

# Individually Managed Account Service

Investor Guide



# Contents

---

Welcome	3
What are the benefits of investing through the IMA Service	4
How does the IMA Service work?	5
Your investment options	7
Fees	11
How to invest	12
Contact details for the IMA Service	14

---

# Welcome to the Fisher Funds Individually Managed Account Service

The Fisher Funds Individually Managed Account Service (the IMA Service) provides a comprehensive wealth management facility specifically designed to help investors who are serious about managing their investments. Whether you are looking to preserve your wealth, generate income or achieve capital growth you can feel confident that you are in the right place.

Each individually managed account (Account) aims to meet the personal wealth management requirements of an investor with substantial financial assets. The IMA Service enables your investments to be held and managed on your behalf within a single reporting platform, with portfolios that can be customised to your requirements.

## Fisher Funds – a specialist investment manager

The IMA Service is managed by Fisher Funds Management Limited (Fisher Funds), a specialist investment manager established in 1998.

We have the largest New Zealand based investment team with more than 300 years' combined investing experience. There aren't many investment conditions we haven't navigated our way through.

Today, Fisher Funds is one of New Zealand's largest fund managers, investing over \$23 billion\* on behalf of more than 500,000 New Zealanders.

## You're well looked after

A high level of personal attention is essential in the accumulation, preservation and protection of your wealth. The IMA Service brings together skilled expertise to assist you in achieving your investment goals. With a financial adviser to provide you with tailored financial advice, an independent custodian ensuring your investments are held securely, and ourselves providing fund management expertise, you can feel confident that you are on the right path.

We appreciate your interest in the IMA Service and look forward to helping you on your financial journey in the years ahead.



A handwritten signature in black ink, appearing to read 'Bruce McLachlan', written in a cursive style.

Bruce McLachlan | **Chief Executive**

\* As at the date this Investor Guide was printed.



## What are the benefits of investing through the IMA Service?

The IMA Service is a personal wealth management system designed to make investment easy and flexible. By investing through the IMA Service you will benefit from:

- **Simple and effective portfolio management** – a single platform from which to acquire, retain and sell all your investments.
- **A financial adviser** – only a financial adviser (Adviser) registered on the Financial Service Providers Register ([companiesoffice.govt.nz/fsp](http://companiesoffice.govt.nz/fsp)) is able to provide you with financial advice and use the IMA Service on your behalf.
- **Tailored financial advice** – together with your Adviser you can build a portfolio to match your investment needs and objectives.
- **A range of investment options** – Model and Custom Portfolios are available which provide comprehensive exposure across many asset classes.
- **Security** – your investments are held in trust for you by an independent custodian. FNZ Limited (FNZ) or a sub-custodian appointed by FNZ hold the assets invested in the IMA. FNZ has over \$20 billion in assets under custody in New Zealand. See page 6 for more information about the custodian.
- **Consolidated reporting** – regular consolidated transaction, valuation and performance reporting on your Account replaces multiple reports for individual investments.
- **One point of contact** – your Adviser can answer your questions, provide investment advice and take care of transactions on your behalf.

## How does the IMA Service work?

The IMA Service combines the expertise of a financial adviser with the experience of a recognised fund management company and the services of an independent custodian to provide a platform from which you can buy, retain and sell a range of investments.

### Financial advice

The set up and management of your Account requires professional investment advice from an Adviser to help you maximise the benefits available from the IMA Service.

At the outset of the investment advice process, your Adviser will provide you with their personal Disclosure Statement so that you can assess their credentials and the services they offer. After considering your personal financial situation and assessing your investment objectives and risk tolerance, your Adviser will provide you with their recommendations for your Account. It is important that you read and understand these documents before you invest.

Once you have agreed your investment strategy and have completed the Client Servicing and Monitoring Agreement (the Agreement), your Adviser will instruct us to set up your Account which includes a Cash Management Account. All deposits are initially credited to your Cash Management Account and are then used to purchase investments.

Investors using the IMA Service must appoint an Adviser approved by us as we act only on instructions issued by your Adviser, and we do not assess whether any investment decision is suitable for you.

### Cash Management Account

Your Cash Management Account will hold the cash portion of your Account and all financial transactions will be processed through it. These include cash deposits and withdrawals, dividend and interest payments, investment income and redemptions, sale proceeds and fees and expenses.

