



Investor Bond Fact Sheet

Profile

Product Type	Unit linked Life Insurance Investment Bond
Product Commencement	March 1993
Product Closure	23 April 2001
Product Disclosure Statement	A PDS is not required for products which are no longer on sale. Refer to the last issued Investment Statement at the end of this document and the migration questions and answers for changes made to the product in 2013.

Tax

Tax	28% tax paid at a fund level
PIE status	Not a PIE compliant product. This product only has 'quasi-PIE' status – that is, no tax on capital gains on Australasian shares

Fees and charges

FUM Fee	0.25% - 1.25% p.a. (deducted during unit pricing)
Underlying fund manager fees	Nil
Policy Fee	Nil

Commission

Renewal commission	Nil
Trail Commission	Nil

Features

Investment Funds	A choice of four investment funds – 2 diversified funds and 2 specialist funds: Balanced Growth Fund High Growth Fund NZ Deposit Fund International Fixed Interest Fund
Withdrawals	Cash value payable. There are no termination fees
Death Benefit	The greater of the fund value on the date of death or contributions less withdrawals and fees, plus either 5% or 10% interest.

Investment strategy

Investment Style	Passive
Hedging	50% on exposure to the SuperLife Overseas Shares Fund, 100% on exposure to the SuperLife Overseas Bond Fund
Investment Manager	AIA
Underlying Fund	Varies by asset class. For details see SuperLife Funds for each Asset Class in the Document Library
Asset Allocations	For information on the asset allocation of available Funds and FUM fees, see Unit Linked Product Asset Allocations in the Document Library

Date: February 2023

YOUR INVESTORBOND QUESTIONS & ANSWERS

WHY IS THE SYSTEM CHANGING AND WHEN WILL IT HAPPEN?

Sovereign is committed to ensuring your investments are administered on systems that allow the best possible service and quality communications.

To do this we need to periodically update or move policies to more modern systems. The transfer of your policy to a new system is scheduled for 7 September 2013.

WHAT WILL CHANGE?

Policy number change

Your policy number will change following the transfer to the new system. We will notify you of this new number when we write to you again in September. The new policy number will be used in all future correspondence you receive from Sovereign.

Even though you will be given a new number, you do not need to change anything. Any payment references that use your current policy number will continue as they are.

Unit type naming

To achieve greater consistency in the terminology we use across a range of investment products, we have adopted the descriptions most commonly used.

Currently the units you are invested in are called 'growth' units. In future these will be known as 'accumulator' units. You will see the new unit type name on your statements and in fund information, following the changeover.

Fund name changes

From September you will notice a change in the names of the funds in which you are invested.

Below is a table showing the current names of the funds, along with the corresponding new fund names you will see in future:

CURRENT FUND	NEW FUND
Squirrel Fund	NZ Deposit Fund
Beaver Fund	Balanced Growth Fund
Stag Fund	High Growth Fund
Fixed Interest Fund	International Fixed Interest

The new funds are existing investment funds that are a match to your current fund compositions.

The asset allocation (where the funds are invested), risk profile and performance objectives of the new funds remain consistent with the funds you are invested in now.

Unit prices and unit holdings

With the move to the new funds, you will also adopt the unit price for each of those funds at the time your policy is moved. Below is an example of how funds might look before and after the change.

Funds, units and unit prices currently look like this:

CURRENT EXAMPLE

Fund name	Unit type	Units held	Unit price (\$)	Fund value
Squirrel Fund	Growth	513.0073	2.4351	\$1,249.22
Stag Fund	Growth	801.2356	3.1253	\$2,504.10
Total fund value				\$3,753.32*

* The total value (\$) of units after the fund and unit price change does not impact your overall policy value.

Funds, units and unit prices after the move would look like this:

FUTURE EXAMPLE

Fund name	Unit type	Units held	Unit price (cents)	Fund value
NZ Deposit Fund	Accumulator	4192.01	29.8	\$1,249.22
High Growth Fund	Accumulator	8431.31	29.7	\$2,504.10
Total fund value				\$3,753.32*

* The total value (\$) of units after the fund and unit price change does not impact your overall policy value.

The unit pricing of the new fund will also mean a change in the number of units you hold.

The fund, pricing and unit holding changes do not affect the overall value of your InvestorBond, and your policy will continue to operate as it does now.

When we write to you again in September, we will provide you with a statement specific to your policy, showing your previous and new funds, unit holdings and the unit prices for the funds you are invested in.

Fund management fees

Fund management fees are applied to the funds you are invested in prior to the setting of a daily unit price for each fund i.e. they are not charged and deducted directly from your policy value.

