

Investment Services



FORSYTH BARR

New Zealanders have put their trust in Forsyth Barr for personalised investment advice and service for over 80 years. Whether you are an experienced investor or just starting out, your Forsyth Barr Investment Adviser can help you to achieve the best mix of investments for your lifestyle today ... and tomorrow.

We are committed to providing a full range of investment services to meet the varied needs and expectations of clients through the different stages of their lives. Providing quality research from our highly regarded research team and international affiliates is central to the provision of our advice.

Our values

Forsyth Barr's reputation is founded on integrity, the highest standards of service and research-driven investment advice.

Our values underpin all aspects of our business:

- We put our clients' best interests first
- We are committed to providing clients with informed advice based on market-leading research and market insights
- We are motivated to deliver service and performance to clients that builds long-term and trusted relationships
- We provide a full range of investment services to meet the unique requirements and expectations of clients
- We are committed to the New Zealand marketplace
- Through partnerships with leading international institutions, we ensure we have global connections and research

Our investment approach

We will connect you to the world of investment in a way that suits your needs and in accordance with agreed expectations. If you wish, the service we provide can be personalised and based on a clear understanding of your requirements and the level of investment risk that you are comfortable with.

To help you achieve your investment goals, your Investment Adviser will utilise our proprietary research and market intelligence from global affiliates. Specialist advice, prudent investment management, consistently high standards of personal service and our comprehensive range of services work in unison to help you with your investment objectives.

Advice you can trust

Forsyth Barr Investment Advisers are experienced investment professionals. Actively working in the markets on behalf of clients, they bring a broad understanding of the many facets of investment to every transaction, along with a real ability to make a difference for you. Your Investment Adviser will help you determine your investment priorities and objectives, and implement them as your ongoing investment strategy evolves.

Forsyth Barr has professional and qualified Investment Advisers who are both accredited by NZX and authorised by the FMA as Authorised Financial Advisers (AFAs). Such credentials provide you with the confidence that you are dealing with a partner who is competent, capable, ethical and one who maintains up-to-date professional standards.

Disclosure Statements for Forsyth Barr Investment Advisers are available on request and free of charge.

Our credentials

With a history spanning over 80 years, Forsyth Barr is a highly respected name in the New Zealand financial services industry. We are proudly 100% New Zealand owned, with offices throughout the country.

Forsyth Barr Limited is a Foundation Firm and accredited Market Participant of NZX Limited (NZX). We are bound by the rules, regulations and high standards associated with the industry.

Forsyth Barr Limited has been granted Qualifying Financial Entity (QFE) status by the Financial Markets Authority (FMA). As a QFE, Forsyth Barr is responsible for the conduct of its financial advisers in providing financial adviser services and encouraging their professionalism and integrity.

The quality of the advice we offer our clients is the direct result of the quality of research and insight our team delivers. Through our own award-winning research teams, and access to international networks and data sources, the advice we deliver is always informed by the most current knowledge and market insight from around the world.

Research you can count on

Forsyth Barr has one of New Zealand's leading research teams producing equity, fixed interest and investment strategy research exclusively for clients. We regularly publish reports on over 65 NZX listed companies and analyse global trends and opportunities. We also publish reports on listed and unlisted fixed interest issues. In addition to company, sector and strategy reports, we also produce daily and weekly market summaries and economic updates. These are designed to keep you informed of key events and market movements.

Research can be accessed by clients through the Forsyth Barr website or by contacting an Investment Adviser.

Local focus, global view

In addition to our on the ground Asian business we maintain a network of international affiliates to provide high quality coverage on companies and markets globally. Our investment and strategy analysts screen other information sources on international markets and economies, and convert these into advice and recommendations for the New Zealand investor. This research and analysis is available to clients of Forsyth Barr.

We have a range of services depending on whether you are seeking to transact, receive investment advice or investment management services. We have four levels of service:

Investment Transaction Service

Buying and selling investments at your instruction, with access to research.

