



# FOCUS

[focus@fidelitylife.co.nz](mailto:focus@fidelitylife.co.nz) [www.fidelitylife.co.nz](http://www.fidelitylife.co.nz)

## 35 Years of Fidelity Life



2008 marks Fidelity Life's 35th anniversary. From our beginnings in Ponsonby, Fidelity has grown to become New Zealand's largest 100% New Zealand owned and operated investment and life insurance company.

Fidelity Life's Chief Executive Officer, Milton Jennings says: "Fidelity Life has a strong NZ tradition of long-term business planning, and pursuing permanence. We also make wise decisions with what New Zealanders have entrusted to us."

Gordon Watson, a top life adviser, founded Fidelity Life in 1973, with the help of his wife Shirley. Fidelity Life's first policy was written on 1 June 1973 on Shirley's life.

Fidelity Life was New Zealand's first insurance company to deal exclusively through external advisers.

Gordon's vision of a New Zealand-owned and controlled company where advisers and staff could 'have their say' and provide direct input into the company and its products, continues to this day.

Today, we employ 115 staff and remain wholly New Zealand-owned and controlled.



### What we do

- ▶ Personal protection and business assurance for small to medium-sized companies
- ▶ Life assurance
- ▶ Disability products: income protection, critical care (trauma), total and permanent disability, mortgage protection
- ▶ Regular savings and lump sum investments: managed funds and investment sector funds
- ▶ Retirement planning: KiwiSaver, personal superannuation, immediate annuities and corporate superannuation through a master trust
- ▶ Children's education planning through our Just For Kids saving plan

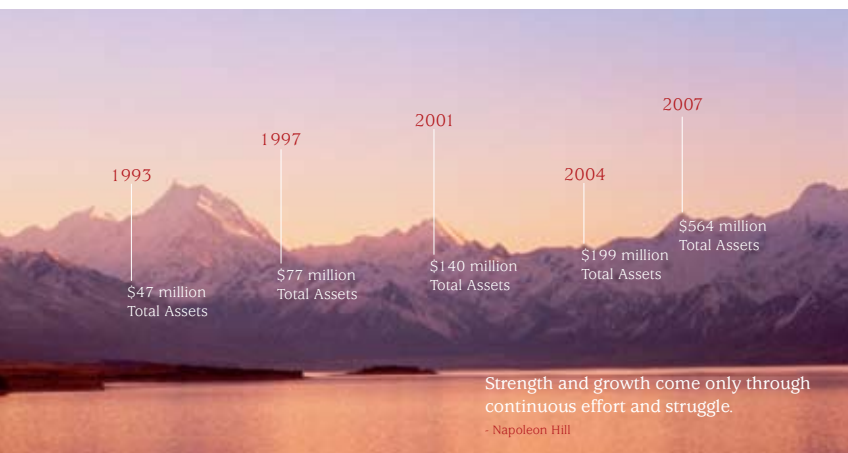
### Stability

We have over 35 years experience and success at carefully managing and treasuring things on behalf of others. We are proud of our A- (excellent) credit rating from A.M. Best that we've maintained for 12 years in succession<sup>1</sup>.

The financial resources entrusted to us are managed using wise and prudent strategies. This is demonstrated by our steady growth and our favourable investment performances.

- ▶ Over \$500 million of funds under management, on behalf of over 20,000 New Zealanders (December 2007)
- ▶ Currently the 5th largest life insurer in New Zealand for new life premium income (source: ISI December 2007)
- ▶ Conservative Portfolio ranked 1st out of 7 funds in its Morningstar Research category (in the five years to 30 June 2008)
- ▶ Balanced Portfolio ranked 1st out of 7 funds in its Morningstar Research category (in the five years to 30 June 2008)
- ▶ Options Portfolio – a unique investment fund – average return 10.69% per annum after tax and management fees since launch in August 2004 to 30 June 2008.

<sup>1</sup> The AM Best rating refers to Fidelity Life's insurance business, not money invested in any Fidelity Life investment funds or the Fidelity Life KiwiSaver scheme. Past performance is not necessarily indicative of future performance.



→ In this issue

35 years  
of service

YRT to level term

Protecting  
your mortgage

Quarterly update

# Switching from Yearly Renewable Term to Level Term



He was so pleased that he had his life insurance at a level term, as by this time he was still paying just \$22.20 a month. If he'd taken out a renewable term policy, by this time, his premiums would be over four times as much and much more that he could afford. He was effectively saving \$881.76 a year on his premium.

