

Instrument dated 21 December 2011 to amend the Koinonia Fund Prospectus dated 15 September 2011 (pursuant to section 43 of the Securities Act 1978)

Introduction

On 15 September 2011 The New Zealand Anglican Church Pension Board and Richard Crockford Gray (*the Issuers*) delivered for registration a prospectus dated 15 September 2011 containing an offer of interests in the Koinonia Fund (*the Prospectus*).

The Issuers wish to amend the Prospectus pursuant to section 43 of the Securities Act 1978.

Amendments

In accordance with the provisions of section 43 of the Securities Act 1978, the Prospectus is amended in the manner indicated by the changes marked on the copy of the Prospectus **attached**.

A copy of the Prospectus as amended accompanies this amending instrument.

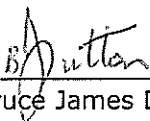
Date: 21 December 2011

Signed for and on behalf of **The New Zealand Anglican Church Pension Board** by his duly authorised agent:



Bruce James Dutton

Signed for and on behalf of **Richard Crockford Gray** by his duly authorised agent:



Bruce James Dutton

KOINONIA FUND

Prospectus

15 September 2011

(as amended on 21 December 2011)

**Trustees: The New Zealand Anglican Church Pension Board and
Richard Crockford Gray**
Promoter: The Anglican Church in Aotearoa, New Zealand and Polynesia

INTRODUCTION

The Koinonia Fund is a KiwiSaver scheme.

The Promoter of the Koinonia Fund is the Anglican Church in Aotearoa, New Zealand and Polynesia (*the Anglican Church*), a Christian Church which through The New Zealand Anglican Church Pension Board (*the Board*) has for over 100 years financially cared and provided for the people whose life-long vocation is that Church's mission and ministry.

Since 1991 the Promoter (through the Board) has extended retirement savings benefits to others involved with the work and outreach of a large number of Christian organisations and denominations.

The Anglican Church and the Trustees offer the Koinonia Fund as a further extension of the Anglican Church's service to Christians and Christian organisations, providing a retirement savings fund for those who have:

- worked particularly for a Christian organisation; and/or
- served their Christian church in a particular way; and/or
- otherwise expressed a commitment to Christian activity and/or outreach;

and for members of those persons' immediate families.

The Koinonia Fund is intended to combine:

- the savings incentives of the KiwiSaver regime;
- the tax-efficient treatment of investment returns provided by the portfolio investment entity (*PIE*) tax regime;
- reasonable administration costs, charged solely on an expenses recovery basis; and
- an ethical approach to investing.

WHAT SORT OF INVESTMENT IS THIS?

The Koinonia Fund is a KiwiSaver scheme (*KiwiSaver Scheme*) registered under the KiwiSaver Act 2006 (*the KiwiSaver Act*). The securities being offered are membership interests in the Koinonia Fund. When you invest in the Koinonia Fund, your investment is pooled with the investments of other members of the Koinonia Fund and invested for your retirement.

The Koinonia Fund offers retirement benefits for:

- employees of persons whose primary activities are, in the opinion of the Trustees, Christian mission or ministry;
- other persons who the Trustees consider have served their Christian church in a particular way, or who have otherwise expressed a commitment to Christian activity and/or outreach;

and members of those persons' immediate families.

It is the Trustees' intent that the Koinonia Fund will be generally administered in a manner consistent with Christian values, recognising the importance of ethical considerations to investment decisions and dealings with stakeholders and third parties. However, to provide broader investment spread across and within asset sectors, the Koinonia Fund may invest in indexes and funds which are not subject to ethical review. You can request a current copy of the Koinonia Fund's ethical investment policy by contacting the Trustees.

The Koinonia Fund is a defined contribution scheme. This means that the amount of your savings, when withdrawn, will depend on the contributions made to the Koinonia Fund for your benefit, the returns achieved on those contributions and the taxes and fees (if any) deducted.

Important note

This Prospectus refers to a number of statutes, such as the KiwiSaver Act 2006 and the Income Tax Act 2007, and to certain provisions of such statutes. The KiwiSaver Act, the Income Tax Act and all other statutes referred to in this Prospectus can be viewed at www.legislation.govt.nz.

WHO IS INVOLVED IN PROVIDING IT FOR ME?

The name of the Scheme is the "Koinonia Fund".

The Koinonia Fund was established pursuant to a Trust Deed (*the Trust Deed*)¹ dated 29 June 2007 between the Anglican Church in Aotearoa, New Zealand and Polynesia and the then Trustees of the Fund.

The Koinonia Fund was registered under the KiwiSaver Act on 4 July 2007 and commenced operating on 12 July 2007 as the Koinonia Fund's first Prospectus was registered on that date.

The Trustees

As at the date of the instrument to amend this Prospectus, the Trustees of the Koinonia Fund are The New Zealand Anglican Church Pension Board (*the Corporate Trustee*) and Richard Crockford Gray (*the Independent Trustee*) – together, *the Trustees*.

The Trustees oversee and are legally responsible for the management and administration of the Koinonia Fund and the payment of benefits under the Koinonia Fund.

The Corporate Trustee's contact address is:

The New Zealand Anglican Church Pension Board
32 Mulgrave Street
Thorndon
PO Box 12-287
WELLINGTON 6144

As at the date of the instrument to amend this Prospectus, the Board members of the Corporate Trustee are Donald James Baskerville (Chairman), Mervyn Alexander Gaskin, Charles Manihera Hemana, Grant Barry Hope, Ven. Lawrence Arthur Kimberley, Ross George McDonald and Rt. Rev. Philip Richardson.

The Board members of the Corporate Trustee, and the Corporate Trustee's contact address, will change from time to time. A list of the Corporate Trustee's Board members, and its contact address, at any time is available online under the "Administration" tab at www.acpb.org.nz.

¹ All subsequent references to the Trust Deed mean the Trust Deed as amended from time to time.

The Independent Trustee lives in Christchurch and can be contacted:

c/- The New Zealand Anglican Church Pension Board
32 Mulgrave Street
Thorndon
PO Box 12-287
WELLINGTON 6144

The Independent Trustee and his or her contact address will change from time to time. You can find out the name and the contact address of the Independent Trustee at any time by contacting the Funds Administrator (see page 36).

The Promoter

The Promoter of the Koinonia Fund is the Anglican Church in Aotearoa, New Zealand and Polynesia (*the Promoter*).

The Promoter's contact address is:

c/- The Office of the General Synod
200 St Johns Road
Meadowbank
PO Box 87-188
AUCKLAND 1742

No Guarantee

None of the Promoter, the Trustees or any other person guarantees the performance or obligations of the Koinonia Fund.

There is no Crown guarantee of any KiwiSaver Scheme, or of any investment product of a KiwiSaver Scheme.

Responsible Investment

Responsible investment, including environmental, social and governance considerations, is taken into account in the investment policies and procedures of the Fund as at the date of the instrument to amend this Prospectus.

You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures on the Fund's website at www.koinoniafund.org.nz, which is publicly accessible at all reasonable times, and from the Funds Administrator (see page 36), free of charge, upon request.

HOW MUCH DO I PAY?

Contributions required

Contribution rate for employees

As at the date of the instrument to amend this Prospectus, you may elect to contribute to the Koinonia Fund from your after-tax pay an amount equal to 2%, 4% or 8% of your Salary or Wages (and if you do not make a choice then your required contribution rate will be 2%). Under proposed legislation which has been referred to Parliament's Finance and Expenditure Committee, on 1 April 2013 the minimum employee contribution rate will increase from 2% to 3% of Salary or Wages.

For contribution purposes Salary or Wages means your salary or wages as defined from time to time for KiwiSaver Act purposes. It currently means the taxable income you receive in respect of your employment with:

- the employer through whom you have been automatically enrolled (an employer may only choose the Koinonia Fund for this purpose if its primary activities are, in the Trustees' opinion, Christian mission or ministry); or
- if you opt into KiwiSaver, your employer (or employers, if you have more than one job, unless you choose only one or more employers); and
- in each case, any employer with whom you later commence employment.

Your Salary or Wages for KiwiSaver Act purposes also includes:

- overtime payments, bonuses and allowances (other than accommodation benefits, the market value of board received from an employer and any taxable allowances for accommodation or living costs overseas); and
- parental leave payments from public money and ACC compensation (though all such payments and compensation are excluded for the purposes of compulsory employer contributions).

Your Salary or Wages for KiwiSaver Act purposes excludes all exempt income payments, employer superannuation contributions and redundancy payments.

Your contributions will be deducted by your employer/s from your after-tax Salary or Wages and paid to Inland Revenue. Inland Revenue will then pay them to the Koinonia Fund.

Any contributions you make to the Koinonia Fund will be placed in your member account. Your member account will be established by the Trustees and will also be credited and debited with other amounts such as Crown subsidies (see pages 11 to 12), investment earnings, costs and expenses (see pages 45 and 46 for further information on *member accounts*).

If no tax deductions are required to be made from your Salary or Wages under the PAYE rules (and you are not a private domestic worker) then you are not required to contribute to the Fund from your Salary or Wages.

Employer contributions

The contributions made by your employer (or employers) to the Koinonia Fund will be placed in an employer account. Your employer account will be established by the Trustees and will also be credited and debited with other amounts such as investment earnings, costs and expenses (see page 46 for further information on *employer accounts*).

Under current legislation, if:

- you are aged 18 or more; and
- you have not reached your "Qualifying Date" (see below); and
- you join a KiwiSaver Scheme;

then (except as outlined below), in addition to your Salary or Wages unless you agree otherwise, your employer must (under law applicable as at the date of the instrument to amend this Prospectus) make fully vested employer contributions to that KiwiSaver Scheme for your benefit, while you are contributing to the KiwiSaver Scheme from your Salary or Wages.

The *Qualifying Date* is the later of:

- the date when you reach the standard qualifying age for New Zealand superannuation (currently 65); and
- the date when:
 - you have been a member of one or more KiwiSaver Schemes over a period of 5 years; or
 - you have been a member of one or more Complying Superannuation Funds and KiwiSaver Schemes over a period of 5 years.

