIRTH	PHYSICAL ADDRESS (must not be a PO Box)		SUBURB
<input type="text" value="/"/> <input type="text" value="/"/> <input type="text"/>	<input type="text"/>		<input type="text"/>
CITY	COUNTRY	POSTCODE	CONTACT PHONE NUMBER
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please list all countries (including NZ) in which you are a tax resident and provide the Tax Identification Number (TIN) for each country. If you are a US citizen or US tax resident you must include this (your TIN will typically be your Social Security Number).

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)	Signature
<input type="text"/>	<input type="text"/>	<input type="text"/>
		Date <input type="text" value="/"/> <input type="text" value="/"/> <input type="text"/>

#### Controlling Person 2

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
DATE OF BIRTH	PHYSICAL ADDRESS (must not be a PO Box)		SUBURB
<input type="text" value="/"/> <input type="text" value="/"/> <input type="text"/>	<input type="text"/>		<input type="text"/>
CITY	COUNTRY	POSTCODE	CONTACT PHONE NUMBER
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please list all countries (including NZ) in which you are a tax resident and provide the Tax Identification Number (TIN) for each country. If you are a US citizen or US tax resident you must include this (your TIN will typically be your Social Security Number).

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)	Signature
<input type="text"/>	<input type="text"/>	<input type="text"/>
		Date <input type="text" value="/"/> <input type="text" value="/"/> <input type="text"/>

#### Controlling Person 3

TITLE	FIRST NAME	MIDDLE NAME(S)	SURNAME
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
DATE OF BIRTH	PHYSICAL ADDRESS (must not be a PO Box)		SUBURB
<input type="text" value="/"/> <input type="text" value="/"/> <input type="text"/>	<input type="text"/>		<input type="text"/>
CITY	COUNTRY	POSTCODE	CONTACT PHONE NUMBER
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please list all countries (including NZ) in which you are a tax resident and provide the Tax Identification Number (TIN) for each country. If you are a US citizen or US tax resident you must include this (your TIN will typically be your Social Security Number).

Country of Tax Residence	TIN (or reason why TIN was unable to be obtained)	Signature
<input type="text"/>	<input type="text"/>	<input type="text"/>
		Date <input type="text" value="/"/> <input type="text" value="/"/> <input type="text"/>

# Milford Investment Funds Company / Trust / Partnership or Estate Application Form (continued)

## E - Investment Details

### Source of Funds/Wealth\*

Please tell us the original source of the funds you are investing with us.

**You will need to supply certified proof of the source of funds such as sale & purchase agreement, payslips, legal documentation.**

☐ Inheritance/windfall ☐ Property sale ☐ Asset/Business sale ☐ Personal income ☐ Accumulated savings/earnings ☐ Superannuation

Please provide further details. For example, sale of property at 123 Sample Street for \$600,000 on 21/06/2014.

### Primary Purpose for the Investment\*

Please tell us the primary reason you are investing these funds with us.

☐ Retirement ☐ Income ☐ Investment ☐ Other (please specify)

How do you intend to transact on this account?

**Deposits** (please select at least one)

- ☐ Regular  
☐ Now and then  
☐ Lump Sum (one-off)

**Withdrawals** (please select at least one)

- ☐ Regular  
☐ Now and then  
☐ Lump Sum (one-off)

\* Please note this information is requested solely in relation to Milford's AML Act obligations and is not used to assess the suitability of your product selection, or to provide financial advice.

### Investment Details

**Minimum total initial investment for Trust, Company or Partnership account applications - \$100,000 (can be split across multiple funds). For Estate applications the minimum initial investment is \$10,000 (can be split across multiple Funds).**

		Investment Amount (Minimum of \$1,000 Per Fund)	Distribution Options (If no option is selected, all distributions will be reinvested)	
Multi-Asset Funds	Milford Conservative Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Diversified Income Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Balanced Fund	\$	N/A	N/A
	Milford Australian Absolute Growth Fund	\$	N/A	N/A
Cash & Fixed Income Funds	Milford Cash Fund	\$	N/A	N/A
	Milford Trans-Tasman Bond Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Global Corporate Bond Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
Equity Funds	Milford Global Equity Fund	\$	N/A	N/A
	Milford Trans-Tasman Equity Fund	\$	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Direct Credit
	Milford Dynamic Fund	\$	N/A	N/A
Total		\$		

Please note the Milford Active Growth Fund is closed to new investors. The Manager may consider a new direct wholesale investor at its discretion from time to time.