## YEARLY RENEWABLE TERM AND LEVEL TERM

For \$250,000 cover, for a male aged 28 on his next birthday at the commencement of the policy\*.

Male age (non-smoker)	Yearly renewable term monthly premium*	Yearly renewable term annual premium*	Level term monthly premium*	Level term annual premium*
28	\$20.88	\$250.56	\$22.20	\$266.40
50	\$95.68	\$1148.16	\$22.20	\$266.40

\*Premiums subject to change and do not form the basis of a quote.

## Terms

### Yearly Renewable Term

This is an annual premium structure that starts low and increases yearly. A Yearly Renewable Term premium is suitable if your insurance requirement is for a shorter term, for example, paying off a 10-year mortgage.

### Level Term

The premium and cover is fixed for an agreed period of time. Under a Level Term policy you pay more at the start of the policy, and less towards the end (compared to Yearly Renewable Term). Level Term policies are better if your policy is needed for a longer time.

### Combined

You can have some cover as level term and the balance as yearly renewable.

Talk to your independent adviser about your options. You can choose to move some or all of your cover to a Level Term option, depending upon your situation.

*\*This information is indicative only, and is a fictional example to illustrate the difference between the types of premium payment. Talk to your independent financial adviser about your options.*

Imagine you could choose to fix the price you pay for petrol at \$2.80 a litre for the next 30 years.<sup>1</sup> It would cost you a bit more at the beginning, but eventually you should be paying less than the market rate. Sounds like a good idea, doesn't it?

Well, you can choose to do something similar with your Yearly Renewable Term Insurance. Depending on your age and cover that you have in place, switching some or all of your insurance to a Level Term policy where premiums are fixed may help make your long-term financial planning more predictable.

For example, Kelly<sup>1</sup> (24) and Steven<sup>1</sup> (27) took out a Life policy and their insurance adviser encouraged them to purchase \$250,000 level term cover, for \$22.20 per month even though it was more expensive at first than an equivalent yearly renewable term policy.

As they got older they bought some more term insurance cover as they accumulated more debt in the form of a new car. When Steven reached 50, he was made redundant and he ended up in a job that didn't pay as well as when he'd taken out the policy 23 years previously.



## Keeping you up to date

We would like to give you the opportunity to receive your Focus by email.

Please email [focus@fidelitylife.co.nz](mailto:focus@fidelitylife.co.nz) with your name and policy number and we'll put you on the list.

If you ever want to remove yourself from this mailing list in the future, you can send an email to [focus@fidelitylife.co.nz](mailto:focus@fidelitylife.co.nz) with the following command in the body of your email message "unsubscribe focus."

If there is any information/articles you'd like to see in Focus, or if you have a question, please email us at [focus@fidelity.co.nz](mailto:focus@fidelity.co.nz).



# Would you be able to make ends meet if you fell seriously ill?



Richard\*, a 43-year-old plumber, was diagnosed with metastatic cancer in June 2007. The last thing he needed was the added worry of not being able to work on top of a serious illness.

Fortunately, the year before Richard had taken out two Fidelity Life policies:

1. **Critical Care and Waiver of Premium policy** to provide a lump-sum payment upon diagnosis of certain serious medical conditions.
2. **Life Care, Income Protection & Waiver of Premium policy** designed to provide protection for separate critical illnesses, Income Protection (which provides the insured with a regular income during accident or illness) and Waiver of Premium (which ensures that the premiums are paid while the insured is unable to work).

So, after minimal fuss, under his policies Richard received lump sum payments under his Critical Care and Life Care benefits, plus his Income Protection cover meant he also had regular money coming in.

More peace of mind came in the form of the waiver of premium benefit under both of his policies. This meant that Richard's Fidelity Life premiums were taken care of, while he was off work undergoing treatment and recovering.

By January 2008, Richard was back at work and his claims were closed.

Just one month later, Richard found out that his cancer had recurred. He may not have been prepared for this emotionally, but he found some relief in the fact that his Fidelity Life Income Protection and Waiver of Premium claim for both policies were re-opened under the Recurrent Disability clause in his policy. This means that he's still receiving a monthly income and his premiums are being paid while he's unable to work.

\* Name and details changed to protect privacy.

\* Important conditions & exclusions are set out in the policy wording, and vary according to individual circumstances.