As at the date of the instrument to amend this Prospectus, the compulsory minimum employer contribution rate is 2% of your Salary or Wages (as defined for KiwiSaver Act purposes but excluding, for this purpose, parental leave payments out of public money and ACC compensation). Under proposed legislation which has been referred to Parliament's Finance and Expenditure Committee, on 1 April 2013 the compulsory minimum employer contribution rate will increase from 2% to 3% of Salary or Wages.

Under current legislation, ongoing contributions by your employer to an existing registered superannuation scheme for your benefit discharge or count towards your compulsory employer contribution entitlements if your employer provided employees with access to that scheme on 17 May 2007 and:

- your employer employed you before 1 April 2008, and before then made (or agreed to make) contributions to the existing scheme for your benefit; or
- you are covered by a collective agreement that was in force before 17 May 2007 and has yet to expire, under which your employer is required to contribute to the existing scheme for your benefit.

The employer's contributions to the existing scheme only count as compulsory employer contributions to the extent that they vest within 5 years after being paid.

Employer contributions or credits to an existing registered superannuation scheme for your benefit will also discharge or count towards your compulsory employer contribution entitlements in certain other limited circumstances prescribed in the KiwiSaver Act.

Inland Revenue holding account

If the Koinonia Fund is the first KiwiSaver Scheme that you join, then any contributions received by Inland Revenue during the three month period after the date when Inland Revenue receives the first KiwiSaver contribution for your benefit (or the date, if earlier, when Inland Revenue receives notice or otherwise knows that you are a member of the Koinonia Fund) will generally not be passed on to the Koinonia Fund until as soon as practicable after the end of that three month period. Your contributions will be held by Inland Revenue in a tax-free interest-bearing holding account during that three month period.

On an ongoing basis, contributions paid through Inland Revenue will also be held in that interest-bearing holding account, but paid to the Koinonia Fund as soon as practicable after the Inland Revenue receives them.

Additional contributions

Subject to any applicable minimum contribution requirement set by the Trustees, and if the Trustees agree, you may also:

- contribute amounts additional to those deducted from your Salary or Wages; and/or
- arrange for other persons, including your employer, to make additional contributions for your benefit.

Additional contributions other than employer contributions may be paid:

- to Inland Revenue by an Internet banking payment (details on how to make these payments are provided on the website www.ird.govt.nz); or
- to Inland Revenue by depositing a lump sum at any Westpac branch (you will need to give Inland Revenue your name, address, IRD number and whatever other information it may require); or
- direct to the Koinonia Fund by cheque payable to "The Koinonia Fund", c/- The New Zealand Anglican Church Pension Board, PO Box 12-287, Wellington 6144; or
- direct to the Koinonia Fund by direct debit through selecting this option on the Application Form and returning the attached Direct Debit Authority form to "The Koinonia Fund", c/- The New Zealand Anglican Church Pension Board, PO Box 12-287, Wellington 6144.

As at the date of the instrument to amend this Prospectus, additional contributions must be made in amounts of at least \$50 per month (\$600 per annum). This minimum amount may change from time to time.

Further details about making additional contributions are available from the Trustees.

Contribution rate for non-employees

If you are self-employed or not employed and you wish to join the Koinonia Fund, contributions may be made by any of the methods described under *Additional contributions* (see page 8).

As at the date of the instrument to amend this Prospectus, contributions from members who are not employees must be made in amounts of at least \$100 per month (\$1200 per annum). This minimum amount may change from time to time.

Further details about contributions by non-employees are available from the Trustees.

Contributions (and enrolments) by minors

If you are aged below 18 then you can elect to join the Koinonia Fund without having to contribute – there is no minimum annual contribution required. However if you are under 18 and employed then, under legislation applying as at the date of the instrument to amend this Prospectus, you must contribute to KiwiSaver from your Salary or Wages an amount not less than the prescribed minimum rate (see *Contribution rate for employees* on page 6) unless no PAYE

deductions are required because you qualify for children's or other tax credits. If no PAYE deductions are required to be made from a minor's Salary or Wages (because they qualify for children's or other tax credits) then no KiwiSaver contributions are required either.

Please note that:

- minors aged below 16 may only be enrolled in a KiwiSaver Scheme by all their legal guardians, acting jointly, and may not enrol themselves; and
- minors aged 16 or 17 must have one legal guardian co-sign the application form in order to enrol in a KiwiSaver Scheme, unless they have no legal guardian.

Each signatory to the Application Form whereby a minor joins a KiwiSaver Scheme must provide proof of identity. Additionally, where a legal guardian is not a parent listed on the minor's birth certificate, he or she must provide documentary proof of guardianship.

Transfers from other KiwiSaver Schemes

You may only be a member of one KiwiSaver Scheme at a time. Provided the Trustees have agreed to admit you as a member, you may transfer to the Koinonia Fund from (and thereby cease to be a member of) another KiwiSaver Scheme at any time.

Transfers from UK or Australian schemes

The Koinonia Fund is currently approved as a qualifying recognised overseas pension scheme (*QROPS*) under UK legislation. The Trustees are therefore currently permitted to accept transfers to the Koinonia Fund from UK pension schemes.

If you have transferred funds directly or via another scheme from a UK registered pension scheme or from funds that have UK tax relieved status, then while the Koinonia Fund retains QROPS status certain UK tax treatment will apply – contact the Funds Administrator (see page 36) for details.

If the Koinonia Fund does not retain QROPS status, you may have more UK tax to pay on funds transferred to the Fund.

As at the date of the instrument to amend this Prospectus it is expected that before the end of 2012 you will be permitted to transfer funds from an Australian complying superannuation scheme to a KiwiSaver Scheme if you have permanently emigrated to New Zealand. The Trustees intend offering this facility through the Koinonia Fund as soon as practicable after the enabling legislation takes effect.

For more information, including the permissibility and status of transfers from UK or Australian schemes, contact the Funds Administrator (see page 36).

Crown subsidies

Kickstart contribution

Under legislation applying as at the date of the instrument to amend this Prospectus, if the Koinonia Fund is the first KiwiSaver Scheme you have joined then the Crown will make a kickstart contribution of \$1,000 to the Koinonia Fund for your benefit approximately three months after the earlier of:

- the date when Inland Revenue receives your first contribution to the Koinonia Fund; and
- the date when Inland Revenue is notified, or otherwise knows, that you are a member.

Alternatively, if you have transferred to the Koinonia Fund from a complying superannuation fund and were a member of that fund for three or more months, the kickstart will be paid to the Koinonia Fund as soon as practicable after Inland Revenue is notified of the transfer (a "complying superannuation fund" is a superannuation scheme that, while not a KiwiSaver scheme, has approved rules enabling a KiwiSaver-equivalent lock-in of balances).

This contribution is referred to throughout this Prospectus as your *Kickstart Contribution Amount*.

See the section *What returns will I get?* on pages 16 to 29 for the restrictions on withdrawing your Kickstart Contribution Amount.

KiwiSaver Member Tax Credits

As at the date of the instrument to amend this Prospectus, if you are aged between 18 and your Qualifying Date (see page 7) then, while you contribute to the Koinonia Fund and reside mainly in New Zealand, you will be eligible for annual Crown contributions (*KiwiSaver Member Tax Credits*) matching your contributions to the Koinonia Fund at the rate of 50 cents per dollar up to a maximum Crown contribution of \$521.43 a year (about \$10 per week). Any KiwiSaver Member Tax Credits paid to a complying superannuation fund for your benefit for the same year will be deducted from this amount.

This means that you will maximise your KiwiSaver Member Tax Credits by contributing to the Koinonia Fund not less than \$1,042.86 a year (about \$20 per week). A year for KiwiSaver purposes is 1 July to 30 June.

KiwiSaver Member Tax Credits will be available to you regardless of your employment status.

Under current legislation and Inland Revenue policy, your KiwiSaver Member Tax Credit entitlements will commence on the first day of the month in which (as applicable):

- deductions from your Salary or Wages start; or
- we receive your first contribution; or
- Inland Revenue receives the first contribution paid for your benefit;

or in each case on the date (if earlier) when, if you have opted into KiwiSaver, an account in the Koinonia Fund is opened for you and Inland Revenue processes advice from us that you have joined KiwiSaver.

This means that if you join KiwiSaver (or turn 18) part way through a KiwiSaver year then your KiwiSaver Member Tax Credits for that year will be calculated in proportion to the length of time you were eligible to receive KiwiSaver Member Tax Credits during the year.

The Trustees will claim KiwiSaver Member Tax Credits annually on your behalf. When you withdraw from the Koinonia Fund (unless you are transferring to another KiwiSaver Scheme, in which case the provider of the other scheme may claim KiwiSaver Member Tax Credits on your behalf) the Trustees will be able to claim for your benefit KiwiSaver Member Tax Credits for the period from the start of the relevant KiwiSaver year.

Each KiwiSaver Member Tax Credit will be applied to your balance in the Koinonia Fund when received by the Trustees. If you are withdrawing from the Koinonia Fund, it will be added to your benefit (other than in the circumstances where the KiwiSaver Member Tax Credit is not to be credited to you, explained under *What returns will I get?* on page 16).

If, after you have withdrawn from the Koinonia Fund (including by reason of death or Serious Illness), it would be impracticable to pay any outstanding KiwiSaver Member Tax Credit entitlements to the Fund, Inland Revenue may pay them direct to you (or to your estate or another permitted recipient if you have died).

See *What returns will I get?* on page 16 for the restrictions on withdrawing your Tax Credit Amount (as defined on page 16).

Alteration of employee contributions

If you are employed then, as at the date of the instrument to amend this Prospectus, by notifying your employer of the new rate you may change your contribution rate between 2%, 4% and 8% of your Salary or Wages.

Under proposed legislation which has been referred to Parliament's Finance and Expenditure Committee, on 1 April 2013 the minimum employee contribution rate

will increase from 2% to 3% of Salary or Wages (so from 1 April 2013 you will be able to change your contribution rates between 3%, 4% and 8% of your Salary or Wages).

Your change in contribution rate will take effect from the next payment of Salary or Wages after your employer receives that notice. However, you may not change your contribution rate at intervals of fewer than three months unless your employer agrees.

Contributions holiday

You may apply to Inland Revenue to suspend your contributions to the Koinonia Fund (i.e. to take a "contributions holiday") if contributions to the Koinonia Fund are being deducted from your Salary or Wages and:

- 12 or more months have passed since your first contribution was received by Inland Revenue or since you first contributed direct to a KiwiSaver Scheme; or
- you are suffering, or likely to suffer, financial hardship (and Inland Revenue has received at least one contribution from you).