Currently, there is a 1.6% per annum fund management fee applied to the funds in which you are invested.

After the change in September there will be a reduction in this fee across all the available funds. The new per annum fund management fees applied will be:

- > NZ Deposit Fund 0.25%
- > Balanced Growth Fund 1.25%
- > High Growth Fund 1.25%
- > International Fixed Interest Fund 1.05%

Correspondence changes

You will notice changes in the style and types of communication you receive from us in the future. The new system will allow us to improve our communications with you, providing greater clarity in the information you receive.

WHAT HAPPENS NEXT?

We'll be writing to you again in September following the transfer of your policy to the new system. This will contain more detailed information, including a summary statement of your investment holding.

WHO DO I CONTACT FOR FURTHER INFORMATION?

You should contact your adviser in the first instance, or alternatively phone our Sovereign Customer Relationship Team on 0800 500 108 and we will be happy to help. Our Customer Relationship Team is open from 8.00am to 8.00pm Monday to Thursday and 8.00am to 6.00pm Fridays.

The information contained in this publication is general in nature and is not intended as advice. It may not be relevant to individual circumstances and before making any investment, insurance or financial planning decision, you should consult a professional adviser. Copies of our disclosure statements are available on request, free of charge. While all care has been taken to ensure that the information contained in this document is correct, Sovereign reserves the right to correct any error, omission or misprint.

Sovereign, the policy insurer, is part of the Commonwealth Bank of Australia Group and is a related company of ASB Bank Limited and its subsidiaries ('the Banking Group'). None of the Banking Group, the Commonwealth Bank of Australia, any of their directors, or any other person guarantees Sovereign, its subsidiaries, or any of the products issued by Sovereign or its subsidiaries.

PRUDENTIAL 

INVESTOR BONDS

A range of investments to help
you achieve your medium to long
term savings and investment goals



INVESTMENT
STATEMENT

IMPORTANT INFORMATION

The information in this section is required under the Securities Act 1978

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

CHOOSING AN INVESTMENT

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

What sort of investment is this?	1
Who is involved in providing it for me?	2
How much do I pay?	3
What are the charges?	4
What returns will I get?	5
What are my risks?	8
Can the investment be altered?	9
How do I cash in my investment?	9
Who do I contact with enquiries about my investment?	10
Is there anyone to whom I can complain if I have problems with my investment?	12
What other information can I obtain about this investment?	11

In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.

CHOOSING AN INVESTMENT ADVISOR

You have the right to request from any investment advisor a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you –

- Whether the advisor gives advice about particular types of investments; and
- Whether the advice is limited to the investments offered by one or more particular financial organisations; and
- Whether the advisor will receive a commission or other benefits from advising you.

You are strongly encouraged to request that statement. An investment advisor commits an offence if he or she does not provide you with a written disclosure statement within five working days of your request. You must make the request at the time the advice is given or within one month of receiving the advice.

In addition –

- If an investment advisor has any convictions for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- If an investment advisor receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the advisor what the purpose of your investment is. This is important because different investments are suitable for different purposes.

What sort of investment is this?

ABOUT THE PRUDENTIAL INVESTORBONDS RANGE

Prudential's Investorbond range is designed to provide you with a range of investments to help you achieve your financial goals over the medium to long term.

Whatever your savings and investment goals, be it buying a new home, wanting to take that once in a lifetime holiday, planning for your children's education or your own retirement, Prudential has an Investorbond, or combination of bonds, to help you achieve those goals.

One of the key advantages of Prudential's Investorbonds is that your funds are pooled with those of other investors. This means your money can be invested in a range of markets which as a private investor you may find more difficult to access.

This larger, pooled fund also gives you the benefit of reduced investment costs.

Investorbonds allow you to choose a number of investment options, such as government stock and New Zealand and overseas shares. Unlike a bank account, you're not putting all your eggs in one basket.

It is this diversity that provides you with a lower risk investment and the potential for better long term returns.

The Investorbonds are an investment-linked life insurance policy, which means the value of your funds relates to the assets in each bond such as shares, property and interest. You do not however have any ownership of, or rights to, any of these underlying assets.

It is important for you to remember that the value of units may go down as well as up, as the value of the investments alter.

The Investorbond range includes the following bonds:

- The Squirrel Fund
- The Fixed Interest Fund
- The Beaver Fund
- The Stag Fund

Prudential also has a range of international unit trusts – The Global Investment Opportunities Trusts – and a range of New Zealand unit trusts known as Investortrusts. Investment Statements for these can be obtained from your financial advisor or directly from Prudential.

The Investorbonds are a life insurance contract between you, the policy owner, and Prudential.

Who is involved in providing it for me?