## Income protection – monthly payment

Your ability to work is one of your most important assets. The average NZ wage/salary earner making a \$40,000 annual salary will earn about \$1.6 million in their lifetime.

None of us truly knows our risk of disability through accident, illness or injury. Up to 1 in 4 people are likely to be affected in their working life, so it's therefore wise to plan for that eventuality. If you had to stop work would you still be able to keep your current lifestyle and maintain all your financial commitments. These could include:

- ▶ Mortgage repayments
- ▶ Food
- ▶ Petrol
- ▶ Car maintenance
- ▶ Child care
- ▶ Medical care
- ▶ School fees
- ▶ Hire purchase

## Critical care – lump sum payment

The diagnosis of a serious illness is devastating in any circumstances but the burden will be far greater if your financial security is also at risk.

Although there is a one-in-three chance of suffering from a serious illness before age 65, current survival rates show that many patients make a reasonable recovery.

A lump sum benefit can make a real difference in meeting costs such as:

- ▶ medical treatment and hospitalisation
- ▶ overseas travel
- ▶ time off work with no income
- ▶ early retirement from the workforce
- ▶ mounting debts and mortgage repayments
- ▶ supporting a business even though you can't work
- ▶ a partner having to stay home to look after you.

If you would like to understand more about these two covers please contact your adviser.



## Fidelity Life's Options Kiwi Fund on top

Our Options Kiwi Fund was the best-performing KiwiSaver fund out of 82 funds reviewed for the 6 months to 30 June 2008, according to independent research company FundSource.\*

With a return of 13.63% (before tax and after fees) for the 6 months to 30 June 2008, the Options Kiwi Fund ranked first out of the 82 funds reviewed in the survey, across all categories\*. This placed the Fund clearly in the lead – outperforming the next best performing fund by over 8%.\*

These results are something to shout about, so Fidelity Life is running a nation-wide magazine advertising campaign. The advertisement is shown in full on the facing page.

We are also publishing an advertisement letting people know about our new ethical KiwiSaver fund. The Fidelity Ethical Kiwi Fund allows Fidelity KiwiSaver members to invest their money in a diversified fund, which uses its best endeavours to avoid securities issued by organisations earning a substantial share of their earnings from the production of tobacco, gambling, alcohol or armaments. It also favours overseas companies committed to a cleaner, more sustainable future.

\* Past performance is not necessarily indicative of future performance. The ranking relates only to funds included by FundSource in its monthly performance data. Not all KiwiSaver funds are included in the FundSource data.

[www.fundsource.co.nz](http://www.fundsource.co.nz)

## KiwiSaver Latest

It's over a year since the launch of KiwiSaver; its success has surpassed all expectations with July figures showing that over 716,000 New Zealanders have joined up. More than 180,000 KiwiSaver members are under 25. It's good to see that young New Zealanders are planning for their retirement.

Fidelity Life offers a range of KiwiSaver investment options. You can choose how and where you want to invest your KiwiSaver contributions. You do not have to stick with the default KiwiSaver provider.

### Why choose Fidelity Life?

- ▶ New Zealand-managed – decisions are made in New Zealand, for New Zealanders
- ▶ New Zealand-owned – profits stay in New Zealand, growing our economy
- ▶ Free \$10,000 'death by accident' top-up life insurance cover\*
- ▶ A choice of seven different investment funds, choose up to four and spread your investment
- ▶ Accessibility – online secure web access to your KiwiSaver account information
- ▶ Your funds are held by an independent trustee – Guardian Trust Superannuation Trustees Limited.

For a free copy of the Fidelity Life KiwiSaver Scheme Investment Statement, call your financial adviser or Fidelity Life on **0800 88 KIWI** (0800 88 5494).

\* If you die as a result of an accident Fidelity Life will top up the balance of your account to \$10,000 (\$2,000 if you are aged under 10 in accordance with the provisions of the Life Insurance Act 1908). This "top up" is available only if, at the date of death, the member was making regular contributions, the balance of their account was under \$10,000 (under \$2,000 if aged under 10) and was under the age of eligibility for NZ Superannuation.



## Ask Yvonne

In this issue of Fidelity Focus, we start a new column. Yvonne Williams, Fidelity Life's KiwiSaver Manager, answers your questions about KiwiSaver.