If a contributions holiday is granted based on financial hardship, its duration will be 3 months (unless Inland Revenue agrees to a longer period). In all other circumstances, the duration of a contribution holiday will be between 3 months and 5 years. Inland Revenue will notify you before your contributions holiday ends and (if you wish) you may apply for a new contributions holiday.

You may revoke your contributions holiday and resume contributing at any time by giving a notice to your employer which requires the employer to start making deductions from your Salary or Wages.

Further details about contributions holidays are available from the Trustees.

WHAT ARE THE CHARGES?

Fees

As at the date of the instrument to amend this Prospectus, the Trustees do not charge (and do not propose charging) any fees for their services.

This means that there are no fees charged for either administration or management or for:

- joining the Koinonia Fund; or
- withdrawing from the Koinonia Fund; or
- transferring to or from the Koinonia Fund; or
- altering your contribution rate; or
- switching between investment pools.

However, the Trustees are entitled to be paid out of the assets of the Koinonia Fund for their services with respect to the Fund such administration, management, membership, transaction or other fees as the Corporate Trustee determines. GST (or similar tax or duty) may be added to any such fees.

If any such fees were charged, then they would be subject to the requirements of the "reasonable fees" limits prescribed in the KiwiSaver Act (under which KiwiSaver Scheme fees may not be unreasonable). Under the KiwiSaver Act, if a member or the Financial Markets Authority considered that a fee imposed in connection with membership of the Koinonia Fund was unreasonable then he or she could (within one year of the fee being imposed or debited) seek a High Court order annulling or reducing the fee.

New fees may be charged from time to time. If fees are imposed, then (subject to the reasonable fees restrictions described above) they may be altered or varied from time to time. Under the KiwiSaver Act, if any such fees were charged then when any fee to which the reasonable fees restrictions applied was increased, the Trustees would be required to notify the Financial Markets Authority as soon as reasonably practicable after the increase took effect.

Expenses

All direct and indirect expenses, losses, costs or liabilities incurred by the Trustees in or about acting as Trustees of the Koinonia Fund, administering the Fund, or acquiring or dealing with investments, are paid from the assets of the Koinonia Fund and may be deducted from the assets of the Fund or charged to a particular member's account or members' accounts in such manner as the Trustees consider fair and equitable. The Trustees are also entitled to be reimbursed from the

assets of the Koinonia Fund for any expense, cost or liability which may be incurred by the Trustees in bringing or defending any action or suit in respect of the Fund.

The expenses and costs incurred by the Trustees in establishing the Koinonia Fund are now being recouped from the Koinonia Fund's before-tax investment earnings in instalments until fully recovered.

Expenses incurred by the Trustees are paid out of the investment pool or investment pools to which the matters giving rise to those expenses relate (and those matters may, for the avoidance of doubt, relate to all of the investment pools). Where any amount payable by the Trustees relates to more than one investment pool (see page 21) that amount is apportioned between those investment pools on such fair and equitable basis as the Trustees may determine. Expenses and fees, if any, are paid (at the Trustees' discretion) either by deduction from Fund assets before calculating the earnings rate for each pool or by deduction from the accounts of members who invest in the relevant pool.

The assets of the Koinonia Fund (excluding its holdings in forests and forest land) are currently invested exclusively in The New Zealand Anglican Church Pension Board Investment Trust (*the Investment Trust*), an underlying investment fund of which The New Zealand Anglican Church Pension Board acts as trustee. No fees or additional expenses are payable with respect to the Koinonia Fund's investments in the Investment Trust.

If, in the future, the Trustees appoint an administration or investment manager then any fees or expenses charged by that manager, or amounts payable to the manager, will be paid out of the assets of the Koinonia Fund. The fees will be as agreed from time to time between the Trustees and the appointed manager (but will be subject to the reasonable fees restrictions prescribed in the KiwiSaver Act and referred to above).

The direct and indirect expenses, losses, costs or liabilities incurred by the Trustees will vary from year to year and therefore the expenses amount payable to the Trustees will also vary. You can ascertain the expenses amount payable to the Trustees in respect of any year from:

- the audited financial statements for that year, of which you may request a copy (see page 39); or
- the annual report of the Trustees in respect of that year;

or by contacting the Trustees.

WHAT RETURNS WILL I GET?

When you reach your Qualifying Date, or when you make any earlier withdrawal that is permitted under the KiwiSaver Scheme Rules², your returns from the Koinonia Fund will be paid as a lump sum or lump sums. Withdrawals are not allowed in any other circumstances and the Koinonia Fund will not make income distributions.

No rate of return has been promised or guaranteed for the Koinonia Fund. The value of your interest in the Koinonia Fund will rise and fall as the value of the Koinonia Fund's relevant underlying investments rises and falls.

The Trustees are legally liable to pay your returns to you when you reach your Qualifying Date or make an earlier permitted withdrawal.

The withdrawal facilities are described below.

Permitted withdrawals under the KiwiSaver Scheme Rules

Tax Credit Amount

The amount equal to:

- the total amount of KiwiSaver Member Tax Credits credited or transferred to the Koinonia Fund for your benefit (disregarding positive or negative investment returns); or
- if your benefit from the Koinonia Fund is a lesser amount, that amount;

is referred to in this Prospectus as your "Tax Credit Amount".

In some cases where you are permitted to make a withdrawal you cannot be paid your Tax Credit Amount. These circumstances are explained below.

In addition, even in those circumstances in which you may withdraw your Tax Credit Amount, it cannot be withdrawn:

- unless you (or if you have died, your personal representative or another permitted recipient of your death benefit) provide a statutory declaration as to when you have resided principally in New Zealand; or
- to the extent to which the Trustees have notice that your claim for the Tax Credit Amount is wrong (because the periods during which you have met that residency requirement were wrongly advised).

² The 'KiwiSaver Scheme Rules' are the rules applying to KiwiSaver Schemes under the KiwiSaver Act 2006.

Qualifying Date withdrawal

You may withdraw your benefit on or after your Qualifying Date (which is defined on page 7). Alternatively, you may leave your benefit in the Koinonia Fund indefinitely or withdraw it in instalments subject to terms and conditions prescribed from time to time by the Trustees.

Withdrawal in case of death

Your full benefit will be paid to your personal representatives (the executors or administrators of your estate) on request if you die.

Alternatively, if your full benefit is less than a prescribed amount (currently \$15,000) and the requirements of the Administration Act 1969 are met, the Trustees must pay direct to a surviving partner or caregiver (or to any other permitted recipient specified in that Act) your full benefit on the date when the payment is made.

Significant Financial Hardship

You may make a withdrawal, excluding the Kickstart Contribution Amount and the Tax Credit Amount, if the Trustees are reasonably satisfied that you are suffering or likely to suffer from "Significant Financial Hardship".

Significant Financial Hardship is defined in the KiwiSaver Scheme Rules to include significant financial difficulties arising because of:

- your inability to meet minimum living expenses; or
- your inability to meet mortgage repayments on your principal family residence, resulting in the mortgagee seeking to enforce the mortgage; or
- the cost of modifying a residence to meet special needs arising from your own or a dependant's disability; or
- the cost of medical treatment for your own or a dependant's illness or injury; or
- the cost of palliative care for you or a dependant; or
- funeral costs for a dependant.

Under special purpose regulations made pursuant to the KiwiSaver Act, until 21 January 2012 Significant Financial Hardship also includes significant financial difficulties arising for residents of Christchurch City or any of the Ashburton, Hurunui, Selwyn or Waimakariri Districts due to property destruction or damage, loss of employment or costs incurred (including costs associated with relocating to a new home or dealing with trauma) by reason of the 22 February 2011 Canterbury earthquake aftershock.

A Significant Financial Hardship withdrawal is subject to restrictions prescribed in the KiwiSaver Scheme Rules, as amended from time to time.

The Trustees must also be reasonably satisfied that reasonable alternative sources of funding have been explored and have been exhausted. You will need to provide a statutory declaration as to your assets and liabilities.

The Trustees may limit the withdrawal to a specified amount that (in their opinion) is required to alleviate the particular hardship you are suffering.

Serious Illness

You may make a withdrawal if the Trustees are reasonably satisfied that you are suffering from "Serious Illness". Serious Illness is defined in the KiwiSaver Scheme Rules to mean an injury, illness or disability:

- that results in your being totally and permanently unable to engage in work for which you are suited by reason of experience, education or training (or any combination of those things); or
- that poses a serious and imminent risk of death.

The Trustees will require medical evidence to support your withdrawal request.

Home purchase

You may be eligible to make a withdrawal (excluding the Kickstart Contribution Amount and the Tax Credit Amount) to purchase your first home if:

- three or more years have passed since Inland Revenue received the first KiwiSaver contribution in respect of you (or since you first joined a KiwiSaver Scheme); and
- you have never made a home purchase withdrawal; and
- you intend that the relevant land will be your principal place of residence; and
- with limited exceptions, you have never owned an estate in land (either alone or jointly with another person).

Alternatively, you may be eligible to make a withdrawal to purchase a home as a "second chance" home buyer if you meet the first three of the above criteria and you provide us with written confirmation from Housing New Zealand stating that it is satisfied your financial position (in terms of income, assets and liabilities) is what would be expected of a person who has never owned a home. For more information or the necessary form, telephone Housing New Zealand on 0508 935 266 or visit its website www.hnzc.co.nz.

The withdrawal is subject to restrictions prescribed in the KiwiSaver Scheme Rules as amended from time to time. Home purchase withdrawals may be permissible under the KiwiSaver Act or the KiwiSaver Regulations 2006 in circumstances other than those listed above.

An amount permitted to be transferred to a KiwiSaver Scheme from an Australian complying superannuation scheme (disregarding positive or negative returns) cannot later be withdrawn for a home purchase.

Under current Government policy, a tax-free home purchase subsidy of \$1,000 per year of KiwiSaver contributions, up to a maximum of \$5,000, may be available to certain people who qualify for a home purchase withdrawal. Those people must have contributed regularly to KiwiSaver for at least three years and meet all other qualifying criteria. If a member's partner is also entitled to the subsidy, the member and their partner may combine their deposit subsidies, receiving up to \$10,000 altogether.

