

SIL Mutual Fund (SIL)

Member Booklet



March 2026



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1. Introduction

Scheme basics

The SIL Mutual Fund (SIL) is one of New Zealand's longest-established personal superannuation funds, founded in 1959 to help New Zealanders save for retirement.

SIL was closed to new members on 16 September 2016. Existing members can continue to make contributions.

The Scheme is managed by Superannuation Investments Limited, the Trustee responsible for overseeing administration and ensuring investments are managed according to the trust deed. Mercer (N.Z.) Limited (Mercer) supports the Trustee with investment management and administration. More information is available at www.silfunds.co.nz.

Please note that this booklet is for the SIL Mutual Fund Personal Lump Sum Scheme (the Scheme). For fund information specific to the Employer Lump Sum Scheme, please refer to the '*Employer Scheme Fund Information Fact Sheet*' on the website.

This booklet is provided to give you general information about the Scheme. It is not intended to be financial advice and doesn't take into account your personal objectives, financial situation or needs. Before making financial or investment decisions, it is recommended that you contact a suitably qualified financial adviser.

The Trustee Board

The Trustee is represented by a Board of experienced directors who bring a wealth of knowledge in investment, governance and public service. Together, the Board ensures SIL is managed in the best interests of its members.

Dr Edward Schuck, Chairman – Director and Licensed Independent Trustee

Edward is an investment consultant with 30+ years' experience in New Zealand, the US, and UK. He holds a PhD in portfolio management and joined the Board in 2015.

The Rt Hon Sir William Birch GNZM – Director

Sir William served 27 years in Parliament, including 15 years as a Minister with portfolios like Finance and Health. Knighted in 1999, he has extensive governance experience and joined the Board in 2000.

Louise Edwards – Director

Louise is a Chartered Accountant and professional director with over 20 years of senior management experience in financial services. She is active in community organisations and joined the Board in 2020.

Paul Fyfe – Director

Paul has over 40 years' experience in investment funds. He is a former ING (NZ) managing director and past chairman of the Investment Savings and Insurance Association. Paul joined the Board in 2006.

Samantha Sharif – Director

Samantha has 20 years' governance and leadership experience across New Zealand, Australia, and globally. She holds finance, law, and governance qualifications and joined the Board in 2020.

2. Your investment

Investments

When it comes to investing, everyone's needs and circumstances are different. While some of us are happy to accept low or even negative returns in the shorter-term in exchange for the possibility of higher longer-term returns, others may choose funds which have historically provided more consistent but generally lower longer-term returns.

This is why the Scheme offers you the option to select one or multiple investment funds from a total of five options, each with a different level of risk and likely return. This gives you the flexibility to choose an investment strategy that best suits your own individual financial needs, savings requirements and changing circumstances.

Select your fund or combination of funds carefully because the strategy you choose could have a significant impact on your lifestyle when you retire. For help getting started, go to the Risk Profiler tool available on www.silfunds.co.nz, or the Investor Profiler tool on the Sorted website at www.sorted.org.nz/tools/investor-profiler.

Selecting your investment fund(s)

The Scheme offers you five investment funds – International Share, New Zealand Share, Balanced Plus, New Zealand Fixed Interest and Cash Plus.

Each investment fund has a target investment mix, depending on its expected return and risk. The table on the following page sets out the characteristics, risk level and target investment mix for each investment fund.

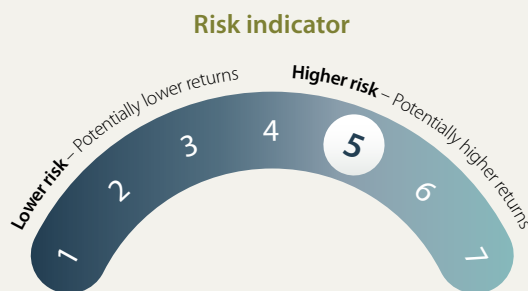
Fund information

You can invest in any of the five available funds: one multi-asset-class fund and four single-asset-class funds. You can switch between these funds at any time.

International Share Fund

The SIL International Share Fund invests mainly in international equities. Investments may include:

- equities in companies that are listed on a recognised stock exchange
- cash and cash equivalents



Target investment mix

100%



New Zealand Share Fund

The SIL New Zealand Share Fund invests mainly in New Zealand equities. Investments may include:

- equities in companies that are listed on the New Zealand stock exchange
- equities in companies that are listed on the Australian stock exchange
- cash and cash equivalents



Target investment mix

100%



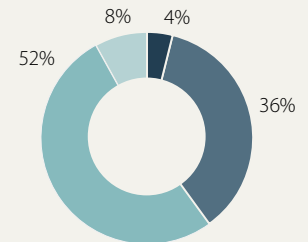
Balanced Plus Fund

The SIL Balanced Plus Fund invests mainly in growth assets (equities, infrastructure and property), with some exposure to income assets (cash and cash equivalents and fixed interest). The fund can also have a small exposure to listed property.