E - Investment Details (continued)

Payment details & process

Please note your account must be established with Milford before we can accept any funds for investment.  
Once your account has been setup we will contact you with the appropriate bank account details and references for you to make a direct credit payment.

F - Bank Account Details

You must provide us with NZ domiciled bank account details and proof of these details. The bank account you provide should be the account you make payments to Milford from and will be the account that Milford will make any withdrawal payments to. Milford does not accept payments from international or third party bank accounts.

ACCOUNT NAME (must be in the same name as your Milford Funds holding)

BANK

BRANCH

ACCOUNT NUMBER

<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
BANK	BRANCH			ACCOUNT NUMBER								SUFFIX							

PROOF OF BANK ACCOUNT

Must be a NZ domiciled bank account in the name of the investor.

One of the following:

<input type="checkbox"/>	Bank statement dated within the last 12 months
<input type="checkbox"/>	Bank deposit slip
<input type="checkbox"/>	Online bank summary page or transaction history, dated within the last 12 months
<input type="checkbox"/>	Deposit receipt, account summary or transaction receipt, dated within the last 12 months must be stamped by the bank
<input type="checkbox"/>	Bank correspondence with the account name and account number, dated within the last 12 months



## G - Trusts with a Trustee Company

TRUSTEE COMPANY NAME

any \_\_\_\_\_ (number) of the below named Director(s) may act on behalf of the Trustee Company named above:

DIRECTOR NAME

DIRECTOR NAME

DIRECTOR NAME

DIRECTOR NAME

DIRECTOR NAME

DIRECTOR NAME

**In addition to all Trustees, a minimum of two Directors of the Trustee Company must sign the Agreement on page 11.**

## H - Authority to Act (optional)

Complete this section to give authority to a specified subset of Trustees/Directors to act on behalf of all others.

We the Trustees/Directors:

1. Confirm that we are all the current and validly appointed Trustees/Directors of the Trust/Company
2. Confirm that we have decided to invest in one or a number of Milford Funds from time to time
3. Authorise that the following named Trustees/Directors (acting jointly where more than one name is given)

NAME

NAME

NAME

NAME

May, until further written notice to the contrary, instruct Milford on behalf of all of the Trustees/Directors to:

- a) reallocate any or all amounts invested between Funds in the name of the Trust/Company
- b) withdraw any or all amounts from any Fund(s) provided that such amounts are payable to the Trust/Company
- c) deposit any further amounts into any Fund(s) in the name of the Trust/Company

4. Ratify the actions of the above authorised Trustees/Directors so acting
5. Indemnify Milford in respect of any liability incurred by Milford in acting in reliance upon this Authority to Act.

Please note, you must immediately notify Milford of any changes to the Trustees of the Trust/Directors of the Company. This Authority to Act will then be revoked and, if required, a new Authority to Act will need to be completed.

**All Trustees (and if a Trustee Company is involved, a minimum of two Directors) /Directors must sign the Agreement on page 11.**

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### Your Agreement

#### Privacy Statement

1. The personal information you provide in this Application Form (and identity information collected in connection with this Application Form), or in the future, will be collected and held by Milford Funds Limited ("Milford") for purposes relating to the administration, marketing, operation, security and management of the Funds, the provision of services to you, and compliance with any laws, rules and regulations whether in New Zealand or in any other country. Milford will do this in accordance with all applicable New Zealand privacy laws and our Privacy Policy which can be accessed on our website at [milfordasset.com/privacy-policy](http://milfordasset.com/privacy-policy). Your personal information may be disclosed to, and held and used by, the following persons:
  - The Supervisor of the Funds
  - Milford Asset Management Limited or any of its subsidiaries or related companies (together, the "Milford Group")
  - Inland Revenue
  - Financial Markets Authority
  - Any third party, whether in New Zealand or elsewhere, that provides services to the Milford Group. In particular, if you have opted for electronic identity verification, the information will be shared with external agencies who may use a credit file header database to verify your address (note, this is not a credit check)
  - Your own financial adviser (and their staff), this only applies if you have notified us of this relationship (you are responsible for advising us if and when this relationship ends)
  - Any other person or entity where it is relevant to do so for the purposes set out above.We can also release personal information to third parties as instructed by you and in other ways permitted by the Privacy Act.
2. Your personal information may also be used by, and you consent to the use of your personal information by, Milford or any other member of the Milford Group to keep you informed about other financial opportunities, products and services of any Milford Group member, including by email, by text message, by Milford Group's online portal or by any other electronic means. Any electronic communication offering other financial opportunities, products or services will include an unsubscribe facility.
3. You have the right to access and request correction to the personal information you have supplied, by contacting Milford on 0800 662 345 or by emailing us at [info@milfordasset.com](mailto:info@milfordasset.com). Any update to your personal information may be used to update other information held about you by any member of the Milford Group.