For details about required contribution levels and other qualifying criteria, visit the Housing New Zealand website www.hnzc.co.nz.

If you then need more information, contact the Trustees or visit the Government's website www.kiwisaver.govt.nz.

Housing New Zealand administers the home purchase subsidy facility and subsidies are not payable from the Koinonia Fund. Neither the Promoter nor the Trustees have any liability in relation to the subsidy facility.

Permanent emigration

As at the date of the instrument to amend this Prospectus, you may withdraw your entitlement (excluding your Tax Credit Amount) from the Koinonia Fund one year after you have permanently emigrated from New Zealand.

Alternatively, you may direct the Trustees (at any time after you have permanently emigrated) to transfer your entitlement (excluding your Tax Credit Amount) to any overseas superannuation scheme authorised for that purpose by regulations made under the KiwiSaver Act. As at the date of the instrument to amend this Prospectus, no such regulations have yet been made.

In either circumstance, your Tax Credit Amount will be repaid to the Crown.

In each circumstance, you will need to complete a statutory declaration to the effect that you have permanently emigrated from New Zealand. You must also prove to the Trustees' satisfaction your departure from New Zealand, and that you have resided at an overseas address at some time during the year following your departure (the Trustees will require supporting documentation).

Under legislation which (as at the date of the instrument to amend this Prospectus) is expected to take effect by the end of 2012, a KiwiSaver Scheme member who permanently emigrates to Australia:

- will no longer be permitted to make a cash withdrawal on the permanent emigration basis; but
- will be permitted to transfer his or her full KiwiSaver entitlement (including the Tax Credit Amount) to an Australian complying superannuation scheme.

After emigrating to Australia a member will remain entitled, as is currently the case whenever emigrating, to leave his or her balance in the Koinonia Fund until on or after reaching the Qualifying Date (see page 7) and then to withdraw it as a lump sum.

Until this legislation takes effect, the permanent emigration provisions applying as at the date of the instrument to amend this Prospectus will continue applying in cases of permanent emigration to Australia.

For more information, contact the Funds Administrator (see page 36).

Transfer to another KiwiSaver Scheme

You may transfer your benefit to another KiwiSaver Scheme at any time. The transferred amount must include the Kickstart Contribution Amount and the Tax Credit Amount.

If you choose to transfer your benefit to another KiwiSaver Scheme, you will cease to be a member of the Koinonia Fund (as you may only be a member of one KiwiSaver Scheme at a time).

If you join the Koinonia Fund because it is your employer's chosen KiwiSaver Scheme, then if you leave that employer's service you will remain a Koinonia Fund member.

If the employer chooses another KiwiSaver Scheme, you will remain a member but you may elect to transfer to that other KiwiSaver Scheme if you wish.

Withdrawals required by legislation

The Trustees must comply with any legislation or Court order requiring them to release funds from the Koinonia Fund. This includes a property sharing order made under the Property (Relationships) Act 1976.

Any funds transferred to the Koinonia Fund from an Australian complying superannuation scheme (once such transfers are allowed – see above) will be permitted to be withdrawn if you have reached age 60 and satisfy the "retirement" definition in the Australian legislation.

Benefits generally

The amount of your benefit from the Koinonia Fund will reflect the contributions made by you or for your benefit, the reason for your withdrawal, Crown subsidies and investment returns (after deducting fees if any, taxes, expenses and other liabilities).

Investment returns will be unrealised until your money is actually withdrawn from the Koinonia Fund.

No amount of return from the Koinonia Fund is promised or can be guaranteed. Members should be aware that the value of their interests in the Koinonia Fund may fluctuate as the value of the underlying investments changes.

Your return will also be impacted by the tax paid by the Koinonia Fund and the expenses deducted from the Koinonia Fund's assets.

Member investment choice

The Trustees may maintain one or more separate investment pools for the investment of your savings. As at the date of the instrument to amend this Prospectus, the investment pools available for investment pool choices are:

- Conservative;
- Balanced (**default investment pool**); and
- Growth.

You may choose to invest your savings in any one or a mix of these investment pools, but your selection must be in whole percentage multiples of your contributions and account balances, the percentage in any selected pool cannot be less than 10% and the total percentage across all pools chosen must equal 100%.

The Conservative Pool will be wound up from 31 March 2012. In place of the Conservative Pool, an Income Pool will be established effective 1 April 2012, so from that date you will be able to choose to invest your savings in any one or a mix of the Income, Balanced and Growth investment pools.

If members invested in the Conservative Pool on 31 March 2012 do not choose a replacement investment pool, they will be deemed to have elected to transfer all or the relevant portions of their balances (and of all future contributions) from the Conservative Pool to the Income Pool.

Your savings will be invested in the default investment pool (Balanced):

- if you do not select an investment pool; or
- if, or to the extent that, your choice does not meet the selection requirements (see previous paragraph); or
- if you only choose an investment pool for part of your savings, in which case the savings in respect of which you make no election will be invested in the Balanced pool.

The Trustees determine the investment earnings available from each investment pool for allocation to members' accounts by deducting the liabilities attributable to that investment pool from the market value of the assets as frequently as the Trustees may consider necessary or desirable from time to time. The Trust Deed contains certain prescriptions concerning the determination of market values and liabilities for earnings rate purposes.

The investment pools consist of investments in asset classes that are within the investment guidelines that the Trustees agree from time to time for those pools. The investment guidelines set out a "benchmark portfolio" asset mix for each investment pool.

As at the date of the instrument to amend this Prospectus, the benchmark portfolio asset mix for each investment pool includes income assets and growth assets. On 1 April 2012, however, the Income Pool will replace the Conservative Pool and will have a benchmark portfolio asset mix consisting entirely of income assets. Income assets are cash and fixed interest (bond) investments and mortgage loans, and growth assets are property, shares, forests and alternative investments such as hedge funds. Income assets aim to provide income with little or no capital growth. Income assets are usually less volatile than growth assets, but their overall earning potential is generally lower than growth assets. Growth assets aim to provide long term capital growth and usually have a higher risk than income assets.

Conservative Pool

The Conservative Pool (to be wound up from 31 March 2012) is intended to be the least volatile of the three investment pool options (Conservative, Balanced and Growth) that are available as at the date of the instrument to amend this Prospectus. It is designed to appeal to members who are close to retirement (and who consider they may not have time to ride out investment highs and lows) or who are more risk averse and feel uncomfortable investing in a portfolio which invests more in shares.

As at the date of the instrument to amend this Prospectus, the benchmark portfolio for the Conservative Pool is 80% income assets and 20% growth assets.

The benchmark sector allocations (with investment ranges shown in brackets) are:

- Cash 40% (0-60)
- NZ fixed interest and mortgages 20% (10-30)
- International fixed interest 20% (10-30)
- Australasian shares 5% (0-10)
- International shares 10% (5-15)
- Listed property 5% (0-10)

When the Conservative Pool is wound up effective from 31 March 2012, the member funds in that pool will be transferred to another investment pool or pools.

If all or part of your balance in the Koinonia Fund is invested in the Conservative Pool, you will be contacted in early 2012 regarding your investment choices from 1 April 2012. If you have funds invested in the Conservative Pool and do not choose a replacement investment pool, you will be deemed to have elected to transfer all or the relevant portion of your balance (and of all future contributions) from the Conservative Pool to the Income Pool (see page 24).

Balanced Pool

The Balanced Pool is intended to suit the needs of most members. It is designed to appeal to investors willing to accept a medium degree of risk to pursue long term growth.

As at the date of the instrument to amend this Prospectus, the benchmark portfolio for the Balanced Pool is 50% income assets and 50% growth assets. The benchmark sector allocations (with investment ranges shown in brackets) are:

- Cash 10% (0-30)
- NZ fixed interest and mortgages 20% (10-30)
- International fixed interest 20% (10-30)
- Alternative assets 5% (0-10)
- Australasian shares 10% (5-15)
- International shares 25% (15-35)
- Listed property 10% (5-15)

Growth Pool

The Growth Pool is designed to appeal to members who have a long term investment horizon or who are less risk averse and are prepared for significant fluctuations in returns over the short to medium term.

As at the date of the instrument to amend this Prospectus, the benchmark portfolio for the Growth Pool is 25% income assets and 75% growth assets. The benchmark sector allocations (with investment ranges shown in brackets) are:

- Cash 5% (0-20)
- NZ fixed interest and mortgages 10% (5-20)
- International fixed interest 10% (5-20)
- Alternative assets 10% (0-15)
- Australasian shares 15% (10-20)
- International shares 40% (30-50)
- Listed property 10% (5-15)

Income Pool

On 1 April 2012, the Income Pool will be established in place of the Conservative Pool. It is intended that the Income Pool will be the least volatile of the three investment pool options (i.e. Income, Balanced and Growth). The Income Pool will be designed to appeal to members who are close to retirement (and who consider they may not have time to ride out investment highs and lows) or who are risk averse and feel uncomfortable investing in a portfolio which invests in growth assets such as property or shares.

The benchmark portfolio for the Income Pool will be 100% income assets. As at the date of the instrument to amend this Prospectus, the benchmark sector allocations for the Income Pool have yet to be determined.

On 1 April 2012, members who were invested in the Conservative Pool and have not chosen a replacement investment pool will automatically have all or the relevant portions of their balances (and of all future contributions to the Fund for their benefit) transferred from the Conservative Pool to the Income Pool.

Investments generally

While the descriptions of the preceding pools as outlined may be of some use to you in making an investment, all investments carry an element of risk and you should seek advice before making your pool choice.

Please note that the investment strategy and benchmark portfolios for these investment pools, as well as the investment pools available, may change at any time (and actual asset allocations will vary from benchmarks) and no guarantee is given that the pools' objectives will be achieved. In particular, there is a risk that in some years the returns on any one or more of the pools may be negative.

If the Trustees wind up an investment pool in which you have an interest, you will be notified of the investment pool to which you will be deemed to have elected to transfer if you do not choose a replacement investment pool.

Taxation

Neither the Trustees nor the Promoter accept any responsibility for the taxation implications for members of investing in the Koinonia Fund. Tax legislation, its interpretation and the rates and bases of taxation are subject to change, and the application of tax laws depends on a member's individual circumstances. You are advised to consult your own independent tax adviser as to the tax consequences of investing in the Koinonia Fund or any investment pool in the Fund.