Risk indicator



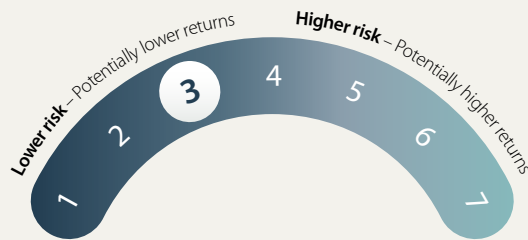
Target investment mix



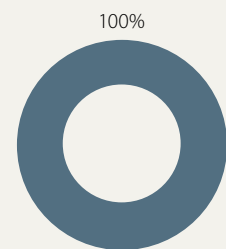
New Zealand Fixed Interest Fund

The SIL New Zealand Fixed Interest Fund invests mainly in New Zealand fixed interest assets. Investments may include fixed interest assets issued in New Zealand dollars or issued by New Zealand located or incorporated entities and hedged back to New Zealand dollars, and cash and cash equivalents.

Risk indicator



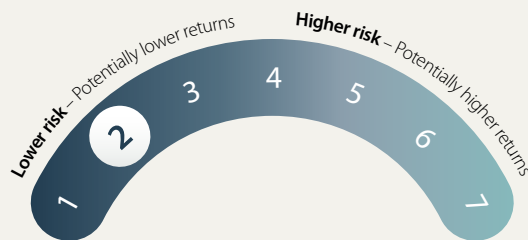
Target investment mix



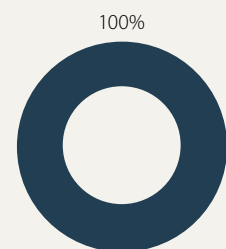
Cash Plus Fund

The SIL Cash Plus Fund invests mainly in cash and cash equivalents. Investments may include cash and cash equivalents issued by New Zealand-registered banks, the New Zealand Government, corporations or local authorities, or non-New Zealand governments.

Risk indicator



Target investment mix



- Cash and cash equivalents
- Fixed interest
- Australasian and international equities
- Other*

*Includes listed and unlisted infrastructure and unlisted property.

This risk indicator is not a guarantee of a fund's future performance. It is based on the returns data for the five years ended 30 June 2025. While risk indicators are usually relatively stable, they can shift from time to time. You can view the most recent risk indicator for each investment option in the latest fund updates, available at www.silfunds.co.nz.

The risk indicator is rated on a scale from 1 (low) to 7 (high), reflecting how much the value of the fund's assets tends to fluctuate. Generally, a higher risk rating indicates the potential for higher returns over time, but also more ups and downs along the way. To help clarify your own attitude to risk, you may seek financial advice or assess your risk profile at www.sorted.org.nz/tools/investor-profile.

Please note that even the lowest risk category does not imply a risk-free investment, and there may be other risks not captured by this rating.

Changing investment funds

The Scheme offers you five investment funds – Balanced Plus, New Zealand Fixed Interest, New Zealand Share, International Share and Cash Plus. You have the flexibility to choose a single fund or a combination of funds for your current account balance or future contributions. You can make changes to your investment fund(s) allocation at any time.

Are there any switch fees?

There are no fees for switching investments, and you can make unlimited switches. However, since retirement saving is a long-term undertaking, it's generally best to stay focused on your overall savings strategy rather than making frequent short-term changes based on market fluctuations.

Changing your investment

You can switch or change your investment funds at any time and redirect your ongoing contributions to a different fund if you wish. Switching funds is treated like a withdrawal, so your unit holdings may be adjusted to account for any tax liability.

You can submit an investment switch request:

- online by logging in to www.silfunds.co.nz and going to the 'Investments' section to complete your switch request, or
- by calling the Helpline on **0800 405 845**.

Before making any changes to your investment strategy, it is recommended that you speak with a suitably qualified financial adviser. You can contact your financial adviser or request a call back from one of Mercer's financial advisers by calling the Helpline on **0800 405 845**.

Keeping track of your investment

Stay informed about your investment by signing in to your account at www.silfunds.co.nz, where you can monitor your balance and review your investment details anytime.

3. Your contributions and fees

Making a contribution

You can make lump sum or regular contributions anytime using these methods:



Internet banking

Make your payment to:

For the SIL Personal Scheme:
01-0102- 0211888-00

For the SIL Employer Scheme:
01-1839-0004431-00

Please include your name and member number as the payment reference.



Direct debit

Set up regular contributions (fortnightly, monthly, quarterly or annually) by completing a Direct Debit form and sending it to Mercer. You can increase, reduce or pause your payments anytime by submitting a new form or calling **0800 405 845**.