**Q:** What happens to the money that I pay through my PAYE deductions on my salary?

**A:** If you are employed, your contribution is sent to us via Inland Revenue. Upon receipt, contributions are transferred to your KiwiSaver account. This is usually by the 20th of the month after the PAYE deduction is made.

**Q:** I am interested in your new ethical fund, how do I amend my investment direction to invest in the Ethical Kiwi Fund (or other fund/s)?

**A:** You can do this by simply accessing your Fidelity Life KiwiSaver account on the internet.

Log onto the investor centre at [www.fidelitylife.co.nz](http://www.fidelitylife.co.nz), using your user ID and password (if you can not find this information please contact us on 0800 88 KIWI (0800 88 5494). Once you're in, all you need to do is click on Investment Profile. Here you can change your investment profile. You can either switch Investment Funds in respect of future contributions or contributions already invested. This can be done any time you like once per year free of charge.

As we have recently introduced two new funds (the Ethical Kiwi and Capital Guaranteed Kiwi Fund\*), for the Scheme year ending 31 March 2009 Fidelity Life is waiving the fee for a second switch, so you can amend your investment direction or contributions already invested twice free of charge. For any additional switches you will be charged \$60/per switch.

Send us your KiwiSaver questions to [focus@fidelitylife.co.nz](mailto:focus@fidelitylife.co.nz)  
A disclosure statement is available, on request and free of charge.

\* The Guarantee is provided by Fidelity Life to the Trustee of the Fidelity KiwiSaver Scheme. The guarantee is given by Fidelity Life in its capacity as the administration and investment manager of the Scheme and is conditional upon this appointment continuing. Fidelity Life's obligations under the guarantee are unsecured and will rank behind all secured and preferential creditors of Fidelity Life, together with all life insurance policy holder liabilities and will rank equally with all other unsecured creditors. For further detail as to the terms and conditions of the guarantee please refer to the Fidelity KiwiSaver Scheme Investment Statement.

# Invest in New Zealand's best performing KiwiSaver fund as rated by FundSource\*

for the 6 months to 30 June 2008\*\*

Want a great return on  
your hard-earned cash?  
Tired of stories about  
poor performance?

Fidelity Life  
Options Kiwi Fund  
**13.63%**  
(before tax  
and after fees)  
6 months to 30 June 2008\*\*

**\*According to independent research by FundSource\*\*\*, the Fidelity Life Options Kiwi Fund was the top performer out of 82 funds reviewed for the 6 months to 30 June 2008, and outperformed the next best performing fund by over 8%.\*\***

The Options Kiwi Fund, available via the Fidelity KiwiSaver Scheme, has provided its KiwiSaver investors with a great start.

It's based on the same investment approach which has provided investors in Fidelity Life's Options Portfolio to 30 June 2008 with an average return of over 10% pa after tax and fees, since August 2004.\*\*

Fidelity KiwiSaver Scheme – the Kiwi KiwiSaver scheme from Fidelity Life, a 100% New Zealand owned and managed company for 35 years.

[www.fidelitylife.co.nz](http://www.fidelitylife.co.nz)

\*\*Past performance is not necessarily indicative of future performance. \*\*\*The ranking relates only to the funds included by FundSource in its monthly performance data. Not all KiwiSaver funds are included in the FundSource data.



For more information and free copies of the Fidelity KiwiSaver Scheme and Fidelity Life Assurance Company Limited Investment Statements, call your financial adviser or Fidelity Life on **0800 88 KIWI** (0800 88 5494).



# Investing with Fidelity Life's Aggressive Portfolio

## Aggressive Portfolio summary

A high-risk diversified fund invested in shares, derivatives, fixed interest and cash.

## Objectives

To provide an opportunity to achieve above-average performance over the long term, for investors who can tolerate the ups and downs associated with global investing that will occur year by year.

## Recommended term

The portfolio invests in assets that are perceived to have high growth potential. It's not designed for short-term (less than 5 years) investing because returns may fluctuate considerably with the risk of negative returns over short time periods.

## Risk of negative performance

There's a significant risk in any 1-year period of negative performance, though it's designed to be less than 1 in 3 over any 5-year period. For this reason, this portfolio should only form a modest portion of an investor's portfolio.

## Performance objectives

4% above 10 year NZ Government bonds and top half of Morningstar 3-year returns for Growth and International funds.

For the five years ended 30 June 2008, the Fidelity Aggressive Portfolio gave an annual average return of 7.97% after tax and fees.

