

NIKKO AM NZ INVESTMENT SCHEME

Material Information – Servicing
and Advice Fees

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Issued by Nikko Asset Management
New Zealand Limited

Nikko AM Investment Scheme – Servicing and Advice Fees

Product Disclosure Statements for all funds in the the Nikko AM Investment Scheme refer to Servicing and Advice Fees.

What is a Servicing and Advice fee?

If you have received financial advice from a financial adviser that we have entered into an agreement with, or if such a financial adviser has assisted you to make an investment into the Nikko AM Investment Scheme, the servicing and advice fees remunerate the person who provided that help (and any relevant businesses and associations that the adviser may be a part of).

The benefits of this form of fee arrangement are that;

- fees can be paid directly from your investment balance rather than you paying an upfront fee for advice directly; and
- by splitting out this fee from other fund charges you will be able to see exactly how much you are paying for financial advice and servicing.
- you will know how much your adviser is getting for recommending our products and providing services to you, which gives you more control over your relationship with your adviser.

What are the fees?

If we have received a letter of instruction from you to deduct an agreed fee payable to your financial adviser, we will deduct that agreed fee as a servicing and advice fee. The amount of the fee can range from 0% - 1.00% per annum (incl. GST).

How are these fees calculated and paid?

The fee is charged monthly based on the average daily balance of your investment. You are not required to make a monthly payment to your adviser -the fee is paid automatically by redemption of units you hold, until you advise us that you no longer wish us to pay that fee.

You will see the fee deducted in your monthly holding statement sent by Nikko AM and as a fee transaction in GoalsGetter.

Ending the adviser relationship

You may ask us to stop deducting fees or providing your adviser with access to your information at any point.

You may still be required to pay your adviser directly for any outstanding servicing and advice fees (this will depend on the adviser's terms and conditions.)

You can contact us by email goalsgetter@nikkoam.com or by phone 0800 303 308.

Tax treatment

The servicing and advice fee is automatically deducted for the purpose of calculating the PIE tax payable on your investment.