



<Date>

PRIVATE & CONFIDENTIAL

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We're happy to help

Call us:
0800 081 081

Email us:
investments@amp.co.nz

Write to us:
**AMP Wealth Management
New Zealand Limited**
Freepost 170
PO Box 55 Shortland St
Auckland 1140

Member number:
<<number>>

Future Lifestyle Plan (FLP) – change of Manager

Kia ora <first name>,

You are invested in the **Future Lifestyle Plan (FLP)** which is currently managed by AMP Wealth Management New Zealand Limited (AMP).

After careful consideration, AMP has decided to retire as FLP's manager and appoint Lifetime Asset Management Limited (Lifetime) as FLP's new manager. The change of manager has been approved by The New Zealand Guardian Trust Company Limited, who is FLP's Supervisor, and is to be completed on or around **29 September 2023**. On that date, Lifetime will take on all the rights, duties and obligations in relation to FLP that AMP currently has as manager ("transition").

AMP and Lifetime will work closely to ensure a seamless transition for you.

We believe the change will offer you the following benefits:

- Lower management fees; and
- Online access to a digital platform for monitoring your investments from end of 2023.

The full benefit of the lower fees, after the cost of selling and buying the underlying investments ("transaction costs") has been deducted, will be seen within 12 months after the transition depending on which fund you are invested in.

Please refer to the attached Frequently Asked Questions (FAQ's) for more information on what will happen to your fees, direct debits, pension payments (regular withdrawals), transaction costs and how these apply to you and details of the funds after the transition.

Who is Lifetime?

Lifetime is a specialist New Zealand owned fund manager focusing on the retirement sector. It is an experienced superannuation manager, that specialises in managing investment for customers approaching retirement and then actively supporting the transition from saving for retirement to spending in retirement.

What changes will you see?

- The current FLP rules will remain unchanged.
- There will be no immediate change for now and there is nothing you need to do unless you have a direct debit or pension payment (regular withdrawal) around the transition date. Please refer to the attached Frequently Asked Questions (FAQ's) for more information on what will happen to your direct debit or pension payment.
- Lifetime will adopt a multi-manager model in respect of the FLP funds (excluding the FLP Cash Fund) and will select a range of new underlying fund managers to replace FLP's current underlying fund managers. If you are invested in the diversified funds within FLP, Lifetime has closely aligned the growth and income splits within its strategic asset allocations (within $\pm 5\%$) with AMP's current allocations. If you are invested in the FLP Cash Fund, the benchmark used in the Lifetime fund is not materially different from the current benchmark.

Please refer to the attached FAQ's for more information on the fund changes. You can also refer to the FLP Statement of Policy and Objectives (SIPO) for more details. Visit www.amp.co.nz/forms.

Lifetime Asset Management will be in touch with further updates after completion of the transition.

A little help

You can find further information about the change in manager and the transition in the attached FAQ's. If you have any further questions, please talk to your Adviser, email us at investments@amp.co.nz or give us a call on **0800 081 081**.

Ngā mihi

Aaron Klee

General Manager - Investment Management & Services

Important information

This information is of a general nature and does not constitute financial advice or other professional advice. Before taking any action, you should always seek financial advice or other professional advice relevant to your personal circumstances.

AMP Wealth Management New Zealand Limited is currently the issuer and manager of the Future Lifestyle Plan (FLP). For a copy of the FLP Statement of Investment Policy and Objectives (SIPO), please visit amp.co.nz/amp/forms or contact Client Services on 0800 081 081.

This letter was sent by: AMP Services (NZ) Limited, PO Box 55, Shortland Street, Auckland 1140, NZ. © 2023

Frequently Asked Questions (FAQ's) - Change of Future Lifestyle Plan (FLP) Manager

1. Why is AMP retiring as the manager of FLP?

AMP Wealth Management New Zealand (AMP or We) is the manager of the FLP. AMP has decided to retire as the manager and has entered into an agreement with Lifetime Asset Management Ltd (Lifetime) where Lifetime will take over the management of FLP, as it believes that Lifetime can serve the customers of FLP more effectively going forward. The agreement requires that AMP retires as manager of FLP and AMP exercises its power under the FLP Trust Deed to appoint Lifetime as a new manager of FLP. In exercising these powers, AMP has a duty to act in the best interests of customers.