The Cash Management Account is also able to hold a selection of foreign currency accounts.

Interest earned on the balance of your Cash Management Account is calculated daily.

The Cash Management Account must retain a minimum cash balance that is sufficient to meet the fees chargeable to your Account (see page 11, Fees). Investments may be sold in order to create a minimum cash balance. If this is necessary we will contact your Adviser.

### Investments and withdrawals

You choose how much you invest through the IMA Service, subject to meeting the minimum requirements detailed on the following page. We can change the minimum requirements at any time.

Both regular and one off deposits can be made to your Cash Management Account. Regular deposits can be made weekly, fortnightly or monthly across your Account in the same proportions as any existing asset allocations.

You can withdraw part or all of your investments held through the IMA Service by contacting your Adviser who will issue instructions to us. We will pay the proceeds to your nominated bank account. Both regular and one off withdrawals can be made from your Cash Management Account subject to maintaining the

<b>Investing and withdrawal criteria</b>	
Minimum initial lump sum	\$50,000 (or a lesser amount at our discretion)
Minimum additional lump sum	There is currently no minimum
Minimum regular investment	There is currently no minimum
Transferring investments	Any approved existing investment can be transferred into your account free of charge
Switching between managed funds	There is currently no minimum
Minimum withdrawal	There is currently no minimum
Regular withdrawal	There is currently no minimum

minimum balance.

### Monitoring your investments

One of the core services that your Adviser will provide is the ongoing monitoring of your Account to ensure that it continues to meet your agreed investment goals and objectives. This service includes:

- meeting regularly with you on an agreed basis to review your investment portfolio and discuss any changes in your personal circumstances; and
- making and implementing agreed changes to your investment portfolio.

The cost for providing these services is included in the Monitoring Fee (see page 11, Fees).

### Reporting to you

One of the key benefits of investing through the IMA Service is that you are provided with consolidated reports of your investments. Your reports will include:

- a current valuation of your investments;
- performance reporting for both individual investments held and overall portfolio performance;
- a list of cash transactions for the period including income, fees and taxation; and
- an overall transaction history.

Consolidated reports are provided to you as agreed with your Adviser, and you will also receive a comprehensive tax report annually.

### Making changes to your Account

If at any time you wish to update your investment strategy, make additional investments or make deposits or withdrawals, you can do so easily by contacting your Adviser.

### Custody and administration

The investments purchased through, or transferred to your Account are held separately on your behalf by an independent custodian, FNZ in the name of FNZ Custodians Limited. FNZ can also appoint sub-custodians to hold your investments. Funds in your Cash Management Account are held in trust for you in the name of FNZ Custodians Limited.

FNZ will:

- hold securities on trust for safekeeping;
- undertake transaction settlements;
- collect dividends and interest payments;
- provide foreign exchange support (e.g. hold foreign exchange and trade in a limited range of currencies);
- implement cash and investment transactions, including if required, regular withdrawals to supplement your income;
- regularly value your investment portfolio;
- attribute to you any tax payable or receivable; and
- produce comprehensive reporting, including taxation.

Instructions to FNZ regarding your Account are given by your Adviser or us.



# Your investment options

There are a range of investment options available through the IMA Service including:

## Model Portfolios

The Model Portfolios available through the IMA Service are designed by us and aim to meet the needs, goals and objectives of investors within a prescribed range of risk profiles. Model Portfolios are rebalanced monthly by us to maintain target asset allocations. Investments made in a Model Portfolio through the IMA Service are held on your behalf by FNZ. Please read the Model Portfolios Service Disclosure Statement, and the relevant Investment Proposal(s) for a description each of the Model Portfolios.

---

### Fixed Interest Model Portfolio

#### Investment strategy

To invest in managed funds with exposure predominantly to New Zealand cash and cash equivalents and New Zealand and International fixed interest assets.

#### Investment objective

To provide stable returns over the long term by investing predominantly in fixed interest assets.

---

### Conservative Model Portfolio

#### Investment strategy

To invest in managed funds with exposure predominantly to New Zealand cash and cash equivalents and New Zealand and International fixed interest assets. The Conservative Model Portfolio will also have some investment in managed funds with exposure to Australasian and International equities and other assets.

#### Investment objective

To provide stable returns over the long term by investing mainly in income assets with a modest allocation to growth assets.