ABOUT PRUDENTIAL

Prudential has been looking after the financial security of New Zealanders for more than 75 years. In New Zealand, the company has nearly 300,000 customers with funds under management of around NZ\$2.3 billion.

Our ultimate parent company, Prudential Corporation plc, has been operating for 150 years and is one of the world's largest financial organisations. Globally, the corporation has funds under management of more than NZ\$230 billion. Neither Prudential Corporation plc, nor any other company in the Prudential group, guarantees this investment.

The Investorbond range was first launched in November 1986 (the Fixed Interest Fund was added in June 1992) and is promoted and issued by The Prudential Assurance Company New Zealand Limited (Prudential).

THE FULL RANGE OF FINANCIAL SERVICES

Prudential offers a full range of retirement savings, investment and insurance products. Our savings and investment solutions include a range of superannuation schemes, unit trusts and insurance bonds. And to ensure that your investments aren't eroded by the unexpected, Prudential also offers the full range of personal insurance plans including critical illness cover, income protection and life insurance cover.

FUND PERFORMANCE

Prudential Fund Managers Australia Limited (PFM) is responsible for the management of Prudential's funds under management, including the funds in the Investorbonds. PFM is part of Prudential's worldwide investment arm, located in the key markets of Hong Kong, Chicago, London and Sydney.

CONTACT DETAILS

Prudential:

The issuer can be contacted at:

The Prudential Assurance Company
New Zealand Limited
332-340 Lambton Quay
PO Box 291
Wellington
Phone 0800 ASK PRU (275 778)

The fund manager can be contacted at:

Prudential Fund Managers
Australia Limited
39-49 Martin Place
GPO 4149
Sydney, Australia.

IMPORTANT NOTE Changes to "Who is involved in providing it for me?"

On 30 September 1998 Prudential became part of the Colonial Group. As a result, some information in this section changes:

- Colonial Limited (ACN 074 042 112) replaces Prudential Corporation plc as Prudential's ultimate parent company.
- Colonial First State Investments (NZ) Limited is the new fund manager.
- The directors of Prudential have been replaced with persons appointed by Colonial.
- The issuer and fund manager can now be contacted at 117 Customhouse Quay, Wellington.

This investment is not guaranteed by Colonial Limited, any other member of the Colonial Group or any other person.

How much do I pay?

There are two options available to access Prudential's Investorbonds:

LUMP SUM

The minimum initial investment in each Prudential Investorbond is \$2,000. Additional lump sum investments can be made at any time for as little as \$1,000. Payments should be made by cheque, crossed 'Not transferrable' and made payable to 'Prudential'.

MONTHLY INVESTMENT FACILITY

This facility enables you to set up a regular savings plan through which monthly contributions can be made into a bond of bonds of your choice through direct debit to Prudential. Simply complete the direct debit authority at the back of this document and give it to your financial advisor or send it to Prudential.

The minimum amount you can invest in each bond is \$200 per month; any further increases to monthly investments must be at least \$50. You can increase your contributions at any stage as well as decrease them to the minimum levels outlined, by advising Prudential.

There is no requirement to make an additional lump sum investment when setting up the savings plan.

FREE LOOK PERIOD

If you are making monthly contributions and you decide that your Prudential Investorbond does not suit, you are able to cancel it. However, you must let us know (in writing) within 14 days beginning three days after your policy was posted. Prudential will then cancel your bond from the date it was issued and give you a full refund. There is no free look period for lump sum investments.

What are the charges?

There are two types of regular charges payable to Prudential by investors relating to Investorbonds. These charges are used to cover the investment management of the trusts and legal, administration and marketing costs.

1. ENTRY FEE

There is an entry fee based on the size of your investment. For investments less than \$5,000, including any regular contributions you make, the maximum entry fee is 5 percent. For all investments over \$5,000 the maximum entry fee is reduced to 3.5 percent. This entry fee is deducted from your initial and all subsequent investments, and is paid in part to your financial advisor.

2. INVESTMENT MANAGEMENT FEE

A standard investment management fee of 1.6 percent a year of the gross asset value of each Prudential Investorbond is deducted on a daily basis before the calculation of unit prices.

There is no exit fee on any of the Investorbonds.

SWITCHING FEE

You can make two switches per year of all or part of your investment to other Prudential Investorbonds, or to Prudential's Unit Trust range, at no charge. For more than two switches a year, a charge of 1 percent is made on the dollar value of the units switched. This fee is payable to Prudential.

INDIRECT CHARGES

Annual auditors', accounting costs and other expenses such as investment levies, accrued and expected taxes and portfolio valuations are not directly charged to you but are deducted from the total funds invested in each bond.