For more information on this, please refer to our sharebroking and fixed interest pages on page 8.

Investment Advisory Service

Personalised advice, limited to consideration of your selected investment profile, regarding your investments and financial products, with access to research on markets, securities and financial products.

More information on this offering is on page 9.

Premium Advisory Service

Personalised advice, with ongoing monitoring of your investments, a comprehensive administration service, regular reporting to you and access to research on markets, securities and financial products.

The Premium Advisory Service is outlined on page 10.

Private Portfolio Management

Management and administration of your investments on your behalf, based on an investment authority granted by you, accompanied by regular reporting to you.

We provide further information on our **Private Portfolio Management** offering on page 12.

Ancillary to our core services are our **Cash Management** and **Foreign Exchange** facilities and these are covered on page 17.

In addition we also offer investments for people who are seeking to save through **KiwiSaver** and **Managed Funds**. These are covered on pages 14 to 16.

Finally we outline for you our **margin lending offering** on page 18.

Sharebroking

Forsyth Barr is a leading NZX Market Participant firm. We link directly into NZX and our arrangements with other brokers around the globe provide access to international stock markets.

Our sharebroking services provide you with:

- **Quality research.** Clients benefit from exclusive access to our investment research. We produce many daily and weekly commentaries and provide extensive coverage of New Zealand, Australian and international stocks.
- **Global affiliations.** We maintain a network of affiliations with some of the world's leading sharebroking firms ensuring access to global market intelligence. Being independent of these firms, we are not bound by or restricted to using only the product of a dominant global owner.
- **Online monitoring.** Register on the Forsyth Barr website to access research exclusively from our extensive research library. You can also keep track of your investments by creating watch-lists as well as monitoring financial news and market movements.
- **Access new issues.** Clients are able to access investments in new issues of equity and debt securities.

Fixed Interest

Forsyth Barr is a market leader in the provision of fixed interest issues and transactions. We provide direct access to a comprehensive range of fixed interest investments including Government and local authority stock, corporate bonds, debentures and term deposits.

Buying and selling fixed interest securities is easy. Forsyth Barr is connected into fixed interest markets providing you with access to both listed and unlisted fixed interest securities. Our fixed interest service is backed by extensive in-house research.

Fixed interest is the foundation of many portfolios. Forsyth Barr can advise on or manage your fixed interest investments or can help develop a fixed interest portfolio. Clients enjoy access to a range of new issues of fixed interest securities.

We undertake extensive analysis of securities and fixed interest markets producing fixed interest research, recommendations and model portfolios for clients.

Forsyth Barr achieved a number one market share position for all secondary market trading in listed fixed interest securities traded on NZX's debt market (NZDX) over the last five years to 31 December 2016*.

Fixed interest research reports and a fixed interest weekly are available exclusively for clients. Daily commentaries and rate sheets are also available.

*Source: IRESS

Investment Advisory Service

Forsyth Barr's Investment Advisory Service provides you with access to personalised advice from your Investment Adviser which is limited to consideration of your selected investment profile.

Advice is available when required to support your investment decisions, with access to the latest research on markets and securities.

The Investment Advisory Service provides you with:

- Access to an Investment Adviser as required to transact or place orders
- Access to the latest investment research (conditions may apply)
- Advice, opinions or recommendations in relation to transacting in markets and securities
- Financial advice which is personalised, but limited to consideration of your selected investment profile
- Access to simplified payment, administration and cash management services
- Access to safe-custody services if required
- Expertise when you need it

It is up to you whether you act on our investment advice and recommendations. As the ultimate decision-maker, you retain control over your investments, supported by our investment advice and research.

Please read our Scope of Service document for a full description of the Investment Advisory Service.

Portfolio services

Forsyth Barr is a market leader in the provision of both portfolio advisory and portfolio management services. These services utilise our capabilities and expertise to provide you with a customised portfolio.

