

Explaining CareSaver's fees

You will be charged fees for investing in the CareSaver KiwiSaver Scheme. Fees are deducted from your investment and will reduce your returns. Below is a table from the Product Disclosure Statement showing total fees for CareSaver's funds. Our management fee and external costs are calculated as a percentage of the net asset value of each Fund.

Under the table we explain each component:

CareSaver Fund	Our annual management fee	Annual external costs (estimated)	Total annual Fund charges ¹ (estimated)	Other charges
CareSaver Growth Fund	1.25%	0.01%	1.26%	\$27 per member each year
CareSaver Balanced Fund	1.10%	0.02%	1.12%	
CareSaver Conservative Fund	0.80%	0.03%	0.83%	

¹ Actual fund charges will depend on the expenses incurred by the Fund and will vary from the estimate. Actual fund charges are available in the latest fund updates.

Our annual management fee: This is paid to us for the investment management and operation of the Fund. This covers costs of Pathfinder, the Supervisor, Custodian and the Administration Manager.

Annual external costs: This is an estimate of charges we may incur for investing in other funds. These are likely to be external costs payable for investment products that are not issued by us.

Other charges: This is an administration and registry fee and is charged to your account each month. We do not charge this on balances of less than \$1,000.

GST: All fees are exclusive of GST.

Detailed methodology:

Pathfinder (as Manager of CareSaver) uses MMC Limited as our Administration Manager. MMC have adopted the **cents per unit amount** for the calculation of fees.

The **cents per unit amount** is the total of the amounts calculated using the formula below for:

- a) each valuation period in the accounting period; and

- b) each fund in the managed investment scheme for which the member is a scheme participant during the accounting period

$$i \times (j \div k)$$

where, for the valuation period —

i is the number of units attributable to the member in respect of the fund;

j is fund charges; and

k is the total number of units in that fund.

If you have any questions in relation to our fees, please feel welcome to contact us.

10 December 2019