2. Will my investments continue to be held securely?

The AMP Board has a direct responsibility, as overseen by The New Zealand Guardian Trust Company Limited (NZGT), as Supervisor, to make decisions in the best interests of our customers, and NZGT, as Supervisor of the FLP, is responsible for supervising the performance by the manager of its functions on behalf of the FLP customers. Lifetime is also a licensed managed investment scheme (MIS) Manager and subject to the same duties as AMP. NZGT has been fully engaged during this process and has approved the change of manager. NZGT will continue to ensure that investments are held in a secure manner on behalf of FLP customers following the change of manager.

3. Do I have to do anything?

No. AMP and Lifetime will manage this transition and communicate to you once the process is complete. The current FLP rules will remain unchanged. If you have a direct debit or regular withdrawals, please refer to section 4.

4. What happens if I have a direct debit or pension payment (regular withdrawals) that is due during the transition?

All contributions and regular withdrawals will be suspended from **26 September 2023** and will resume on **6 October 2023**. Following transition, Lifetime will process any direct debits or regular withdrawals that were due to be processed during the transition period. Otherwise, you do not have to do anything.

5. What happens if I have an automatic payment that is due to be paid to AMP during the transition period?

All contributions will be suspended from **26 September 2023** and will resume on **6 October 2023**. Following transition, Lifetime will process any contributions or withdrawals that were due to be processed during the transition period. If you have any questions, please contact us on **0800 081 081** or investments@amp.co.nz.

6. What will happen to my QROPS money? What are my options?

Lifetime will continue to manage all QROPS requirements (including HMRC reporting).

Should you decide that you wish to continue to have AMP manage your QROPS money, please contact your Adviser as AMP will need to receive a transfer request form from you before **20 September 2023** and it will need to be approved by **26 September 2023** for AMP to be able to action your request. If you are a QROPS member and under your agreed retirement age, and you would like to remain with AMP, your transfer can be only to AMP's New Zealand Retirement Trust and the current QROPS rules will apply to your investment. The FLP Scheme Transfer to another superannuation request form can be found at www.amp.co.nz/forms or from your Adviser. You will need to have an open NZRT QROPS account prior to **20 September 2023**.

7. What happens to my six-monthly statements for period ending 30 September 2023?

AMP will send you the six-monthly statements for the period ending **30 September 2023** by **18 October 2023**. Going forward, the six-monthly statements will be sent by Lifetime.

8. Will I be able to receive correspondence regarding my investment via email going forward if there's online access?

Yes, if you provide Lifetime with your email address, Lifetime will be able to correspond with you via email.

As part of Lifetime taking over as manager of the FLP, the operating system used to support member servicing is being upgraded to a modern IT system managed by Link Group Market Services (Link). Link is a leading global administrator of financial data within the superannuation industry.

It is intended that customers will be able to access their current account data and investment performance via an internet portal available 24/7 from end of 2023.

9. What do you mean by transaction costs?

Transaction costs occur when a fund manager buys or sells assets within the fund. These are not fees paid to the manager, but represents your share of the market costs (e.g. brokerage, stamp duty, taxes etc.) to trade the assets within the fund you're invested in. Your FLP funds are invested in the same underlying wholesale funds as other investors in other AMP retail schemes and, to ensure other investors are not disadvantaged through this trading, the transaction costs are applied only to the particular trades affecting FLP customers.

When the sale of the FLP assets is completed (withdrawal from the AMP wholesale funds), the transaction costs for selling the underlying investments will be reflected in the last unit price that AMP calculates for each of the FLP funds.

When Lifetime completes the purchase, the transaction costs associated with buying the new investments will be reflected in the unit price Lifetime calculates for each of the FLP funds.

There are no transaction costs if you are in the FLP Cash Fund.

For more details on how the transaction cost is estimated to apply for each of the FLP funds, please refer to the table below that shows the estimated transaction costs for each fund. Transaction costs vary according to what fund you're invested in because when a fund buys and sells assets in different markets, the trading costs and tax treatments across different countries do vary.