Whether you are saving or in retirement or seeking provision of income or capital growth, we can help plan your portfolio of investments to meet your objectives.

These are comprehensive portfolio services, including taking care of all the administration, record-keeping and safe custody requirements for your investments, and issuing reports to you on a quarterly or as required basis.

Premium Advisory Service

Forsyth Barr's Premium Advisory Service brings together all areas of our expertise, advice, administration and reporting. You make the investment decisions supported by our latest research and personalised advice.

We take care of the day-to-day administration of your portfolio and provide the advice you need to make confident investment decisions. Your Investment Adviser is on call to transact and place orders, while you retain full control of how your money is invested.

The Premium Advisory Service provides you with:

- Your own Investment Adviser who can make transactions and place orders for you
- Access to the latest market and investment research
- Advice and recommendations from our team of investment experts
- Personalised service tailored to your financial situation, goals and risk tolerance
- Quarterly reporting and reviews of your portfolio
- Year-end tax reporting
- A complete portfolio administration service, including safe-custody of your investments
- Time to effectively focus on investment decisions, not administration

This service is designed for investors who want quality advice and portfolio administration while making their own investment decisions. You retain full control - we advise, you decide.

Private Portfolio Management



Forsyth Barr's Private Portfolio Management is our comprehensive investment management service for clients. You determine the investment parameters without being involved in the day-to-day management of your investments.

Together, you and your Investment Adviser agree on and document a personalised investment strategy. You then authorise us to manage your account within those parameters and we take care of all the administration of your portfolio.

Private Portfolio Management provides you with:

- Your own Investment Adviser who is the manager of your portfolio
- A personal customised investment strategy able to be reviewed at any time
- Professional management of your portfolio backed up by advice and recommendations from our team of investment experts
- A comprehensive portfolio administration service including safe custody of your investments
- Quarterly reporting and reviews of your portfolio to ensure you are informed at all times
- Cash flow management for regular drawings or one-off lump sums
- Year end tax reporting
- Private Portfolio Management provides you with confidence that the day-to-day management of your investments is being undertaken in line with your objectives and the instructions you have provided. You retain overall control of your investments through the ability to remove or modify the investment authority granted to us.

More information about Private Portfolio Management is available in our Service Disclosure Statement, a copy of which can be obtained from your Investment Adviser or at www.forsythbarr.co.nz/sds

The Summer KiwiSaver scheme

It's your money. Take charge of your future.

Your money is different to everybody else's money. What you plan to do with it is personal. With Summer you can choose to let us make the decisions for you, and keep you informed through communications. But if you like to be a bit more hands on, you can take charge by asset allocating your KiwiSaver savings across cash, fixed interest and shares - both domestic and global.

The Summer KiwiSaver scheme has made it easy to view your account and make a change, anywhere, anytime. From checking your balance to switching, with Summer's online access you can:

- Watch the progress of your money and make changes to your investments
- Update your personal details when they change
- Keep any retirement goals in sight - simply set a goal by using our retirement calculator, which allows you to combine other investments with your KiwiSaver and plan out your retirement lifestyle
- Keep up to date with what's happening in the markets by reading Martin Hawes' latest article or watching one of his video updates

The Summer KiwiSaver scheme is managed by Forsyth Barr Investment Management Ltd. You can obtain the Scheme's product disclosure statement and further information about the Scheme at www.summer.co.nz, from one of our offices, or by calling us on 0800 11 55 66. Forsyth Barr Investment Management Ltd is a licenced manager of registered schemes and part of the Forsyth Barr group of companies. A disclosure statement is available from Martin Hawes on request and free of charge.

Experienced Authorised Financial Adviser, author of over twenty books and financial commentator Martin Hawes is part of the Summer KiwiSaver scheme.

As Chair of the Summer Investment Committee, he and the Investment Managers will provide information and guidance to help members make sense of what is happening in the markets and what you might need to be thinking about.