Please Note: The investment management fee indicated above is the current charge on the Investorbonds. This can be increased by Prudential up to 2.4 percent per annum.

What returns will I get?

The returns for investing in Prudential's Investorbonds are paid to you when you choose to access them or on the death of the life insured. The Prudential Assurance Company New Zealand is legally liable to pay this return to you.

WHEN YOU CHOOSE TO ACCESS YOUR FUNDS

The value will be calculated by multiplying the number of units you hold by the unit price, on the day you access your funds.

ON THE DEATH OF THE LIFE INSURED

When the life insured dies and a life insurance benefit is payable, the benefit will equal the number of units you hold multiplied by the unit price on the day we receive full proof of your insurance claim.

The life insurance benefit payable will not be less than the total of your contributions, less any entry fees and money you have withdrawn, plus 5 percent.

THE VALUE OF YOUR INVESTORBOND

You receive a return from Prudential when you cash in (redeem) your units. The value of your investment is measured by the number of units you hold in a bond multiplied by the unit price on the day your completed redemption request is received. The unit price is calculated by taking the total value of assets in the bond, less any liabilities, and dividing by the number of units. In most cases the unit price used is for the day or the

day after your request to redeem units is received.

In exceptional circumstances, where it is in the best interests of all investors, Prudential may delay the redemption of your units.

It is not possible to give an exact figure on the worth of your Investorbond(s) in the future because so many factors affect your returns. These include:

- General market conditions such as economic and political factors which affect investment markets;
- How the market situation affects your investment at the time you choose to receive your funds;
- Which bond you invest in;
- How long you invest for;
- The level of contributions you make;
- The taxes paid by the bond on its interest and earnings; and
- Charges of the bond.

An important point to remember is that none of the returns or the capital in the bonds are guaranteed by Prudential or any other person. The performance of the bonds is dependent on the underlying assets (shares, fixed interest investments etc). With the Squirrel Fund, the unit price will not decrease below the price which you purchased units, so when you cash in units you will receive at least the value of your investment less entry fees.

Benefits paid to you by Prudential are tax-paid so once you receive your plan's benefit no further tax needs to be paid by you.

Prudential pays tax on the underlying assets at 33 percent in line with current legislation which could change in the future. You may wish to seek specialist tax advice in relation to your particular situation.

THE INVESTORBONDS LIFE INSURANCE BENEFIT

The insurance benefit associated with each of the Investorbonds is payable on the death of the life insured. You can choose to make yourself the life insured, nominate someone else or have joint lives insured. If you are the life insured, the benefit is payable to your estate on your death. If someone else is the life insured then the benefit is payable to you on their death. With joint lives insured, the insurance benefit is paid out on the death of the last surviving life insured.

THE INVESTMENT OPTIONS

You may choose to invest in one or more of the Investorbonds offered. Your financial advisor will be able to give you advice on the appropriate options for your particular circumstances, investment goals, investment timeframe and attitude to risk. Each bond outlined below is made up of different investments. The unit price for each bond equals the value of the assets (less liabilities) divided by the number of units held by investors. Unit prices for each bond are published in the weekend edition of most major metropolitan newspapers.

Important:

- An explanation of risk and how it relates to the returns expected from the various bonds can be found in the 'What are my risks?' section which follows.
- The bond best suited for you will be dependent on how long you plan to invest for. A *medium to long term* timeframe generally means at least five years. A *long term* timeframe generally means longer than five years.
- The bonds invest in different funds owned by Prudential. The investment funds are only separate for the purposes of determining returns. They are all assets of Prudential.
- Typical portfolios are shown here. Actual portfolios may vary from those shown.

SQUIRREL FUND

Objective:
To provide medium to long term growth of your funds by investing in short term money market securities.

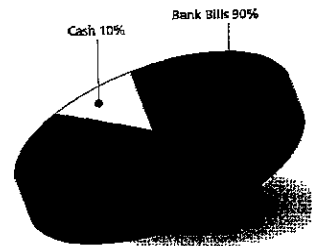
Portfolio:
Invests in bank bills and cash.

Investor Type:

Most suited to investors who:

- Have a conservative approach to investment;
- Are looking for a steady return on their investment;
- Are approaching retirement and are seeking a sound, low-risk investment;
- Are retired and whose need for security is higher than their need for capital growth; or
- Wish to balance other higher risk investments with the solid returns offered by short-term money market securities.

Note: The unit price for the Squirrel Fund will not decrease below the price you bought units at.



FIXED INTEREST FUND

Objective:

To achieve a competitive return while maintaining a reasonable level of security.