#### Electronic provision of information

4. We consent to receiving any communication from the Supervisor or any member of the Milford Group electronically via Milford Group's online portal, or at the email address specified in this Application Form, or any other email address advised to any Milford Group entity from time to time. These communications include those required by law and those provided in connection with your Fund, including annual reports, annual tax certificates and six-monthly transaction confirmations.

#### Declaration

- We have received and read a copy of the Product Disclosure Statement dated PDS 28 January 2021 ("PDS"), and understand that additional information about the Funds is available on the Funds' online register entry.
- We agree to be bound by the terms and conditions of the PDS and the Trust Deed.
- We understand that the value of our investment is liable to fluctuations and may rise and fall from time to time.
- We accept that it is solely our decision to make this investment and that we have chosen the appropriate Fund for our risk tolerance and circumstances.
- We understand that Milford has not assessed the suitability of this investment for our personal financial situation, financial needs or goals.
- We understand the manner in which the fees will be deducted from our investment.
- We acknowledge that we will be unable to make any withdrawal from the Funds until Milford has received our signed withdrawal request and any supporting or identification information required.
- All the information we have provided in this Application Form is to the best of our knowledge and belief, correct and complete.
- We undertake to notify Milford of any change in tax residency status or a change which causes the information to become incorrect or incomplete.
- We confirm that particulars of all current directors/trustees/partners have been listed in this application and we will immediately advise Milford of any changes to the directors/trustees/partners of the entity.
- We understand that if Milford receives contradictory instructions from any persons authorised to operate our account, Milford can refuse to act on any or all such instructions.
- We will immediately advise Milford of any changes, variations or amendments to the entity which affects the directors/trustees/partners powers of investment.
- We acknowledge and agree to the terms of the Privacy Statement and electronic provision of information above.

SIGNATURE OF DIRECTOR / TRUSTEE / PARTNER 1

DATE

SIGNATURE OF DIRECTOR / TRUSTEE / PARTNER 2

DATE

SIGNATURE OF DIRECTOR / TRUSTEE / PARTNER 3

DATE

SIGNATURE OF DIRECTOR / TRUSTEE / PARTNER 4

DATE

JO01096

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### Investor Identification

If you have opted not to use Electronic Identity Verification or did not pass this system check then you will need to provide the following documentation:

**Please provide a certified photocopy of each document:**

- The documents can be verified by a Milford employee or certified by a Trusted Referee as described below.
- These documents cannot be scanned to us (we need the copy that has been physically certified).
- Please do not send in original versions of your identity documents.

#### 1. CERTIFIED COPY OF IDENTIFICATION

##### Option 1

One of the following:

- ☐ Current signed Passport (preferred)
- ☐ New Zealand Firearms Licence

**OR**

##### Option 2

- ☐ New Zealand Driver Licence (front and back)

In combination with one of the following:

- ☐ Bank statement, received in the post from the bank and dated within the last 12 months
- ☐ Valid credit or debit card with name embossed and signature
- ☐ Birth certificate
- ☐ Citizenship certificate
- ☐ Government agency letter (IRD, Work & Income, Electoral Commission) that you received in the post and dated within the last 12 months
- ☐ SuperGold card with photo, name and signature

#### 2. CERTIFIED ADDRESS PROOF

Must state name and physical address.