If you invest in more than one fund, your contributions will be split according to the percentages from your most recent payment.

Fees and charges

Like most investment products, SIL charges fees for managing your investments.

Each fund has a total annual fund charge which consists of the manager's basic fee along with other management and administration charges. All fees are calculated daily as a percentage of the fund's net asset value.

Fees are deducted from your investment and reduce the unit price of the fund. You can view the actual fees charged during the most recent financial year for each fund in the latest fund updates, which are available at www.silfunds.co.nz/documents.html.

There are no fees for contributions, switching, exiting or withdrawals.



4. Withdrawal choices

Investments

Access to your funds is generally restricted until you reach retirement. (While retirement age is generally 60, this may vary depending on the section of the Scheme relevant to you.)

When you reach retirement, you have several options available to you as not everyone wants or needs to access all their savings at once.

Once you're eligible to withdraw, you can choose to:

- leave your investment in the Scheme until you need it (and decide whether or not to continue contributing),
- withdraw some of your investment (either as a lump sum or through regular withdrawals), or
- withdraw your investment in full and close your account (if you choose this option, you won't be able to open another account in the future).

New Zealanders are typically living longer, so it's important to ensure your savings will support you throughout your retirement. Before making any major financial decisions, we recommend speaking with a suitably qualified financial adviser to help you optimise your savings according to your needs.

It's also important to keep your money safe. Unfortunately, there is an increase in scammers targeting retirees' hard-earned money. The best way to protect your savings is to stay informed—learn more about keeping your money safe.

If you die while you're a Scheme member, your investment will be paid to those responsible for administering your will or managing your assets if you haven't made a will.

How to make a withdrawal

If you're eligible and would like to make a withdrawal, complete a Retirement Withdrawal form and send it to Mercer, along with certified identification.

Once we receive your application, we aim to process your withdrawal within 10 business days. It may take longer if there are public holidays or if we need to request additional information. You will receive a confirmation letter once your withdrawal request has been completed.

Early withdrawal options

If you're under the retirement age, you may be able to make a withdrawal for the following reasons:

Early withdrawal due to permanent incapacity

Permanent incapacity means a permanent physical or mental incapacity which the Trustee, after considering the advice of a registered medical practitioner, considers will result in you being unlikely to have a significant earning capacity in the future.

You'll need to provide evidence of your permanent incapacity to the Trustee, who will consider your previous employment and advice from a registered medical practitioner.

Once the Trustee is satisfied that you're eligible, your investment will be paid either as a lump sum or in several payments, as decided by the Trustee.

Early withdrawal due to permanent emigration

You can withdraw your investment early if you have permanently emigrated or are about to emigrate from New Zealand. You'll need to provide evidence to the Trustee and complete a statutory declaration confirming your permanent departure.

Early withdrawal due to significant financial hardship

You may apply for an early withdrawal if you are suffering significant financial hardship, such as being unable to meet essential living or medical costs.

For more information about early withdrawals or to request a form, call the Helpline on **0800 405 845**.

5. Other important information

Accessing financial advice

Before making financial or investment decisions, it is recommended that you contact a suitably qualified financial adviser.

If you already work with a financial adviser, feel free to reach out to them. Mercer's financial advice team can provide specific advice in relation to your savings in SIL and general information on other types of financial products. They can help with:

- choosing an investment fund that matches your short-, medium-, and long-term savings goals
- understanding and working through your contribution options
- selecting the right investment option and maximising your contributions
- a pre-retirement check-up to help you plan how to manage your SIL investment in retirement
- making withdrawals once you become eligible, including guidance on managing your SIL account and understanding your options
- KiwiSaver, offering general information on how to get the most out of your KiwiSaver savings

There is no individual charge to you for this service.

You can complete an online form to arrange a call back from Mercer's financial advice team or arrange a call back via the Helpline team by calling on **0800 405 845**.

Further detail on the service is available via Mercer's financial advice disclosure statement.