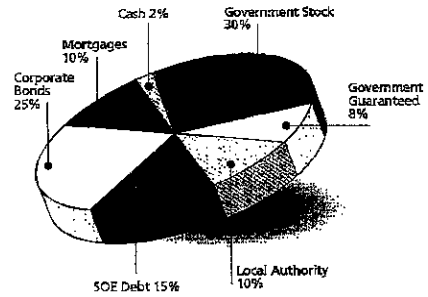
Portfolio:

Invests in government stock and other fixed interest securities.

Investor Type:

Most suited to investors who:

- Want to save for a specific goal such as their children's education, buying a house or an overseas trip;
- Are looking for a viable retirement planning option;
- Are retired, no longer on a salaried income and are looking for a sound low-risk investment; or
- Wish to balance other higher risk investments with the returns offered in the fixed-interest markets.



BEAVER FUND

Objective:

To produce a competitive medium to long term return, with a mix of investments determined by Prudential's investment managers.

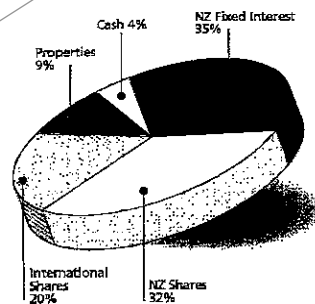
Portfolio:

Invests in NZ and international fixed interest securities, short-term deposits and shares.

Investor Type:

Most suited to investors who:

- Wish to put discretionary income into an investment with a higher earning potential than more conservative funds;
- Need to save to meet their children's future education expenses; or
- Want to save to meet their future life goals and their retirement needs.



STAG FUND

Objective:

To produce high capital growth in the medium to long term by taking advantage of short term opportunities.

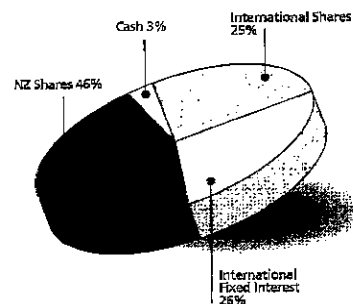
Portfolio:

Invests in NZ and overseas shares, fixed-interest and short-term money markets.

Investor Type:

Most suited to investors who:

- Have discretionary income or lump sums to invest and are prepared to take a higher risk for potentially better returns; or
- Are prepared to take the long-term investment decisions necessary to assist them in achieving a good lifestyle in their retirement.



What are my risks?

There are some risks associated with the Prudential Investorbonds which you should be aware of.

Understanding these risks will help you understand if these investments are suited for achieving your goals and which bond may suit you best.

INVESTMENT RISK

Investment risk relates to the possibility that your investment will actually drop in value and to the volatility of returns from year to year. All investments involve some risk – generally the higher the risk the greater the potential return.

Higher risk assets such as shares and property are more volatile but have the potential to provide you with a greater return over the longer term. Investments in cash and fixed interest have historically provided a lower return with less volatility. By diversifying across a number of investment classes, including shares, property, fixed interest and cash, you can reduce your investment risk and still get some exposure to the better performing assets.

Short term volatility in higher risk assets is generally smoothed out over the longer term. However, as you get closer to reaching your investment goals you may decide it is wise to transfer your funds to a lower risk investment.

You should be aware that those investments with the potential to provide the greatest return may also have the potential to erode

your investment below its initial value. If the unit price has fallen below the price for which you purchased those units you could receive less than what you invested. The unit price of the Squirrel Fund will not decrease – when you cash in your investment you will receive at least what you put in less the entry fee.

RISK IN RELATION TO POTENTIAL RETURN FOR PRUDENTIAL'S INVESTORBOND RANGE

Bond	Risk and potential return
Squirrel Fund	low
Fixed Interest Fund	low/medium
Beaver Fund	low/medium
Stag Fund	medium/higher

RISK OF INSOLVENCY

In the unlikely event that Prudential becomes insolvent, you may not receive all or some of your benefits. However, you would not be required to make any further contributions.

If Prudential is liquidated you would be treated as one of Prudential's unsecured creditors. The claim of unsecured creditors (eg trade suppliers and the IRD) against Prudential's assets would rank behind the claim of secured creditors and special claims such as staff wages.

HOW DOES INVESTMENT VOLATILITY HELP MY INVESTMENT?

Though the changeable nature of investments is a risk, it can also be a benefit. When investment markets are down over the short term your contributions buy you more units. Over the longer term, the more units you have, the more money you will have if markets return to or exceed their previous levels. For this reason, it may be a good idea to continue to make your regular contributions regardless of changes in the market and unit price. In fact, when the unit price is down it may make good investment sense, over the longer term, to make additional lump sum contributions in order to buy more 'cheap' units.