One of the following (as received in the post):

- ☐ Bank statement dated within the last 12 months
- ☐ Current house or contents insurance policy or renewal statement
- ☐ Current vehicle registration dated within the last 12 months
- ☐ Government agency letter (IRD, Work & Income, Electoral Commission) dated within the last 12 months
- ☐ Utility bill (power, water, internet, fixed home phone, SKY) dated within the last 12 months
- ☐ Rates bill dated within the last 12 months
- ☐ Tenancy agreement dated within the last 12 months
- ☐ Letter issued by local Health Board dated within the last 12 months

#### ACCEPTED TRUSTED REFEREES FOR CERTIFICATION

Originals can be verified by a Milford employee **OR** certified by a Trusted Referee in accordance with the instructions outlined below. Certified copies of identification must be presented to Milford within three months of certification.

Identification must be certified by one of the following:

- Lawyer with a current practising certificate
- Chartered Accountant
- Member of the Police
- Justice of the Peace
- Registered Medical Doctor
- Registered Teacher
- New Zealand Honorary Consul
- Notary Public
- A person who has the legal authority to take statutory declarations or the equivalent in New Zealand

The certifier must:

- Make the statement **"I certify this to be a true copy of the original which I have sighted and represents a true and correct likeness of [name of the person presenting the documentation for certification]."**
- Include their **name, occupation and capacity to be a certifier** e.g. registration number (if applicable), **signature and date** of certification.
- Not be living at the same address, a relative or spouse of the individual presenting the documents or, be involved in the transaction or business requiring the certification.

# Milford Investment Funds

## Company / Trust / Partnership or Estate Application Form (continued)

### Application Form Checklist

#### Trust or Estate Checklist

- ☐ Trust applications only - Minimum \$100,000 initial investment
- ☐ Trust Deed and any amendments
- ☐ Certified copy of Probate/Letters of Administration (Estates only)
- ☐ Electronic Identity Verification consent OR certified identification (as per the table on page 12) for all persons with power to alter the Trust, including:
  - All Trustees
  - Appointer or Protector
  - Settlor
  - Beneficiaries of a Non-Discretionary Trust with 25% or more interest
  - Directors of a Trustee Company
  - Shareholders of the Trustee Company with 25% or more shareholding
  - Individuals acting under a Power or Attorney
- ☐ Electronic Identity Verification OR certified address proof (as per the table on page 12) for the above individuals
- ☐ Full name and date of birth of any named Beneficiaries of a Non-Discretionary Trust
- ☐ Details and verification of source of funds or wealth (certified copy)
- ☐ Proof of bank account in the Trust or Estate's name
- ☐ If a Trustee is a company, rules for a company also apply as per the below Companies Checklist table
- ☐ US citizen and Financial Institution details
- ☐ Foreign tax residency details of each Controlling Person, Director or Beneficiary
- ☐ IRD number
- ☐ List of authorised signatories form completed on page 10 of the application form (if applicable)
- ☐ Application form completed and signed by all relevant individuals

#### Company Checklist

- ☐ Company & Partnership applications - minimum \$100,000 initial investment
- ☐ List of authorised signatories form completed on page 10 of the application form. Must be signed by at least two Directors. Alternatively, a letter of authority on company letterhead confirming who is authorised to act on behalf of the company. Must be signed by at least two Directors.
- ☐ Electronic Identity Verification consent for each investor OR certified identification (as per the table on page 12) for all persons with controlling powers, including:
  - Directors
  - Shareholders with 25% or more shareholding
  - Individuals with effective control such as a CEO or Managing Director
  - Individuals acting under a Power or Attorney
- ☐ Electronic Identity Verification consent for each investor OR certified address proof (as per the table on page 12) for the above individuals
- ☐ Details and verification of source of funds or wealth (certified copy)
- ☐ Proof of bank account in the Company's name
- ☐ US citizen and Financial Institution details
- ☐ Foreign tax residency details of each Controlling Person, Director or Beneficiary
- ☐ IRD number
- ☐ Application form completed and signed by all relevant individuals

#### POSTAL DETAILS

Please send your application and all supplementary documentation in hard copy to the address details below:

**Milford Funds Limited, PO Box 960, Shortland Street, Auckland 1140**

## This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There is a small dark smudge or mark near the top center of the page. The paper appears to be part of a notebook or a set of loose-leaf papers.





**MILFORD**

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