FLP Fund	Estimated transaction cost for sale of assets by AMP	Estimated transaction cost for purchase of assets by Lifetime	Estimated total transaction cost
FLP Conservative Fund	0.04%	0.07%	0.11%
FLP Balanced Fund	0.04%	0.08%	0.12%
FLP Dynamic Growth Fund	0.04%	0.08%	0.12%
FLP Cash Fund	0.00%	0.00%	0.00%

The percentages shown in the table above reflect the estimated cost of transactions and are a percentage of funds under management, e.g. \$10,000 invested in the FLP Dynamic Growth Fund with a total estimated transaction cost of 0.12% equates to an estimated transaction cost of \$12.00.

We believe customers will benefit from the overall reduction in fees as a result of the change of manager from AMP to Lifetime. The cost of transition will be offset by the reduced fees payable by customers going forward, given that customers are expected to save an estimated average of 0.15% in fees within 12 months as a result of fee reductions. Therefore, we believe that the transaction costs should be borne by customers because customers are receiving the overall benefit of the change in manager with lower overall fees in the first year.

10. What happens during the transition?

The FLP funds will commence divesting their underlying investments in the AMP wholesale funds from **29 September 2023**. This will mean exposure to the New Zealand, Australian and International markets will continue up to the close of market on 29 September. On 3 October AMP will calculate the final unit price for 29 September, allowing for the transaction costs.

Lifetime will begin to reinvest the FLP funds and calculate their first unit price on 3 or 4 October with completion by 6 October at the latest. This means that your savings may be out of investment markets for a period of 5-6 business days, until Lifetime completes its reinvestments into the new underlying funds. A period of being out of the market is unavoidable to transition the FLP funds but it is important that you understand that your investments will not be exposed to market movements during this transition.

In the week prior to transition

- From 26 September 2023, AMP will cease to process FLP contributions and withdrawals. These transactions will be processed when the change of manager of the FLP is completed.
- From on or about 29 September 2023, AMP will sell the underlying investments held by the FLP funds, and, after the change of manager of the FLP takes effect, transfer the proceeds from the sale of investments to Lifetime as the new manager of the FLP for reinvestment. There will be no other impacts through this period.

After transition, on or around 29 September 2023

- Lifetime will be the manager of the FLP.
- Your balance in the FLP will be invested into new underlying funds with new underlying fund manager(s), and the FLP fund(s) in which you are currently invested will change its name. Please refer to the table below in point 11 for details of the changes to the funds.
- Those contributions received and regular withdrawals which were due after **26 September 2023** will start to be processed by Lifetime from **6 October 2023**. Future contributions that are made by direct debit will continue to be automatically deducted from your existing nominated account. All transactions will now automatically reference the name Adminis Custodial Nominees Limited.
- Future correspondence will be sent to you by Lifetime as the manager of FLP. No changes from you are required.
- Lifetime Asset Management will be in touch with further updates after completion of the change of manager.

11. How will my funds change after the change in manager?

The current and new names for all of the FLP funds as well as the new underlying investment manager(s) are shown below:

Current FLP fund name	Post-transition FLP fund name	Post-transition underlying investment manager(s)
FLP Conservative Fund [^]	Lifetime Conservative Fund	Fisher Funds
FLP Balanced Fund [^]	Lifetime Balanced Fund	Kernel
FLP Dynamic Growth Fund [^]	Lifetime Growth Fund	Mercer
FLP Cash Fund	Lifetime Cash Fund	Simplicity
		Fisher Funds

[^]These funds in the FLP will have asset allocation changes once they transition to Lifetime. For more details, please refer to the FLP Statement of Investment Policy and Objectives (SIPO), a copy of which can be found at www.amp.co.nz/forms.