Can the investment be altered?

Prudential Investorbonds have been designed to be very flexible and can be tailored to your changing circumstances.

BY YOU...?

- You can increase your contributions at any time (minimum increase \$50). (The increase is subject to the charges outlined in the "What are my charges?" section.)
- You can decrease your regular contributions as long as they do not decrease below the minimum level of \$200 per month.
- You can redirect your contributions between the bonds at any time.
- You can switch your existing Investorbonds to other Prudential Investorbonds as you require. (The first two switches per year are free, after which a charge of one percent of funds switched applies.)
- You can add lump sums at any time (minimum lump sum \$1,000). (Subject to

the charges outlined in the "What are my charges?" section.)

- You can alter the terms of your Investorbond by obtaining written agreement from Prudential.

BY PRUDENTIAL...?

Prudential can amend the terms of the Investorbonds in the following circumstances:

- By written agreement between you and Prudential.
- The value of your units in each fund may be adjusted in a manner Prudential considers equitable if there is a change in the basis of taxation that applies to the Investorbonds.

Prudential also has the ability to alter the investment management fee from time to time up to a maximum of 2.4 percent per annum. You would be informed in advance if this were to happen.

How do I cash in my investment?

SELLING YOUR INVESTMENTS

Unlike term investments, which can lock your investment in for a fixed period, or direct share investments which rely on a willing buyer or seller, Prudential Investorbonds allow you to have access to all or part of your investment at any time.

The minimum withdrawal is \$500 as long as you keep at least \$1,000 in the Investorbonds (at least \$100 in any one of the bonds).

To sell some or all of your units simply complete an Investorbonds redemption form and send it to Prudential. Requests received by

Prudential before 4pm on a business day will be repurchased at the unit price for that day, with your money normally available within seven working days. In very exceptional circumstances, where it could have a detrimental effect on other investors, Prudential may delay redeeming your units.

You can transfer ownership of Investorbond units to another person by completing the 'Memorandum of Transfer' (on the back of your certificate) and returning it to Prudential for the ownership change to be registered. In Prudential's view, a limited secondary market may also be available to sell your bonds.

Who do I contact with enquiries about my investment?

Your financial advisor should always be your first point of contact for any queries you have about your Prudential Investorbonds. If you do not understand some of the features, benefits or fees of your bond(s) your advisor can fully explain these to you.

Prudential's dedicated Client Service Centres are also available between 8am and 8pm weekdays to answer your enquiries. Please contact the office closest to you:

IN WELLINGTON

Phone: 0800 ASK PRU (275 778)

by fax: 0800 FAX PRU (329 778)

Client Service Officer
Prudential Client Service Centre
Prudential
332-340 Lambton Quay
PO Box 291
Wellington

IN AUCKLAND

Phone: 0800 800 121

by fax: 09 377 4951

Client Service Officer
Prudential Client Service Centre
Prudential
151 Queen Street
PO Box 2776
Auckland

or by e-mail:
askpru@prudential.co.nz

What other information can I obtain about this investment?

This Investment Statement is an overview of Prudential Investorbonds and more information can be obtained in the prospectus, financial statements and policy document.

Your policy document will prevail should any question arise concerning the rights, benefits or conditions of your Investorbond(s).

The prospectus summarises the features and benefits of the bonds and provides information about Prudential. You can get a copy of the prospectus and financial statements, free of charge, by ringing the Prudential Client Service Centres or from the foyer of Prudential, 332-340 Lambton Quay, Wellington or from Prudential, 151 Queen Street, Auckland.

The prospectus and financial statements are also held on the public register of the Companies Office, Ministry of Commerce. These are available for public inspection and copies can be obtained for a fee.

You will also receive a progress report on your investment during the year as well as a regular magazine designed to inform you about the performance of each Investorbond. Unit prices for each of the Investorbonds are published in the weekend edition of most major metropolitan newspapers.

If you wish to obtain an illustration of your individual bond benefits or a comparison of actual returns against it, please contact your advisor in the first instance or phone your nearest Prudential Client Service Centre.

So you've decided to invest

Before making the final decision to invest we recommend that you talk to an experienced financial advisor. They can help you determine if Prudential's Investorbonds are best suited to your personal situation and savings goals.

If you want to plan for your medium to longer term savings goals with Prudential's Investorbonds then simply complete the application form and, if applicable, the direct debit authority.

Once your application form has been received by Prudential you will be sent specific details of your investment and a policy document. You should keep this information in a safe place. You should also retain this Investment Statement for future reference – it contains a summary of the key information you need to know about Prudential's Investorbonds.