*Past performance is not necessarily an indicator of future performance.*

## Where it invests

### Investments

Up to 35% of the portfolio can be invested in cash fixed interest and options. We invest the balance in NZ and international shares. External managers are permitted to use arbitrage, leverage, hedged equity and short-selling strategies. With 10% in China, 10% in India, and a further 10% in other emerging markets, the Portfolio benefits from exposure to the world's booming economies.

## Benchmark

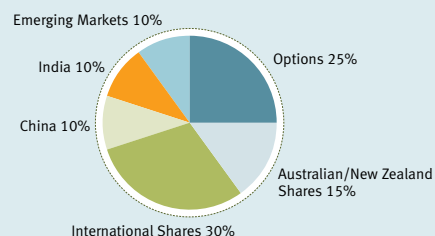
The portfolio is invested in different sectors based on benchmarks. To maximise returns and make use of opportunities, the weightings of investments in each sector can be adjusted, but not normally outside an agreed range.

## WHERE IT INVESTS

### The present benchmarks and ranges are 30/6/08:

Commenced	November 2001
Assets	\$3.7m
<b>Average annual return (after tax and fees, before loyalty bonus)</b>	
last year	-9.67%
last 3 years	5.46% pa

### Investment benchmark



### Year by Year to June Return

Year	Return
2008	-9.67%
2007	4.32%
2006	24.46%
2005	3.46%
2004	20.91%
2003	-17.98%

## Working with your adviser to achieve your goals

Many of our goals in life require money to fund them. Making sure that you have the finances to achieve your goals is up to you!

Everyone's hopes and dreams are different, but most people's include buying a house, putting your children through good schools, and retiring with a comfortable income.

If you don't have a financial plan in place you may not be able to achieve your dreams. Working with your adviser to plan your future puts you in control of your future. Professional guidance on key financial planning principles and appropriate product selection will provide you with strategies to:

- ▶ Invest wisely to achieve your goals
- ▶ Plan for your retirement
- ▶ Protect what's important to you with a personalised risk management plan

Some future events like retirement can be foreseen to some extent and we can control them. Others such as early death or disability are largely outside our control but still need to be planned for. You should prepare for both planned and unplanned events, by finding appropriate solutions to help minimise their

financial impact. Fidelity Life products are flexible so you can review your options as your circumstances change.

You are an individual and your needs are personal and unique to your situation. The quality of the advice you receive is very dependent on its relevance to your personal situation. Taking the time to discuss your current position and your plans for the future with your adviser will help you to break down your short, medium and long-term objectives into manageable goals and create a considered and effective plan to manage these specific areas:

- ▶ **Personal insurance** – know your risks and plan accordingly
- ▶ **Business insurance** – plan for the future of your business if something should happen to you
- ▶ **Investments** – get started on achieving your short, medium and long-term goals with investment plans to suit a range of investor types
- ▶ **KiwiSaver** – work towards your desired retirement lifestyle by building security through a long-term investment plan.

## ECONOMIC SUMMARY

The second quarter of 2008 has brought a widely reported economic downturn. Inflation is rising all over the world, because of higher basic resource prices and high production rates in developed countries.

Both annual global consumer price and producer price inflation have reached around 6%. This has resulted in higher inflation, and slower growth.

One of the problems facing governments and central banks is increasing prices of food and energy. If consumers try to close the gap on rising living costs by pushing for wage increases, this could result in higher interest rates and unemployment. On the other hand, if wages don't keep up with inflation, living standards are squeezed, and people find it harder to make ends meet.

Another reason inflation is on the rise is China's emergence as a low-cost supplier of manufactured goods. The cost of Chinese exported goods rose very little until mid-2006. But by this year prices of Chinese light industry and consumer goods were rising about 5% year on year.

Also, global credit growth has accelerated sharply since the low interest rate structure, created to lift the big economies (US, Japan, Europe) out of recessions in 2001 and 2002. It helped sustain demand, particularly in the English-speaking economies where house prices shot up, borrowing grew rapidly, households were saving very little, and consumer spending was the main economic growth driver.

Turning to home, petrol prices in New Zealand have leapt over 30% in the past year. In real terms, prices are now above the 1970s levels. The Food Price Index was up 6.8% in the year to May.

The near-term inflation outlook in NZ has deteriorated considerably since the time of The Reserve Bank's Monetary Policy Statement in March this year. Annual Consumer Price Index inflation is now projected to peak at 4.7% p.a. in the third quarter of this year.