12. Who are the proposed underlying investment managers following the transition to Lifetime?

Lifetime has selected a range of underlying investment managers in its investment suite, where all equity (except Australian), global bonds and property asset classes will be index-managed and only Australian equities, cash and NZ fixed interest asset classes will use actively managed funds. The underlying fund managers in Lifetime's investment suite that Lifetime proposes to appoint as underlying fund managers for the FLP funds are set out in the table above and include:

- Fisher Funds
- Kernel
- Mercer
- Simplicity

For the full detail on the funds and change in underlying investment managers for each FLP fund, please refer to the Statement of Objectives and Policy (SIPO) which has been updated and is available on the Disclose register and our website. You can view the latest SIPO at www.amp.co.nz/forms or please talk to your Adviser if you have any questions.

13. What are the diversified fund strategic asset allocations?

The following table summarises the differences in the income and growth allocations for the three diversified funds offered within FLP. For more details, please refer to the FLP Statement of Investment Policy and Objectives (SIPO), a copy of which can be found at www.amp.co.nz/forms.

Summary	Conservative Fund		Balanced Fund		Growth Fund	
	AMP	Lifetime	AMP	Lifetime	AMP	Lifetime
Income Assets	75%	80%	43%	40%	23%	20%
Growth Assets	25%	20%	57%	60%	77%	80%

Lifetime will adopt a multi-manager model in respect of the FLP funds. For the FLP diversified funds, Lifetime will use a combination of strategic asset allocations (based on long-term market views) plus an active tactical asset allocation overlay, which actively allocates funds between investment classes (based on shorter term market views). Lifetime has selected a range of underlying fund managers in its investment suite, where all equity (excluding Australia), global bonds and property asset classes will be index-managed and only Australian equities, cash and NZ fixed interest asset classes will use actively managed funds. The asset allocation model and the funds selected by Lifetime will be managed under its investment governance and decision-making.

For customers invested in the diversified funds within the FLP, Lifetime has closely aligned the growth and income splits within its strategic asset allocations (within $\pm 5\%$) with AMP's current allocations. Therefore, we believe the risk profiles of these funds will not be materially different.

14. Is the FLP Cash Fund changing?

The benchmark used in the Lifetime fund is not materially different to the one used in the current FLP fund. For more details, please refer to the FLP Statement of Investment Policy and Objectives (SIPO), a copy of which can be found at www.amp.co.nz/forms.

15. What will happen to my fees?

Total Fund charges:

Following the change of manager, total annual fund charges will also change as follows for each fund:

FLP Fund	AMP Total Annual Fund Charges (estimated)*	Lifetime Total Annual Fund Charges (estimated)*
FLP Conservative Fund	1.70%	1.51%
FLP Balanced Fund	1.71%	1.51%
FLP Dynamic Growth Fund	1.71%	1.51%
FLP Cash Fund	1.03%	0.96%

*Members with rebates paid semi-annually will continue to receive them.

16. How can I get financial advice to ensure this is the best decision for me?

Should you have any further questions or wish to obtain financial advice in relation to your FLP investment, please talk to your Adviser, email us at investments@amp.co.nz or give us a call on **0800 081 081**.

17. Can I withdraw my funds now before the change in manager?

Should you decide that you no longer wish to invest in FLP, and provided you are eligible to withdraw your investment under the scheme rules, you need to ensure AMP receives a completed transfer or withdrawal request form before **20 September 2023**. If your form is received after this date or not able to be approved before **26 September**, it will not be able to be processed by AMP because there is a pause on withdrawals from **26 September** until the end of the transition. If this happens, your transfer or withdrawal request will be processed by Lifetime after the management of the FLP has transitioned to Lifetime, and you will receive the proceeds of your withdrawal request, or confirmation that your transfer request has been actioned, from Lifetime. **Please note any locked in funds cannot be withdrawn.**

The FLP Withdrawal form and FLP Scheme Transfer to another superannuation request form can be found at www.amp.co.nz/forms.

18. How can I stay with AMP?

Should you decide that you no longer wish to invest in FLP, but instead wish to invest in another AMP product, then AMP will need to receive a transfer request form from you before **20 September 2023** and it will need to be approved by **26 September 2023** for AMP to be able to action your request. You will need to have an open AMP investment account before **20 September 2023** that funds can be transferred into. Please note any locked in funds can only be transferred to another superannuation scheme.

The FLP Scheme Transfer form or the FLP Scheme Transfer to another superannuation request form can be found at www.amp.co.nz/forms.