PLAN FOR THE FUTURE – WHATEVER IT MAY BRING

We strongly recommend that you tell a family member or close friend details about your financial affairs to ensure that, in the event of your death, serious injury or illness, your affairs can be handled appropriately. We also recommend that you make a will to ensure that after your death, your affairs are handled the way you want them to be and without delay or difficulty. Your advisor can assist with information.

IS THERE ANYONE TO WHOM I CAN COMPLAIN IF I HAVE PROBLEMS WITH MY INVESTMENT?

If after you've spoken to your advisor you still have queries or a complaint, please contact a Client Service Officer at a Prudential Client Service Centre. If you are not satisfied with the outcome of your enquiry then please refer your complaint to the **Managing Director, Prudential, PO Box 291, 332-340 Lambton Quay, Wellington. Phone 04-470-4700**

If you are not satisfied with the resolution of the complaint through Prudential's internal procedure you can then refer your complaint to the Insurance and Savings Ombudsman, who can be contacted at:

**The Insurance and Savings Ombudsman
Level 7, BDO House
99-105 Custom House Quay
PO Box 10-845
Wellington
Phone: 0800 888 262**

APPLICATION

ADVISOR'S DETAILS - ADVISOR TO COMPLETE

Name	
Agency	Phone
Entry Details	

1 INSURED DETAILS

Name	first names	last name	<input type="radio"/> Mr	<input type="radio"/> Mrs	<input type="radio"/> Ms	<input type="radio"/> Miss	<input type="radio"/> Dr
Date of Birth			<input type="radio"/> male	<input type="radio"/> female			
Joint application - all names must be shown							
Name	first names	last name	<input type="radio"/> Mr	<input type="radio"/> Mrs	<input type="radio"/> Ms	<input type="radio"/> Miss	<input type="radio"/> Dr
Date of Birth			<input type="radio"/> male	<input type="radio"/> female			

2 POLICY OWNER DETAILS

Joint application - all names must be shown

Full Name of Owner(s)	
Address	
Phone	
home	work

3 INVESTMENT DETAILS

(tick one)

- A new bond
- An alteration in monthly investment
- An additional investment

To Bond No.

To Bond No.

WWE WISH TO INVEST IN	LUMP SUM	MONTHLY INVESTMENT*	
Squirrel Fund	\$	\$	
Fixed Interest Fund	\$	\$	
Beaver Fund	\$	\$	
Stag Fund	\$	\$	Total Investment \$
* Direct Debit form attached?	yes	no	

NOTES:

The minimum initial single investment is \$2,000, additional single investments \$1,000. The minimum monthly investment is \$200, the minimum monthly increase is \$50. The minimum amount allocated to any one fund is \$100 for single investments and \$40 for monthly investments. If choosing the monthly investment option for the first time, please complete a direct debit form.

Please make your cheque payable to "The Prudential Assurance Company New Zealand Limited"

4 DECLARATION

1. I/We wish to invest in a PRUDENTIAL INVESTORBOND in accordance with the above details.
2. I/We have read and understand the statement concerning the Privacy Act
3. THE PRIVACY ACT: I/We consent to the personal details provided on this application form being used by the Prudential Assurance Company New Zealand Limited, or its subsidiaries, for the introduction of other Prudential products and services to me/us. I/We also consent to ongoing information regarding my/our policies and investments with Prudential being provided to my servicing advisor. I/We understand that I/we have the right to see any personal information Prudential holds on me/us and to ask to have corrections made to this information.
4. I/We have received an Investment Statement for the Investorbonds.
5. I agree that if the Investorbond is issued to more than one policy owner, they will be joint owners.
6. The purpose of this application is to meet the following need:

- Retirement Funding
- Medium/Long Term Savings
- Other (please specify)

Signature of owner(s)

Date

Joint application – all parties must sign

Signature of owner(s)

Date

5 INVESTOR IDENTIFICATION

The Financial Transactions Reporting Act 1996 requires Prudential to verify the identification of all new investors. You will be asked to provide identification if you make your initial payment to Prudential by: (please indicate)

- Bank cheque Third party cheque
- Direct debit from a third party account Cash payments totalling \$10,000 or more

IDENTIFICATION

• Individuals must provide either a passport, drivers licence, credit card, or two other forms of identification.

• Companies must provide a certificate of incorporation.

If you are providing identification directly to Prudential, please send certified copies only - do not send originals.

ADVISOR TO COMPLETE

INVESTOR IDENTIFICATION

If the Investor Identification section has been completed by the investor please complete the following:

I have seen an original or certified copy of each investor's identification and where possible included a copy with the application form.

yes

no

I have known the investor for over two years and/or visited them at their home and have no reason to believe they are not who they claim to be.

yes

no

Investor Identification type and number

ADVISOR STATEMENT

I, the advisor, verify that I have provided the client with an Investment Statement. I have also verified their identification as outlined above.