The following is a general statement describing the Trustees' understanding of New Zealand tax legislation as it affects the Koinonia Fund and New Zealand-resident Fund members as at the date of the instrument to amend this Prospectus. Non-resident members should seek their own tax advice in applicable jurisdictions, including as to the tax treatment in those jurisdictions of payments or transfers from the Koinonia Fund.

Tax on investment income

The Portfolio Investment Entity (PIE) tax regime has applied to the Koinonia Fund since 1 October 2007.

Under the PIE tax regime:

- each investment pool's income, deductible expenses and tax credits for an attribution period are attributed to the relevant members in proportion to their interests in that pool;
- the Koinonia Fund pays tax on the net income attributed to each member at the member's PIE tax rate (see below);
- if an investment pool suffers a loss (or a member's attributed tax credits exceed the tax payable) for an attribution period, the Trustees are able to claim a tax rebate (except for excess foreign tax credits) which will be credited to the member's accounts;
- at the time of a withdrawal from the Koinonia Fund, or of a switch from one investment pool to another (switches between investment pools are treated as withdrawals for tax purposes), tax is payable only on the amount of income attributed to the period in which the withdrawal or switch occurs;
- in the case of shares held for the Koinonia Fund in New Zealand resident companies, any profits on disposal are not taxable and losses on disposal are not deductible (dividends are taxable); and

- in the case of shares held for the Koinonia Fund in certain Australian resident companies that are listed on an approved Australian Securities Exchange index and maintain a franking credit account, profits on disposal are not taxable and losses on disposal are not deductible (dividends are taxable, but the Trustees should be able to claim a tax credit for any withholding tax deducted from dividends).

For New Zealand tax-resident members who provide their IRD number to the Koinonia Fund, there are three PIE tax rates available as at the date of the instrument to amend this Prospectus (a "tax year" is 1 April to 31 March):

- 10.5% for members who notify the Trustees that they had, in either of the two tax years immediately preceding the current tax year, taxable income of \$14,000 or less (this excludes PIE income)³ and \$48,000 or less in total taxable income plus net PIE income; and
- 17.5% for members who do not qualify for the 10.5% rate but notify the Trustees that they had, in either of the two tax years immediately preceding the current tax year, taxable income of \$48,000 or less (this excludes PIE income) and \$70,000 or less in total taxable income plus net PIE income; and
- 28% in every other case.

If a member does not provide a PIE tax rate, or is a non-resident, the default rate is 28%.

In calculating your PIE tax rate, taxable income includes worldwide income, including if (from 1 April 2012) you were not resident in New Zealand when that income was earned. If you are newly-resident and choose not to include your worldwide income when calculating your PIE tax rate, your PIE income must be included in an income tax return. For more details see www.ird.govt.nz.

Each year members will be asked to confirm their PIE tax rate to the Trustees. Members must advise the Trustees if their PIE tax rate changes or they cease to be resident in New Zealand.

The Trustees calculate the tax liability attributable to members for each calculation period (and as at the date of any withdrawal or switch) using

³ "PIE income" means the income attributed to a person from the PIEs in which that person has invested, excluding any dividends paid from a portfolio listed company (a type of PIE). Dividends from a portfolio listed company that are not excluded income (under the relevant provisions of the Income Tax Act 2007) are taxable income.

members' PIE tax rates. The tax liability attributed to each member is deducted from the member's accounts by debiting each account.

If a member has elected the correct PIE tax rate, the income attributed to them will not have to be included in a tax return. Also, as at the date of the instrument to amend this Prospectus such income will not affect eligibility for family assistance, or student loan repayments or child support obligations.

If a member elects a PIE tax rate lower than the correct rate, or does not advise a change to a higher rate, Inland Revenue may contact the member and require him or her to file a tax return and pay any consequential tax shortfall at the member's marginal income tax rate plus any penalties and interest. Inland Revenue may also contact the Trustees and direct them to change the member's PIE tax rate.

If a member who is eligible for a lower PIE tax rate wrongly notifies a higher rate to the Trustees then Inland Revenue will not refund any excess tax paid.

If investments are held for the Koinonia Fund in foreign shares (except for shares in certain Australian resident companies that are listed on an approved Australian Securities Exchange index and maintain a franking credit account) such shares will be subject to the fair dividend rate method of taxation (*the FDR Method*) provided The New Zealand Anglican Church Pension Board Investment Trust (in which all of the Koinonia Fund's assets other than its holdings in forests and forest land are directly invested) holds less than 10% of the shares in any foreign company. Under the FDR Method, the Koinonia Fund is deemed to derive taxable income each year equal to 5% of the average daily opening market value of the shares held for it in foreign companies, but any dividends received are not taxable (although the Trustees are able to claim tax credits for any foreign withholding tax deducted from the dividends received). Losses incurred on the disposal of foreign shares are not deductible.

Fees (if any) paid by members for ongoing management and administration services can be taken into account as deductions for the purposes of calculating the tax payable on behalf of each member. Members are not able to claim deductions for any such fees in their own tax returns.

Tax on contributions

Member contributions to the Koinonia Fund are made from after-tax income, so no more tax is payable on those contributions. The Kickstart Contribution Amount and KiwiSaver Member Tax Credits are not income or gifts for tax purposes.

Under legislation applying as at the date of the instrument to amend this Prospectus employer contributions are exempt from employer's superannuation contribution tax (*ESCT*) – i.e. they are payable tax free – up to 2% of your Salary or Wages while you are:

- also contributing to the Koinonia Fund from your Salary or Wages; and
- aged between 18 and your Qualifying Date (which is defined on page 7).

As at the date of the instrument to amend this Prospectus, employer contributions to the Koinonia Fund which exceed the tax-exempt limit (or are otherwise not tax-exempt) are taxed either at 33% or, if your employer so elects, at the following ESCT rates:

- 10.5% if the total of your taxable earnings and the before-tax employer superannuation contributions made for your benefit in the previous income year (1 April to 31 March) was not more than \$16,800;
- 17.5% if the total of your taxable earnings and the before-tax employer superannuation contributions made for your benefit in the previous income year was between \$16,801 and \$57,600;
- 30% if the total of your taxable earnings and the before-tax employer superannuation contributions made for your benefit in the previous income year was between \$57,601 and \$84,000; and
- 33% in every other case.

If your current employer did not employ you for all of the previous income year, the above rates will be based on estimates of your expected taxable earnings and employer superannuation contributions for the current income year.

From 1 April 2012, all employer contributions to KiwiSaver Schemes will be subject to ESCT (i.e. employer contributions up to 2% of your Salary or Wages will no longer be payable tax-free). However, all employers will also be required to apply the “tiered” annual earnings and employer superannuation contributions-based ESCT rates outlined above (i.e. applying a default 33% ESCT rate will no longer be permitted).

“Employer superannuation contributions” comprise both KiwiSaver Scheme and registered superannuation scheme contributions from employers.

Tax on benefits

UK tax treatment may apply in some cases to a withdrawal of funds transferred to the Koinonia Fund (directly or indirectly) from a UK pension scheme.

Additionally, when the Trans-Tasman savings portability legislation described under *Permanent emigration* (see pages 19 and 20) takes effect, a transfer from a KiwiSaver Scheme to an Australian complying superannuation scheme will be subject (under current Australian legislation) to a prescribed cap on the personal superannuation contributions that can be paid tax-free in any one year. To the

extent it exceeds this cap, a transferred amount will be taxed on entry into Australia.

Non-resident members should seek tax advice in their country of residence concerning the tax treatment in that country of payments or transfers from the Fund.

Under current legislation there is no further New Zealand tax payable on any permitted withdrawal from the Koinonia Fund (see *Permitted withdrawals under the KiwiSaver Scheme Rules* on page 16).

WHAT ARE MY RISKS?

Risk is inherent in all investments, and the potential return on an investment carries a corresponding level of risk that you will lose some or all of the investment, receive negative returns or not realise a particular rate of return. Investments in the Koinonia Fund are not guaranteed.

As with any investment that is linked to market performance, the returns on your investment in the Koinonia Fund will fluctuate from time to time according to market conditions, and in some years returns may be negative. Although the Conservative Pool (and the Income Pool which will replace it effective 1 April 2012) are expected to carry less risk than the Balanced Pool (which in turn is expected to carry less risk than the Growth Pool), the value of your investment in any one of the three investment pools can go up or down.

Because your returns are linked to the amounts in your accounts at the time you receive your benefits, and because these accounts have interest allocated to them at rates determined by the Trustees and will be debited with expenses and possibly negative interest, there is a risk that you will not recover the full amount contributed by you and for your benefit.

The events that can affect your returns from the Koinonia Fund and cause the value of your investment in an investment pool to go up or down include (but are not limited to) the following:

- economic, political, market, regulatory, environmental and technological conditions in New Zealand, Australia or internationally affecting share prices, property values or interest rates;
- specific events affecting the share price of any company in which the Koinonia Fund invests, and/or the liquidity of those shares;
- specific events affecting the ability of the issuer of any fixed interest security in which the Koinonia Fund invests to meet its interest or debt repayment obligations;
- a party to an investment contract (such as a mortgage loan) defaulting or a third party failing to properly provide services to the Trustees in relation to the Koinonia Fund;
- changes to interest rates affecting the value of the Koinonia Fund's fixed interest investments, or the return on its cash investments;
- inflation impacting on real returns;

- the Koinonia Fund losing its PIE status for failing to meet the requirements of the tax legislation (if this occurs, the Koinonia Fund will be taxed as a widely-held superannuation scheme at 28% on all taxable income);
- the Koinonia Fund losing its QROPS status (see page 10), resulting in more UK tax to pay on any funds transferred from a UK pension scheme;
- an operational or systems failure affecting either the Koinonia Fund or markets generally;
- markets in which Koinonia Fund assets are invested becoming illiquid, meaning assets cannot be sold (or can only be sold at a discount) to give effect to withdrawals or transfers, or switches between investment pools;
- exchange rate fluctuations between the New Zealand dollar and any other currencies in which overseas investments are denominated;
- investment returns being insufficient to cover expenses;
- the Trust Deed being amended in a manner permitted or required at law and the effect being a reduction in the value of your accounts;
- you transferring or making a withdrawal from the Koinonia Fund a short time after joining when there have been negative returns or a negative interest rate applied to your accounts or a withdrawal fee applies;
- changes in the law, taxation rates or tax rules adversely impacting on the Koinonia Fund or the returns from its investments; and
- you becoming bankrupt (in which case you should not rely on your Koinonia Fund benefits being protected from your creditors).