---

### Balanced Model Portfolio

#### Investment strategy

To invest in a relatively even split of managed funds with exposure to fixed interest assets such as New Zealand cash and cash equivalents and New Zealand and International fixed interest assets, and growth assets such as Australasian and International equities and other assets.

#### Investment objective

To provide a balance between stability of returns and growing your investment over the long term by investing in a mix of income and growth assets.

---

### Growth Model Portfolio

#### Investment strategy

To invest in managed funds with exposure predominantly to Australasian and International equities. The Growth Model Portfolio will also have some investment in managed funds with exposure to New Zealand cash and cash equivalents and New Zealand and International fixed interest assets, along with other assets.

#### Investment objective

To grow your investment over the long term by investing mainly in growth assets.

---

### Equity Model Portfolio

#### Investment strategy

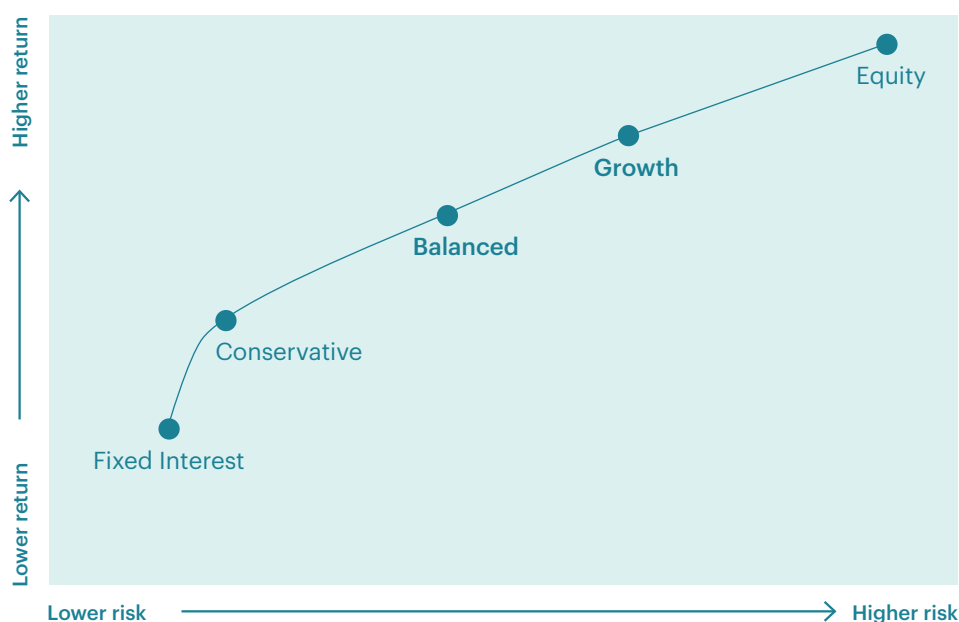
To invest in managed funds with exposure to predominantly Australasian and International equities.

#### Investment objective

To focus on growth of your investment over the long term by investing predominantly in shares.



## Risk versus return profile of the model portfolios



The funds that make up the Model Portfolios are selected from managed funds offered by Fisher Funds, to take advantage of cost efficiencies and diversification benefits. The Model Portfolios may also include directly held securities from time to time. All securities within the Model Portfolios are regularly monitored by our investment team to ensure they continue to meet the quality criteria set by us and retain their ongoing suitability.

The target portfolio allocations and investments held by the Model Portfolios, and the range of investments offered through the IMA Service may change from time to time and without notice to you. Your Adviser is able to provide you with a current list of assets in each portfolio on request.

FNZ transacts automatic rebalancing of the Model Portfolios at the instruction of Fisher Funds.

### A Custom Portfolio

Investors who want to tailor their Account can design a Custom Portfolio in consultation with their Adviser. You can select from a wide range of investments including:

- a comprehensive range of managed funds;
- term deposits;
- domestic and international bonds;
- NZX listed securities; and
- a wide selection of overseas listed securities.

Investments made for a Custom Portfolio through the IMA Service are held on your behalf by FNZ. Rebalancing a Custom Portfolio must be arranged with your Adviser.

Your Account can also include investments you have acquired yourself. These can be incorporated into your Custom Portfolio by either:

- transferring these assets to FNZ (at no cost) which will give your Adviser the ability to monitor all of your investments; or
- retaining these assets independently, which are then subject to consolidated reporting only.