Signature of Advisor

Date

DIRECT DEBIT AUTHORITY (Authority to accept Direct Debit)

PLEASE COMPLETE THE AREAS MARKED WITH AN X
PLEASE ATTACH A DEPOSIT SLIP FOR YOUR BANK ACCOUNT

CLIENT DETAILS

Full Name	X
Phone	X (work) X (home)
If this direct debit relates to an existing policy, please note policy numbers	X
If you have a preferred monthly payment date please nominate between 1st and 28th	X

Prudential lodgement reference no. (Prudential to complete)	Authority to accept Direct Debits (Not to operate as an assignment or agreement)	AUTHORISATION CODE 0 6 0 4 4 1 6
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ACCOUNT DETAILS

Name of Account Holder	X				
Please complete Bank/Branch Number, Account Number and suffix of Account to be debited and attach an encoded deposit slip					
X	<table border="1"> <tr> <td>Bank</td> <td>Branch Number</td> <td>Account Number</td> <td>Suffix</td> </tr> </table>	Bank	Branch Number	Account Number	Suffix
Bank	Branch Number	Account Number	Suffix		

TO: THE MANAGER (please print full postal address clearly)

Bank/Branch	X
Address (PO Box)	X
Town/City	X

I/We authorise you until further notice in writing to debit my/our account with you all amounts which:
THE PRUDENTIAL ASSURANCE COMPANY NEW ZEALAND LIMITED (hereinafter referred to as the Initiator)
the registered Initiator of the above Authorisation code, may initiate by Direct Debit.
I/We acknowledge and accept that the bank accepts this authority only upon the conditions listed on the reverse of this form.

INFORMATION TO APPEAR ON MY/OUR BANK STATEMENT

Payer Particular	P	R	U	D	E	N	T	I	A	L		
Payer Code												
Payer Reference												

Authorised Signature(s) X Date X

FOR BANK USE ONLY

APPROVED	DATE RECEIVED	RECORDED BY	CHECKED BY	BANK STAMP
0441				
02/98				

CONDITIONS OF THIS AUTHORITY TO ACCEPT DIRECT DEBITS

1. THE INITIATOR:

- (a) The initiator undertakes to give written notice to the Acceptor of the commencement date, frequency and the amount at least 10 calendar days before the first Direct Debit is drawn (but not more than 2 calendar months).

In the event of any subsequent change to the frequency or amount of the Direct Debits, the initiator has agreed to give written advance notice *at least 30 days before* the change comes into effect.

- (b) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.

2. THE CUSTOMER MAY:

- (a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.

- (b) Stop payment of any Direct Debit to be initiated under this authority by the Initiator by giving written notice to the Bank *prior* to the Direct Debit being paid by the Bank.

- (c) Where a variation to the amount agreed between the Initiator and the Customer from time to time to be direct debited has been made without notice being given in terms of clause 1(a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of a Direct Debit back to the Initiator through the Initiator's Bank. PROVIDED such request is made not more than 120 days from the date when the Direct Debit was debited to my/our account.

3. THE CUSTOMER ACKNOWLEDGES THAT:

- (a) This authority will remain in full force and effect in respect of all Direct Debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of this authority until actual notice of such event is received by the Bank.

- (b) In any event this authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.

- (c) Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the Direct Debit has not been paid in accordance with this authority. Any other disputes lie between me/us and the Initiator.

- (d) Where the Bank has used reasonable care and skill in acting in accordance with this authority, the Bank accepts no responsibility or liability in respect of:

- the accuracy of information about Direct Debits on Bank statements.
- any variations between notices given by the Initiator and the amounts of Direct Debits.

- (e) The Bank is not responsible for or under any liability in respect of the Initiator's failure to give written advance notice correctly nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.

- (f) Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.

4. THE BANK MAY:

- (a) In its absolute discretion conclusively determine the order of priority of payment by it of any monies pursuant to this or any other authority, cheque or draft properly executed by me/us and given to or drawn on the Bank.

- (b) At any time terminate this authority as to future payments by notice in writing to me/us.

- (c) Charge its current fees for this service in force from time to time.

SAMPLE

**THE PRUDENTIAL ASSURANCE COMPANY
NEW ZEALAND LIMITED**

332-340 Lambton Quay, PO Box 291, Wellington.

Phone 0800 ASK PRU (275 778)

Fax 0800 FAX PRU (329 778)

e-mail: askpru@prudential.co.nz

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