Personal liability

There are no circumstances in which you will be obliged to pay any further money by reason of your membership of the Koinonia Fund, other than:

- the required (or your agreed) contributions; and
- any tax liability attributed to you over and above the amount in your account(s); and
- any tax liability you incur personally as a result of advising the wrong PIE tax rate or failing to advise the Trustees when your rate changes.

Consequences of insolvency

If the Koinonia Fund was insolvent you would not incur any liability to any person, other than for payments, fees (if any) or taxes payable before the insolvency.

Winding up

The Trustees must wind up the Koinonia Fund if the Promoter resolves in writing that the Koinonia Fund is to be wound up. The Financial Markets Authority may also require the Koinonia Fund to be wound up in certain circumstances set out in the KiwiSaver Act.

If the Koinonia Fund is wound up the following claims will rank ahead of claims by members:

- any liabilities of the Koinonia Fund;
- any outstanding expenses of the Koinonia Fund;
- taxation;
- other claims preferred at law; and
- the costs of winding up the Koinonia Fund.

Accordingly, you may not recover the full amount paid to the Koinonia Fund by you or for your benefit. However, you will have no liability to contribute to any shortfall in the assets of the Koinonia Fund (other than in the limited circumstances set out under *Personal liability*, above).

Your claim on the Koinonia Fund's assets will rank equally with other Koinonia Fund members' claims if the Koinonia Fund is wound up.

Upon winding up the Koinonia Fund, the Trustees will realise all of the Koinonia Fund's assets and, after providing for claims and liabilities (including fees (if any)), transfer members' benefits to other KiwiSaver Schemes in accordance with the choice and default allocation rules set out in the KiwiSaver Act.

CAN THE INVESTMENT BE ALTERED?

Contributions

If you are employed, then as at the date of the instrument to amend this Prospectus you may change your contribution rate (between 2%, 4% and 8% of your Salary or Wages) at any time by notifying your employer of the new contribution rate. The new rate will apply from the next pay period after your employer receives that notice. You may not change your contribution rate at intervals of fewer than three months unless your employer agrees otherwise.

Under proposed legislation which is before Parliament's Finance and Expenditure Committee, from 1 April 2013 the minimum employee contribution rate (including for all current KiwiSaver Scheme members) will increase from 2% to 3% of Salary or Wages. Your contribution rate options will then be 3%, 4% or 8%.

See *Contributions holiday* on page 13 for the circumstances under which you may take a contributions holiday.

Switching between investment pools

You may alter the percentage of your savings that is invested in any investment pool by notice to the Trustees. As at the date of the instrument to amend this Prospectus, there is no fee for switching between investment pools.

Transfers

You may at any time transfer your benefit from the Koinonia Fund to another KiwiSaver Scheme by contracting directly with the new KiwiSaver Scheme provider to join that scheme.

As you may only belong to one KiwiSaver Scheme at a time you may not partially transfer your benefit from the Koinonia Fund to another KiwiSaver Scheme.

In certain limited circumstances prescribed in the KiwiSaver Act, you may be compulsorily transferred between KiwiSaver Schemes.

You can transfer from another KiwiSaver Scheme or a registered superannuation scheme to the Koinonia Fund, and currently you can transfer funds to the Koinonia Fund from a UK pension scheme (see page 10). Please contact the Trustees for more information if you wish to do so.

As at the date of the instrument to amend this Prospectus, it is expected that by the end of 2012 individuals will be permitted to transfer funds between KiwiSaver Schemes and Australian complying superannuation schemes after permanently emigrating between the two countries (see pages 10 and 20).

Amendments

The Promoter and the Trustees may amend the Trust Deed by a deed of amendment.

Amendments to the Trust Deed cannot have the effect of:

- reducing, postponing or otherwise adversely affecting the benefits (whether vested, contingent or discretionary) that may in due course flow from, or are attributable to, membership of the Koinonia Fund up to the date the amendment is made; or
- removing any right of members to participate in the Koinonia Fund's management;
- increasing the contributions, fees or charges payable by any member (though fees can be introduced or increased without amending the Trust Deed); or
- providing for the reversion of any assets in the Koinonia Fund to an employer to any greater extent than already provided for in the Trust Deed;

without the written consent of every member who would be adversely affected by the amendments.

Changes to law and policy

A number of aspects of KiwiSaver that are described in this Prospectus (such as the current and pending minimum member and compulsory employer contribution rates, Crown incentives, the tax treatment of contributions and income and when benefits can be withdrawn) reflect the current terms of the KiwiSaver Act, the tax and other legislation governing KiwiSaver Schemes, and Government policy. Legislation or policy may change at any time, necessitating changes to the Fund.

The relevant legislation, and Government policy, are subject to change. If, for example, the contribution rates, the Crown subsidies, the tax treatment of employer contributions or the circumstances in which withdrawals are permissible change in the future, then www.kiwisaver.govt.nz will give up-to-date details.

If relevant legislation or policy changes, the Trustees and the Promoter will cooperate to make such amendments to the Trust Deed, and such other changes to the administration of the Koinonia Fund, as they consider necessary or desirable as a result.

Where the expression "current" or "currently" is used in this Prospectus in relation to legislation, a policy or a practice it refers to that legislation, policy or practice as at the date when this Prospectus was amended.

HOW DO I CASH IN MY INVESTMENT?

Withdrawals

The section *What returns will I get?* describes when you are permitted to make a withdrawal from the Koinonia Fund.

You may request a withdrawal from the Koinonia Fund by contacting the Trustees as follows:

- mail: PO Box 12-287, Wellington 6144; or
- email: info@koinoniafund.org.nz; or
- website: www.koinoniafund.org.nz.

Please detail the basis for your withdrawal and provide supporting evidence.

Assignments

You are not permitted to sell, assign or transfer your interest in the Koinonia Fund to another person, unless required by the KiwiSaver Act or other legislation.

WHO DO I CONTACT WITH INQUIRIES ABOUT MY INVESTMENT?

If you have any questions about your investment in the Koinonia Fund please contact:

The Funds Administrator
The New Zealand Anglican Church Pension Board
32 Mulgrave Street
Thorndon
PO Box 12-287
WELLINGTON 6144

Email: info@koinoniafund.org.nz

Phone: 0508 RETIRE (738 473) or 04 473 9369 during normal business hours.

Alternatively, you can visit the Fund's website at www.koinoniafund.org.nz

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

If you are not satisfied with the service you have received from us you should contact us. We have an internal complaints process and undertake to investigate your concerns promptly and fairly. You may contact us to make a complaint by telephone, by email or in writing as follows:

Phone: 0508 RETIRE (738 473) or 04 473 9369 during normal business hours

Email: office@acpb.org.nz

Write to: The Funds Administrator
The New Zealand Anglican Church Pension Board
32 Mulgrave Street
Thorndon
PO Box 12-287
WELLINGTON 6144

You may also contact the Promoter by email or in writing as follows:

Email: gensec@ang.org.nz

Write to: The Office of the General Synod
Anglican Church of Aotearoa, New Zealand and Polynesia
200 St Johns Road
Meadowbank
PO Box 87-188
AUCKLAND 1742

The Trustees are members of an independent dispute resolution scheme operated by Financial Services Complaints Limited (FSCL) and approved by the Ministry of Consumer Affairs. We have 40 days to respond to your complaint. If you are not satisfied by our response, you may refer the matter to FSCL by emailing info@fscl.org.nz or calling FSCL on 0800 347 257. Alternatively you may write to FSCL at:

Financial Services Complaints Limited
45 Johnston Street
PO Box 5967
Lambton Quay
WELLINGTON 6145

Full details of how to access the FSCL scheme can be obtained on their website www.fscl.org.nz. There is no cost to you to use the services of FSCL.

If you feel that the Fund is not operating in accordance with (or is not meeting the requirements of) the KiwiSaver Act 2006 or any regulations made under that Act, or that the financial position, security of benefits or management of the Fund is inadequate, then you may complain to the Financial Markets Authority at:

Financial Markets Authority
Level 8, Unisys House
56 The Terrace
PO Box 1179
Wellington 6140

Telephone: 04 472 9830
Facsimile: 04 472 8076

WHAT OTHER INFORMATION CAN I OBTAIN ABOUT THE INVESTMENT?

Prospectus and financial statements

Copies of this Prospectus, the instrument amending the Prospectus and any certificate extending the life of the Prospectus are available free of charge on request from the Funds Administrator.

Further information about the Koinonia Fund is contained in the Koinonia Fund's financial statements. Financial statements are prepared for the Koinonia Fund as at the end of each financial year. Copies of the financial statements may be obtained on request from the Trustees, free of charge.

The Trustees will send, or make available, to each member as at the end of each financial year an annual report (containing summary financial statements for that financial year and a copy of the auditor's report on those statements).

If you have an "inactive account" in the Koinonia Fund (i.e. no contributions have been received in respect of you for at least two years) then you will not be sent an annual report but you can receive one on request.

The Trustees will send to each member as at the end of each financial year a transaction summary (incorporating a statement of the member's balance and of the amount of each type of contribution received by the Koinonia Fund for the member's benefit during the year).

Other information

You may also ask the Trustees to send to you:

- a copy of the Trust Deed for the Koinonia Fund, for which a copying fee (currently 10 cents per page) will be charged;
- an estimate of your benefits under the Koinonia Fund;
- a copy of the most recent Investment Statement for the Koinonia Fund; and
- a comparison of actual returns made by the Koinonia Fund against any prospective returns referred to in a registered prospectus for the Koinonia Fund or in any advertisement relating to the Koinonia Fund.

You may also ask to look at or receive a copy of that part of the register of interests in the Koinonia Fund which relates to you (a prescribed fee may be charged).

All requests for the information referred to above can be made in writing and sent to the Funds Administrator (see page 36 for details).