Your tax rate

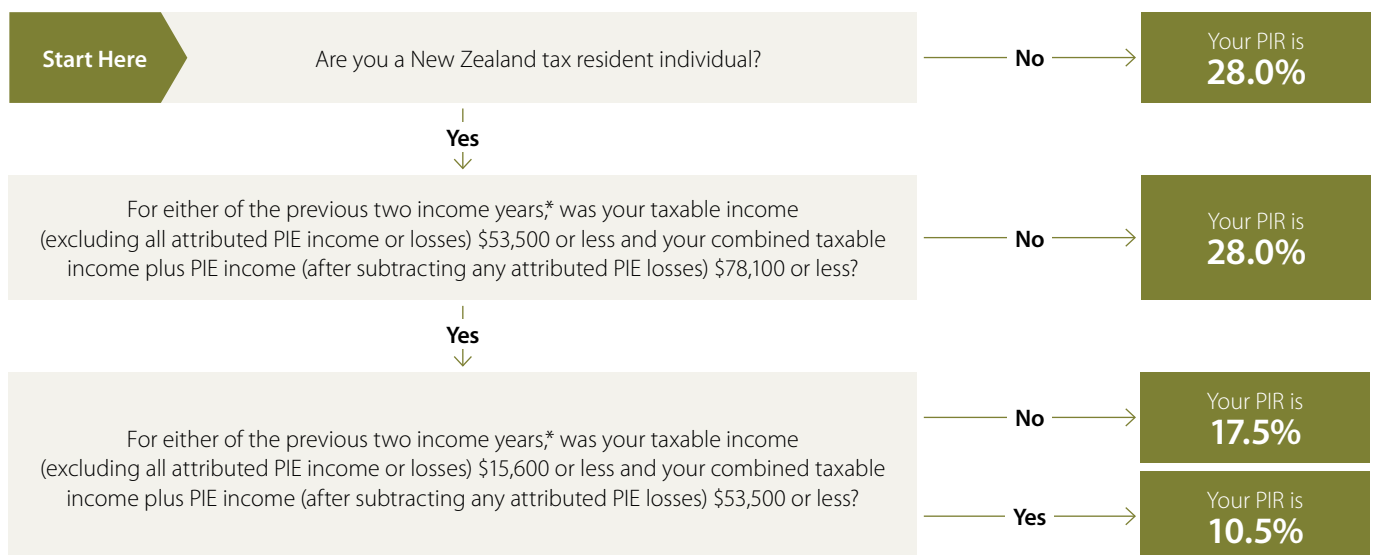
SIL operates as a Portfolio Investment Entity (PIE), which means the taxable income is allocated to members based on the number of units they hold. Your Prescribed Investor Rate (PIR) determines the amount of tax payable on your behalf.

Taxes on your investment are paid by cancelling units from your account equal to the value of the tax liability.

In some cases, SIL may receive tax refunds. When this occurs, units will be added to your account reflecting your share of the refund.

It is your responsibility to ensure your PIR is accurate. If your PIR is set too low, you may need to pay any tax shortfall during the income tax year-end process. If your PIR is set too high, any excess tax withheld will first reduce your income tax liability for the year, with any remaining amount refunded to you.

If you are not sure about your tax rate, you can work it out using a **PIR** calculator available at www.silfunds.co.nz. Alternatively, please refer to the PIR table below:



* 'previous two income years' refers to the two years prior to the tax year that the PIR is being applied to. An income year is generally the period from 1 April to 31 March of the following year. However, an income year can start and end on alternative dates if Inland Revenue consents. The tax year is always the period from 1 April to 31 March of the following year.

To update your PIR and also advise us of your IRD number (if we don't have it on record), you can do so online by logging in to your account at www.silfunds.co.nz and going to the 'Personal Details' page, or by calling the Helpline on **0800 405 845**.

Have your details changed?


You have an ongoing responsibility to ensure that the Trustee is kept informed of any changes to your personal details – in particular, any change of mailing address or to your email address. If your details have changed, please log in to your online account at www.silfunds.co.nz or contact the Helpline on **0800 405 845**.


Complaints

If you have any problems or complaints about the Scheme, please contact the Complaints Officer first using the contact details below:

Complaints Officer, SIL

Mercer (N.Z.) Limited
PO Box 2897
Wellington 6140

 **0800 405 845**

 **sil@mercerc.com**


If the Complaints Officer is unable to resolve your issue, you may then contact the Trustee using the contact details provided.

If you're still not satisfied, you can seek free independent assistance through the following dispute resolution scheme:

Insurance & Financial Services Ombudsman (IFSO) Scheme

 **info@ifso.nz**

 **www.ifso.nz** or use **www.ifso.nz/make-a-complaint** to make an online complaint

 **0800 888 202**

 PO Box 10-845, Wellington 6143

There are no fees charged by the Complaints Officer, the Trustee, or the dispute resolution scheme for investigating or resolving your complaint.

6. Contact us

Trustee and Manager

Superannuation Investments Limited

Registered office:


c/- Dunne Consulting Group Limited
15 Rangitira Avenue
Takapuna
Auckland 0622

PO Box 302 082
North Harbour
Auckland 0751

Attn: Secretary – Superannuation Investments Limited
Vicki Dunne

Investment Manager and Administration Manager

Mercer (N.Z.) Limited
PO Box 1849
Wellington 6140
New Zealand


 0800 405 845


 sil@mercerc.com


 www.silfunds.co.nz



For more information, please contact:

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