In its Monetary Policy Statement issued on 5 June 2008, the Bank says that it aims for a future CPI inflation rate of between 1 and 3% on average in the medium term. The Bank acknowledges that since the CPI is currently higher than target, it needs to return to 1-3% so NZ's economy does not become unstable. It aims to have projected inflation within the target range towards the end of its three-year projection period.

### We believe the likely implications are:

- ▶ The Official Cash Rate will be reduced, so returns from cash will fall.
- ▶ The NZ dollar's purchasing power will be eroded over time
- ▶ NZ company profits will fall over the next year. Workers wages and salaries and raw materials will cost more, and consumers will spend less if prices go up.

### We also know that:

- ▶ Credit spreads will narrow as stability returns to the global financial system.
- ▶ Share markets that have fallen from 'expensive' to 'fair value' may continue falling until they become 'cheap.'
- ▶ Fidelity Life's tactical asset allocation strategy is positioned to move funds away from cash to fixed interest and later on back into shares.

*This commentary is provided by Fidelity Life, based on the following references: Reserve Bank of New Zealand Monetary Policy Statement [www.rbnz.govt.nz](http://www.rbnz.govt.nz); HUGOVision, Inflation now on the rise around the world, Tom Taylor, National Australia Bank, 1 June 2008. It is Fidelity Life's views only and does not represent the view of the references.*

## PORTFOLIO PERFORMANCE

Average return (after tax, after manager's fees)

For the period ended 30 June 2008

Portfolio	Past quarter	Last year	Last 3 yrs % p.a.	Last 5 yrs % p.a.	Last 10 yrs % p.a.
<b>DIVERSIFIED</b>					
Conservative	0.75%	0.26%	3.93%	4.53%	4.28%
Balanced	00.0%	-4.25%	3.60%	4.73%	3.72%
Growth	-0.91%	-8.83%	3.26%	5.09%	3.48%
Aggressive	-0.78%	-9.67%	5.46%	7.97%	n.a.
<b>SECTOR</b>					
Mortgage	1.44%	5.49%	5.42%	5.03%	4.66%
NZ Fxed Interest	2.16%	2.13%	2.89%	3.09%	4.00%
Options	5.89%	11.48%	10.53%	n.a.	n.a.
Property	1.43%	0.63%	4.18%	3.05%	3.87%
NZ/Australian shares	-3.03%	-19.43%	0.39%	5.95%	6.82%
International Investment	-1.71%	-13.42%	2.36%	4.40%	1.05%

*Past performance is not necessarily an indicator of future performance.*

## FIDELITY KIWISAVER SCHEME <sup>1,2,3</sup>

Investment Returns (After management fees, before tax)

For the period ended 30 June 2008

Portfolio	From Fund inception 1/10/07
Conservative Kiwi	2.19%
Balanced Kiwi	-0.51%
Growth Kiwi	-2.71%
Aggressive Kiwi	-7.38%
Options Kiwi	17.04%

<sup>1</sup> Past performance is not necessarily an indicator of future performance.

<sup>2</sup> While the returns shown are after management fees they do not allow for administration, switching fees or mortgage diversion fees:  
 – The administration fee is \$3 per month  
 – The first switch between funds each year is free. Additional switches will incur a fee of \$60 per switch for any additional switches  
 – A fee of \$25 applies to set up mortgage diversion. There is no ongoing fee.

<sup>3</sup> The returns are shown before tax. Your after-tax return will depend on your Prescribed Investor Rate.

### NZ and Australian Shares

The NZX 50 fell nearly 8% during the quarter, reflecting a significant slump in economic growth and hence generally-poor expectations for NZ companies and in line with overseas sentiment. While the market is bearish overall, it looks like it is starting to recover.

### Cash

At the time of printing the Reserve Bank Official Cash rate has been reduced to 8%. The Bank's focus will remain on controlling inflation in the medium term. While inflation is over 4%, the Reserve Bank should be in a position to lower the OCR later this year.

### NZ Fixed Interest

NZ bonds should have seen a modest positive return during the quarter.

### Mortgages

Mortgage rates continue to rise, reaching 10% from some lenders, reflecting an increased cost of funding these mortgages.