“For many New Zealanders KiwiSaver will be their most significant financial asset outside the family home. That’s why it’s critical to get involved with your KiwiSaver investment now and take charge of it to create the future you want,” Martin Hawes



Investment Funds

The Forsyth Barr Investment Funds provide professional management of your funds. Whether you are just starting to save, or you are an experienced investor, these Funds provide you with diversification, flexibility and choice across different investment sectors.

Forsyth Barr Investment Funds provide the following:

- Portfolios of selected equities, listed property, fixed interest and other securities
- Research-driven investment decisions
- Active management by a professional fund manager
- PIE compliant funds can provide tax advantages to investors relative to direct investing
- Options for you to invest lump sums or make regular contributions
- Quick and convenient access to your investment if your circumstances change
- The ability to set up regular withdrawals for those wanting cashflow

Investment style

We invest in selected securities rather than replicating a stock index; we are active investment managers. It's a style of investing that we consider most people favour. We believe funds that are overly rigid or constrained in the way they invest do not serve investors well.

Our emphasis on active investment selection is underpinned by an investment philosophy that demands a well-researched and disciplined approach, clearly defined investment objectives and a robust fund structure.

Benefits of Portfolio Investment Entity (PIE) regime

Being PIE regime compliant funds, any capital gains made on investments in most New Zealand shares and most Australian listed shares will not be taxable to the Fund (or you), irrespective of the level of trading undertaken.

In addition, investors choose the tax rate applicable to their circumstances, but with the maximum tax rate paid on income received by the Funds set at 28%. Where tax is deducted at the correct rate, no other tax is payable by individual investors on PIE income. This can present significant tax advantages to investors on higher marginal tax rates.

We provide investors with access to six investment Funds:

- Forsyth Barr New Zealand Equities Fund
- Forsyth Barr Australian Equities Fund
- Forsyth Barr Global Equities Fund
- Forsyth Barr NZ Fixed Interest Fund
- Forsyth Barr Premium Yield Fund
- Forsyth Barr Listed Property Fund

The Forsyth Barr Investment Funds are managed by Forsyth Barr Investment Management Ltd. You can obtain the Fund's product disclosure statement and further information about the Funds at www.forsythbarr.co.nz/investmentfunds, from one of our offices, or by calling us on 0800 367 227. Forsyth Barr Investment Management Ltd is a licenced manager of registered schemes and part of the Forsyth Barr group of companies.

Cash Management

Placing your money at call through the Forsyth Barr Cash Management service enables you to earn interest on your money while you save or plan your future investments. Forsyth Barr Cash Management is a flexible service that enables you to access your money easily to take advantage of investment opportunities.

Forsyth Barr Cash Management at a glance:

- Available for New Zealand dollars and certain foreign currencies
- Interest is calculated daily and compounds monthly
- No entry, exit, transaction or monthly account fees
- A convenient means to settle equity or fixed interest transactions you make with Forsyth Barr
- Cash flow management with options around lump sum or regular deposits and withdrawals
- Quarterly statements to ensure you are able to keep track of your account

Funds in Forsyth Barr Cash Management are held by Forsyth Barr Cash Management Nominees Limited as bare trustee on your behalf, and are pooled with other funds held in the service and invested on call with a registered bank. We receive a management fee from Forsyth Barr Cash Management Nominees Limited for administering the Forsyth Barr Cash Management service. The terms of the Forsyth Barr Cash Management service are available at www.forsythbarr.co.nz/terms-and-conditions or from your Investment Adviser.

Foreign Exchange

Our foreign currency service enables transactions in all major currencies. We can arrange for New Zealand dollars to be converted into an extensive range of international currencies, or vice versa.

Leveraged Equities

Leveraged Equities Finance Limited is a specialist margin lending operation that provides finance based on your investment portfolio as security. This flexible credit facility enables you to take advantage of any investment opportunities that may arise. Examples include new issues, rights issues or increasing your exposure to an existing security. You may also wish to utilise the funds for other personal or business purposes.