Registered information

The following documents are filed on a public register at the Companies Office of the Ministry of Economic Development, and are available for public inspection on the Companies Office website at www.companies.govt.nz (through Do It Now / Search Other Registers / Other Registers Search / select: Superannuation Scheme / submit organisation number: 1969536):

- the latest registered Prospectus;
- the Trust Deed (attached to the first Prospectus for the Fund, dated 10 July 2007); and
- the latest annual financial statements for the Koinonia Fund.

Personal information

By becoming a member of the Koinonia Fund you will authorise the Promoter and the Trustees to:

- use your IRD number for the purpose of, and to the extent necessary for, identifying you for the administration of the Koinonia Fund (but for no other purpose); and
- disclose information received in relation to you to third parties, to the extent reasonably necessary to administer your investment.

Access to information received in relation to you is subject to strict security arrangements, to maintain the appropriate levels of confidentiality. You have the right to access and correct this information by contacting the Promoter or the Trustees.

A Scheme Provider Agreement with Inland Revenue sets out certain arrangements agreed with Inland Revenue in relation to the use of all personal information obtained by the Promoter and the Trustees in relation to Koinonia Fund members.

STATUTORY INFORMATION

For the purposes of regulation 16 of the Securities Regulations 2009 (*the Regulations*), the matters required to be stated or contained in this Prospectus by virtue of Schedule 6 to the Regulations are set out below.

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This Prospectus is dated 15 September 2011. A signed copy of the Prospectus was delivered to the Registrar of Financial Service Providers for registration under section 42 of the Securities Act 1978 on 15 September 2011.

An instrument to amend this Prospectus was delivered to the Registrar of Financial Service Providers for registration under section 43 of the Securities Act 1978 on 21 December 2011.

In this Prospectus, capitalised terms, if not otherwise defined, bear the same meanings as in the trust deed dated 29 June 2007 between the Anglican Church in Aotearoa, New Zealand and Polynesia (*Promoter*) and The New Zealand Anglican Church Pension Board and Robin Anthony Ian Nairn QSM pursuant to which the Koinonia Fund was established and is governed (*the Trust Deed*).

DESCRIPTION OF SCHEME

This Prospectus relates to the offer to the public by the Trustees of the Koinonia Fund (*the Fund*) of interests in the Fund. The Fund is a KiwiSaver Scheme.

The Fund was established in Wellington by a Trust Deed dated 29 June 2007 and commenced accepting members immediately after 12 July 2007 as the Fund's first Prospectus was registered on that date.

A description of the Fund is on page 3.

SUPERANNUATION TRUSTEES

The Corporate Trustee for the Fund is The New Zealand Anglican Church Pension Board. Its address is 32 Mulgrave Street, Thorndon, PO Box 12-287, Wellington 6144. The names and places of residence of every Board member of the Corporate Trustee as at the date of the instrument to amend this Prospectus are as follows:

Mr Donald James Baskerville, Carterton
Mr Mervyn Alexander Gaskin, Upper Hutt
Mr Charles Manihera Hemana, Rotorua
Grant Barry Hope, Auckland
The Ven Lawrence Arthur Kimberley, Christchurch
Mr Ross George McDonald, Suva, Fiji Islands
The Rt Rev Philip Richardson, New Plymouth

The Board members of the Corporate Trustee may be contacted care of the Corporate Trustee at the above address.

The Board members of the Corporate Trustee will change from time to time. A list of the Corporate Trustee's Board members at any time is available online under the "Administration" tab at www.acpb.org.nz.

The Corporate Trustee is constituted by Title B Canon XIV of the Anglican Church in Aotearoa, New Zealand and Polynesia. The Corporate Trustee was incorporated in New Zealand in Wellington under the Charitable Trusts Act 1957 on 24 November 1972. The Corporate Trustee and the Promoter are related entities.

The Independent Trustee for the Fund as at the date of the instrument to amend this Prospectus is Richard Crockford Gray of Christchurch, who may be contacted care of the Corporate Trustee at the above address. The Independent Trustee will change from time to time. You can find out the name and the contact address of the Independent Trustee at any time by contacting the Funds Administrator (see page 36). The Independent Trustee is independent of either the Corporate Trustee or the Promoter of the Fund.

The Corporate Trustee and the Independent Trustee (each a *Trustee* and, together, the *Trustees*) are indemnified by the Fund as follows:

Where either Trustee is held personally liable to any third party in respect of any debt, liability or obligation incurred by or on behalf of the Fund or an investment pool or any action taken or omitted in connection with the Fund or an investment pool, then that Trustee is entitled to indemnity and reimbursement out of the assets of the Fund to the full extent of such liability and the costs of any litigation or other proceedings in which such liability has been determined (including, without limitation, legal fees and disbursements).

MANAGERS, PROMOTERS, AUDITOR AND ADVISERS

The Promoter of the Fund is the Anglican Church in Aotearoa, New Zealand and Polynesia.

The Trustees undertake all the administration and management functions for the Fund. As at the date of the instrument to amend this Prospectus, there is no administration or investment manager for the Fund. All of the Fund's assets (excluding its holdings in forests and forest land) are directly invested in The New Zealand Anglican Church Pension Board Investment Trust, of which The New Zealand Anglican Church Pension Board is the Trustee.

The auditor of the Fund is Deloitte, Wellington.

The solicitors to the Fund are Chapman Tripp, Wellington.

DESCRIPTION OF SCHEME AND ITS DEVELOPMENT

The Fund was established and is constituted by a Trust Deed dated 29 June 2007. The Trust Deed has not been amended.

Summary of the principal terms of the Trust Deed

Below is a summary of the principal terms of the Trust Deed not described elsewhere in this Prospectus. If more detailed information is required, members and potential members should inspect the Trust Deed in the manner indicated at page 60.

Scheme Description

The Fund is registered as a KiwiSaver Scheme under the KiwiSaver Act. The operation of the Fund is therefore governed by the KiwiSaver Act. The KiwiSaver Act provides that the KiwiSaver Scheme Rules (which, among other things, prescribe permitted withdrawals) and certain other terms are implied into the Trust Deed.

Contributions and other assets

The Trustees hold all contributions and other assets of the Fund on trust in accordance with the terms of the Trust Deed.

Admission of members

The Fund offers retirement benefits for:

- employees of persons whose primary activities are, in the opinion of the Trustees, Christian mission or ministry; and
- other persons who the Trustees consider have served their Christian church in a particular way, or who have otherwise expressed a commitment to Christian activity and/or outreach;

and members of those persons' immediate families.

There are two ways in which persons who are eligible may be admitted to membership of the Fund:

- (a) by completing an application for membership of the Fund (in such form and manner as is prescribed or otherwise required by the Trustees from time to time) and contracting directly with the Trustees to become members, in accordance with sections 45 or 55 of the KiwiSaver Act; or
- (b) if the Fund is an employer's chosen KiwiSaver Scheme, by way of default allocation to the Fund under section 48 of the KiwiSaver Act (an employer may only choose the Koinonia Fund if that employer's primary activities are, in the Trustees' opinion, Christian mission or ministry).

Cessation of membership

A person will cease to be a member on the first to occur of:

- (a) the person's death;
- (b) the person receiving the person's full benefit from the Fund in accordance with the KiwiSaver Scheme Rules;
- (c) the person transferring from the Fund to another KiwiSaver Scheme (or to an approved overseas scheme when emigrating); and
- (d) receipt of notice from the Trustees under rule 4(5)(b) of the KiwiSaver Scheme Rules (where the balance in his or her accounts reaches zero).

Contributions

The rates and amounts which members are required or can choose to pay to the Fund are set out on pages 6 to 9. Contributions payable by employers are described on pages 7 to 8.

The Trustees must accept into the Fund in respect of each member:

- all contributions payable by or in respect of that member through Inland Revenue by way of Salary or Wage deductions or employer contributions (unless the Trustees have reasonable cause to believe that those contributions have not been correctly deducted or remitted to the Fund, or that they have not been given the requisite information from Inland Revenue);
- Kickstart Contribution Amounts and KiwiSaver Member Tax Credits; and
- amounts transferred from other KiwiSaver Schemes in accordance with the KiwiSaver Act.

The Trustees may, but need not, accept other contributions and monies payable to the Fund and may impose such terms and conditions for acceptance as the Trustees agree from time to time.

Member accounts

The Trustees are required to establish and maintain for each member a member account to which is credited:

- (a) contributions to the Fund from the member;
- (b) any amount transferred into the Fund in respect of the member which the Trustees determine to allocate to the member account;
- (c) the Kickstart Contribution Amount and any KiwiSaver Member Tax Credits paid in respect of the member;
- (d) any other amount received by or payable to the Fund which the Trustees consider should be credited to the member account, including (for the avoidance of doubt) any tax rebates received by the Fund which the Trustees allocate to the member account; and
- (e) investment earnings (net of tax) calculated (in accordance with the Trust Deed) at such rates and in such manner as the Trustees determine from time to time,

and from which is debited:

- (f) any amount that the Trustees determine to debit from the member account with respect to costs, expenses, fees (if any) or tax payable in respect of the member pursuant to the Trust Deed or any participation agreement;
- (g) any amount comprised in the member account that is transferred out of the Fund to another KiwiSaver Scheme, or to an Australian complying superannuation scheme or other approved overseas scheme, in accordance with the KiwiSaver Act;
- (h) the permitted withdrawal of any amount comprised in the member account;
- (i) any amount required to be paid to Inland Revenue in respect of the member pursuant to the provisions in the Income Tax Act 2007 concerning forfeiture of the Tax Credit Amount; and
- (j) any other amount comprised in the member account which the Trustees consider should be debited to the member account.

The Trustees may establish sub-accounts within a member's account.

Employer accounts

The Trustees may establish and maintain for a member an employer account, to which is credited:

- (a) contributions made to the Fund by an employer for the member's benefit;
- (b) any amount transferred into the Fund in respect of the member which the Trustees determine to allocate to the employer account;
- (c) any other amount received by or payable to the Fund which the Trustees consider should be credited to the employer account, including (for the avoidance of doubt) any tax rebates received by the Fund which the Trustees allocate to the employer account; and
- (d) investment earnings (net of tax) calculated at such rates and in such manner as the Trustees from time to time determine;

and from which is debited:

- (e) any amount that the Trustees determine to debit from the employer account with respect to costs, expenses, fees (if any) or tax payable pursuant to the Trust Deed or the relevant participation agreement;

- (f) any amount comprised in the employer account that is transferred out of the Fund to another KiwiSaver Scheme, or to an Australian complying superannuation scheme or other approved overseas scheme, in accordance with the KiwiSaver Act;
- (g) the permitted withdrawal of any amount comprised in the employer account; and
- (h) any other amount comprised in the employer account which the Trustees consider should be debited to the employer account.