### NZ Property

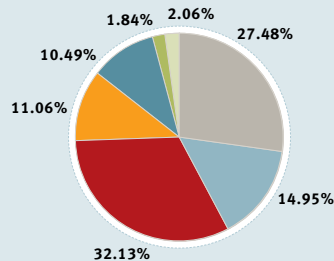
The residential property market has slowed. Real Estate Institute data shows nationally sales are down 42 per cent on June last year. Prices have already fallen in some areas, with one prominent analyst predicting a fall of up to 30% over the next two years.

### International Shares

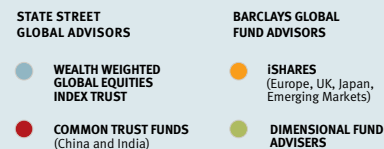
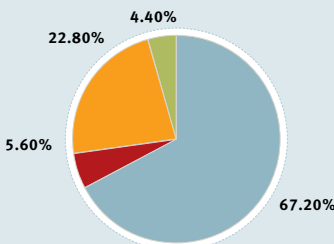
Overseas shares fell again during the quarter, a result of uncertainties in both the US and European economies. However the NZ dollar also fell, therefore global shares are sitting at roughly the same value in NZ dollar terms as they were three months ago.

### International Investment Portfolio

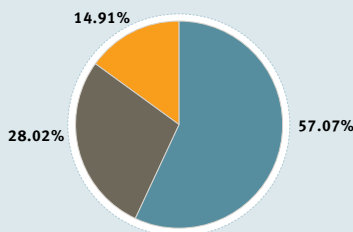
#### Country Split



#### Asset Split

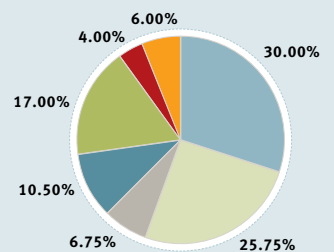


### Aggressive Portfolio

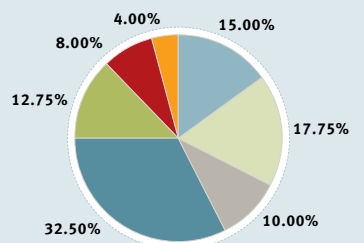


### Asset Split

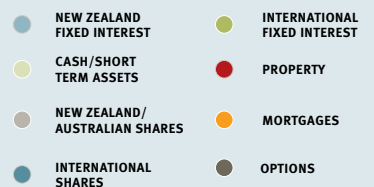
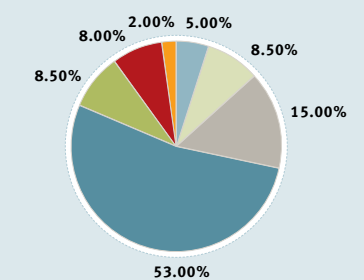
#### Conservative Portfolio



#### Balanced Portfolio



#### Growth Portfolio



#### DID YOU KNOW?

The paper used in this printing is chlorine-free, wood fibre from sustainable forests and EMS certified – Fidelity Life preserving our environment.

Fidelity Life Assurance Company Limited

Auckland – Head Office, 81 Carlton Gore Road, Newmarket 1151, PO Box 37-275, Parnell, Auckland, 1151. Telephone: 09 373 4914 or 0800 882 288 Facsimile: 09 308 9953 Website: www.fidelitylife.co.nz

Notes for Fidelity Life Plans: 1. Past performance is not necessarily an indicator of future performance. 2. The returns shown do not allow for front-end, renewal, withdrawal or alteration fees. 3. There are no withdrawal fees on Life Bonds. On Power Saver/Super Plans there is an alteration fee of \$60 if there is more than one withdrawal in a financial year. For other plans the fee on withdrawal is 5% reduced by 1% p.a. in the four years prior to the maturity date plus an alteration fee of \$60. 4. The current rate of tax for life insurance companies is 30%. The rate of taxation may change. 5. An investment statement is available for Fidelity Life Products detailed in Focus. Please contact your adviser or us (contact details above) for a free copy.

Disclaimer: While Fidelity Life Assurance Company Limited (Fidelity Life) believes the information contained within this document is accurate at the time of compilation, neither Fidelity Life nor any company or person associated with this document takes any responsibility for any incorrect or outdated information contained herein. In preparing this document, the author has not taken any individual investor's personal circumstances into account and this document should not be relied upon as the basis for an investment decision. The information provided in this newsletter is general in nature and is not a substitute for financial or other professional advice.