- Facilities are available in New Zealand and Australian dollars
- Floating and fixed rate loans are available (across three, six and twelve month periods)
- A wide range of New Zealand and Australian securities may be lodged as security, allowing borrowings of up to 80% against the market value of those securities
- Portfolios are updated daily, with statements available online
- Interest paid on borrowed funds may be tax deductible, depending on your individual circumstances
- Online access to your account

Short Selling

Short selling involves selling securities you do not own, which you aim to repurchase later at a lower price.

Most New Zealand and many Australian listed securities can be borrowed to facilitate short selling - subject to availability at the time of the request.

LE Shorts is a service that you can add to your LEFL account to enable short selling. It enables you to borrow certain securities from LEFL that you do not currently own and sell them on either the New Zealand or Australian Stock Exchange.

- You must then repurchase the securities at a later date, with the aim of benefitting from a fall in the price of the securities borrowed. Your return is the difference between the sale price and purchase price after deducting costs and any tax liability on trading profits. However, if the price of the borrowed security rises, then you will incur a loss.
- Each loan of securities has a collateral requirement based on the securities borrowed less the sales proceeds from the short sale. The sales proceeds from the short sale are retained by LEFL on your account for the duration of the loan of securities and are not available to be paid out to you until the position has been closed out.

For more information on and full Disclosure Documents for Leveraged Equities Finance Limited, please speak to your Investment Adviser or Leveraged Equities directly on 0800 627 446, or visit www.leveragedequities.co.nz.

Forsyth Barr in the community

As a New Zealand owned firm, Forsyth Barr has always sought to provide meaningful and relevant support back into New Zealand communities. We are involved in a wide range of community events and partnerships. From the sports to arts, we are proud to be actively involved in our local communities and contributing back to the people who live and work there.

Our major partnership is with Forsyth Barr Stadium. Overlooking Otago harbour, this fully roofed facility has the capacity for over 30,000 avid fans. A world-class conference centre, Forsyth Barr Stadium hosts educational, sporting, business, entertainment and cultural events.



Our future is about your future. A long and proud history stands behind us. Our commitment is to continue to dedicate ourselves to providing quality investment advice and the highest levels of service for all clients. This commitment and our full range of investment services will help you to take care of tomorrow whilst making the most of today. Talk to your Investment Adviser about our investment services and how we can help you.

Contact us

0800 367 227
forsythbarr.co.nz

Whangarei
52 Robert Street
+64 9 986 5180

North Shore
Level 2, 2 Sanders Avenue
+64 9 368 0150

Auckland
Level 23, Lumley Centre
88 Shortland Street
+64 9 368 0000

Tauranga
40 Selwyn Street
+64 7 578 2737

Hamilton
Ground Floor, Novotel Building
354 Victoria Street
+64 7 838 9389

Cambridge
66 Queen Street
+64 7 823 0800

New Plymouth
135 Powderham Street
+64 6 757 6000

Napier
42 Tennyson Street
+64 6 835 3111

Hastings
211 Karamu Road North
+64 6 974 5550

Palmerston North
Level 2, The Bryants Building
85-88 The Square
+64 6 356 9223

Kapiti
129 Rimu Road,
Paraparaumu
0800 367 227

Lower Hutt
Queensgate Tower,
45 Knights Road
+64 4 566 6816

Wellington
Level 21, 157 Lambton Quay
+64 4 499 7464

Nelson
1st Floor, 55 Collingwood Street
+64 3 546 0050

Christchurch
Level 2, Deloitte House
151 Cambridge Terrace
+64 3 365 4244

Ashburton
230 Havelock Street
+64 3 307 9540

Timaru
82 Sophia Street
+64 3 684 8200

Dunedin
Level 9, Forsyth Barr House
The Octagon
+64 3 477 7464

Invercargill
98 Yarrow Street
+64 3 218 8807

Queenstown
Level 4, 57 Shotover Street
+64 3 450 2650