Your Adviser can help you to determine whether any independent investments you hold are suitable for incorporation in your Account.

You may also choose to have a combination of Model and Custom Portfolios.

Your Adviser will also provide you with relevant product disclosure statements or disclosure documents for the investments available through the IMA Service. It is important that before you invest, you read these documents. Your Adviser is available to discuss any questions you may have.



# Fees

## Implementation fee

This fee is agreed between you and your Adviser for services provided in connection with establishing your Account. This fee is deducted from your Cash Management Account and may be either a percentage of your initial investment or a fixed dollar amount.

## Administration fee

An Administration Fee is charged by Fisher Funds for services provided to your Account. The amount of the Administration Fee will depend on the portfolio you invest in. Please see Part A of the IMA Agreement for the applicable rates. The Administration Fee also pays for the custodian's fees.

## Monitoring fee

Your Adviser may charge a Monitoring Fee for providing you with advice and services related to your Account. This fee is agreed between you and your Adviser and will depend on factors such as the size of your portfolio.

## Fee calculation

The Administration Fee and Monitoring Fee (together the Investment Fee for the purposes of online reporting) are calculated daily as a percentage of the total value of your investment portfolio (excluding your Cash Management Account balance and any independently held assets) and deducted monthly from your Cash Management Account. These fees are subject to change by written notification to you.

Certain fees may be tax deductible. You should seek independent taxation advice before investing and regularly thereafter, as tax law changes frequently.

## Managed funds fees

Certain fees may be attached to the managed funds made available through the IMA Service. Examples can include fees for entry, brokerage, management, exit, switching and Supervisor's fees. These fees are set by the products' suppliers, may vary according to product and supplier, and may include discounts or rebates. We currently fully rebate the underlying management fee charged in relation to the products that we manage in the Model Portfolios. You also have access to reduced investment management fees on some managed funds. Your Adviser can provide relevant product disclosure statements and/or other disclosure documents for detailed information on applicable investment product fees.

At the date of this Investor Guide there are no entry or exit fees charged on Fisher Funds managed funds made available to you through the IMA Service.

## Brokerage

A brokerage fee will be charged by Jarden Limited for facilitating share and certain fixed interest transactions.

The brokerage fee is payable on each transaction.

International transactions also incur charges. Please talk to your Adviser for more information.

## How to invest

### **Your Adviser will provide you with an IMA Service information pack which includes:**

- your Adviser's Disclosure Statement(s);
- a disclosure statement from the custodian which includes any fees they may charge;
- a statement of advice which includes your Adviser's investment recommendations;
- all relevant product disclosure documentation;
- an IMA Agreement, Parts A and B; and
- a direct debit form.

It is important that you read these documents, including the Terms and Conditions contained in the IMA Agreement to ensure that you understand the requirements and responsibilities placed on you.

### **To invest through the IMA Service you will need to provide to your Adviser:**

- a fully completed IMA Agreement;
- evidence of the transfer of funds from your bank showing that your initial deposit has been made; and
- the identity documents for each investor as detailed in the IMA Agreement.



## Contact details for the IMA Service

Your primary point of contact in relation to the IMA Service will be your Adviser.

Contact details for the other parties involved in the IMA Service are detailed below:

### IMA Service Manager:

Fisher Funds Management Limited  
Level 1  
Crown Centre  
67-73 Hurstmere Road  
Takapuna  
Auckland 0622  
New Zealand

Private Bag 93502  
Takapuna  
Auckland 0740

Phone: 0508 347 437  
Email: [enquiries@fisherfunds.co.nz](mailto:enquiries@fisherfunds.co.nz)  
Website: [fisherfunds.co.nz](http://fisherfunds.co.nz)

### Custodian:

FNZ Limited  
FNZ House  
Level 3  
29A Brandon Street  
Wellington 6011

0800 888 445  
[fnz.co.nz](http://fnz.co.nz)

### Disclaimer

Information contained in this Investor Guide is of a general nature only. It is not intended as financial advice and does not take into account your personal financial situation. Investors should not rely on the information contained in this document solely when making decisions to buy and sell investments, products or services.



Contact: Private Bag 93502,  
Takapuna, Auckland 0740  
0508 347 437  
[enquiries@fisherfunds.co.nz](mailto:enquiries@fisherfunds.co.nz)

FTIMA08 - 09/23