Varying accounts

The Trustees may from time to time establish other accounts, establish sub-accounts within accounts or amalgamate two or more accounts, in each case on such terms and conditions as the Trustees consider appropriate.

Register

Where the Trustees have appointed a registrar to keep the Fund's accounts and maintain the register required for the Fund pursuant to section 51 of the Securities Act 1978, the Trustees:

- (a) will be entitled to rely absolutely on those accounts and the register as being correct;
- (b) will not be required to enquire into the authenticity of the accounts or the register; and
- (c) will not incur any liability or responsibility by reason of any mistake in the accounts of the register.

Members must notify any change of name, address, IRD number or PIE tax rate to the Trustees or any registrar, who must alter the relevant register or cause the relevant register to be altered accordingly.

Valuations

For the purpose of determining the investment earnings available from the Fund for distribution to accounts, the Trustees must calculate the value of the assets of the Fund (or, if applicable, each investment pool) as frequently as the Trustees may consider necessary or desirable from time to time (but at least once every 5 business days, or at such longer intervals as the Trustees may determine from time to time) by deducting the liabilities attributable to the Fund (or that investment pool) from the market value of its assets.

Under the Trust Deed, for the purpose of determining the value of the assets of the Fund or an investment pool the Trustees can attribute liabilities to the Fund or investment pool on such basis as they consider appropriate, and can exclude certain liabilities (such as any PIE tax liability).

Calculation of benefits

For the purposes of calculating benefits under the Fund, the KiwiSaver Act and the KiwiSaver Scheme Rules require the calculation of amounts representing a "member's accumulation" as that term is defined in the KiwiSaver Act.

Where the Trustees are required under the KiwiSaver Scheme Rules to calculate an amount representing a member's accumulation, the Trustees must calculate that amount by:

- (a) applying investment earnings to the accounts maintained for the member based on the valuation or, if applicable, valuations made (as described under the section *Valuations*) on the next day after the Trustees determine that a benefit should be paid; and
- (b) deducting any further amounts that the Trustees consider appropriate to deduct with respect to costs, expenses, fees (if any) or tax payable pursuant to the Trust Deed or the relevant participation agreement, except that while the Fund is a PIE and if the Trustees in their complete discretion consider it appropriate not to do so, no deduction will be made from a benefit on account of any PIE tax liability.

The Trustees must adopt a method of calculating the amount representing a member's accumulation that is different from that set out above if the Trustees determine that the above method does not comply with the KiwiSaver Act, and may adopt a method of calculation that is different from that set out above if the Trustees consider it appropriate to do so. Any different method of calculation adopted by the Trustees must comply with the KiwiSaver Act.

Members' benefits

Benefits are payable from the Fund as lump sums in accordance with the KiwiSaver Scheme Rules (which are implied into the Trust Deed under section 126 and Schedule 1 of the KiwiSaver Act). Withdrawals are not otherwise permitted (other than in certain limited circumstances prescribed in regulations made pursuant to the KiwiSaver Act 2006).

Permitted withdrawals from the Fund, and the amounts permitted to be withdrawn in each case, are detailed on pages 16 to 21.

Transfers

The circumstances in which Koinonia Fund members will be permitted or required to transfer to another KiwiSaver Scheme, to an Australian complying superannuation scheme or to an approved overseas superannuation scheme are detailed on pages 19 and 20.

Trustees' powers

The Trustees may (in addition to any other powers granted under the Trust Deed or by law):

- (a) appoint and remove any person as an administration manager, advisory trustee, agent, auditor, custodian trustee or nominee on terms and conditions and with such powers, duties, discretions, indemnities and remuneration as are agreed by the Trustees and the other person;
- (b) borrow or raise money for any of the purposes of the Fund or an investment pool on such terms and conditions as the Trustees think fit and secure the repayment of moneys so borrowed, and interest on those moneys, by mortgage over all or any of the assets of the Fund or that investment pool;
- (c) take such actions as the Trustees reasonably consider to be required in order to pay any refunds required or desirable under sections 81 and 101 of the KiwiSaver Act; and
- (d) do anything the Trustees consider necessary or expedient for the administration of the Fund.

Subject to the other provisions of the Trust Deed and to a Court of law deciding otherwise, no decision or exercise of a power by the Trustees will be invalidated on the ground that either of the Trustees (or any Board member of the Corporate Trustee) had a direct or personal interest in the result of that decision or in the exercise of that power.

Delegations

The Trustees may delegate to any person or persons (on agreed terms) the duty to undertake all or any of the Trustees' management and administration functions in relation to the Fund and members, and the exercise of such other powers, authorities, functions and discretions incidental to the Trustees' functions as the Trustees may determine.

As at the date of the instrument to amend this Prospectus, the Trustees have not delegated to any person or persons the duty to undertake any of the Trustees' management or administration functions in relation to the Fund or members.

The Trustees may delegate any of their powers to committees consisting of such persons (including such Board members of the Corporate Trustee) as they think fit. Any committee so formed must, in the exercise of the powers delegated, conform to any directions or regulations that may be imposed on it by the Trustees and subject thereto a committee may meet and adjourn as it thinks proper and must make regulations (not inconsistent with the Trust Deed) for the conduct of its business, the running of committee meetings, the appointment of a chairperson, minutes of meetings, and all other matters in connection with its work. Questions arising at any meeting of a committee must be determined by a majority vote of the members of the committee present and in the case of an equality of votes the chairperson has a second or casting vote.

Indemnities and related matters

The Trust Deed contains provisions limiting the liability of the Trustees and providing for the indemnification of the Trustees. These include provisions:

- (a) stating that the Trustees are not under any personal liability, nor may resort be had to their private property, for the satisfaction of any obligation or claim relating to the Fund, and that only the assets of the Fund are available for that purpose;
- (b) stating that the Trustees are entitled to indemnity and reimbursement out of the assets of the Fund to the full extent of any personal liability in respect of the Fund; and
- (c) stating that the Trustees will not be responsible for anything done or suffered in good faith in reliance upon any opinion, advice, statement or information obtained from barristers or solicitors or other consultants in the employ of the Trustees or instructed by the Trustees or upon any statement of, or information obtained from, any bankers, stockbrokers, accountants, valuers or other persons appointed or approved by the Trustees and believed by the Trustees in good faith to be expert or suitably qualified in relation to the matters upon which they are consulted.

The provisions referred to in (a) and (b) above do not apply in respect of any liability of a Trustee for breach of trust where the Trustee has failed to show the degree of care and diligence required of it in that capacity, having regard to the provisions of and the powers, authorities and discretions conferred by the Trust Deed.

Remuneration of the Trustees and reimbursement of expenses

The Trustees are not remunerated for their services to the Fund. Details as to the reimbursement of expenses are set out on pages 14 and 15.

Investments

All money belonging to the Fund and available for investment must be invested by and under the control of the Trustees in accordance with the provisions of the Trustee Act 1956 as to the investment of trust funds.

Notwithstanding anything contrary in section 13D(1) of the Trustee Act 1956 the Trustees, and any investment manager, must in exercising the power of investment exercise the care, diligence and skill required of those persons by section 13B or section 13C of the Trustee Act 1956, as is applicable.

In the case of an investment manager, the Trustees must impose an obligation that the manager will, in exercising the power of investment, exercise the care, diligence, and skill required by section 13C of the Trustee Act 1956 as if it were a Trustee.

Without prejudice to the powers conferred upon them by general law or under the Trust Deed the Trustees may:

- (a) by deed from time to time appoint one or more persons as investment managers to the Fund on such terms and conditions as may be agreed between the Trustees and the investment managers (and may remove or replace such persons). The Trustees may delegate to each investment manager such of the Trustees' authorities, powers and discretions in relation to the investment of the assets of the Fund as the Trustees think fit. The investment managers may charge such fees as are agreed between the Trustees and the investment managers; and
- (b) by deed appoint and remove from office a custodian trustee in respect of the whole or any part of the Fund on terms agreed between the Trustees and the custodian trustee. Any custodian trustee must be paid its proper fees, and will not be precluded by its appointment from conducting any other business for the Fund.

Under the rules for PIEs which apply to the Fund under the Income Tax Act 2007, in managing and making decisions relating to investments (including the investment, reinvestment or realisation of any investment and the exercise of any voting rights associated with any investment) neither the Trustees nor an investment manager may act in a manner which contradicts those rules, and the Trustees must ensure that the investments of the Fund are such that the Fund meets the eligibility requirements for ongoing PIE status.

Investment Pools

The Trustees may establish and maintain separate investment pools within the Fund, designed to enable members to have their savings invested by reference to particular asset classes or mixes of asset classes, on such terms and conditions as the Trustees may determine. Those terms and conditions must include a written investment policy for each investment pool.

Notwithstanding the establishment of separate investment pools within the Fund, the assets of the Fund comprise a single trust fund. However, the value of each member's interest is determined by reference to the amount (or amounts) held for the member in relation to an investment pool (or investment pools) and:

- (a) all liabilities incurred in relation to an investment pool must be met in the first instance from the assets held for that investment pool;
- (b) the liabilities incurred in relation to an investment pool may only be met from other Fund assets (and in such equitable manner as the Trustees see fit) if, and to the extent that, the assets held for that investment pool are insufficient to meet such liabilities;
- (c) except to the extent necessary to meet the liabilities incurred in relation to another investment pool, all investments made with the moneys of an investment pool must be held by the Trustees:
 - (i) exclusively for that investment pool; and
 - (ii) for the exclusive benefit of the members and the participating employers who have interests in that investment pool;

provided that the Trustees may transfer value between investment pools to accommodate the Fund being a single taxpayer; and

- (d) the provisions of the Trust Deed relating to the indemnities in favour of the Trustees, the fees (if any) payable to the Trustees and the reimbursement of the Trustees must be construed in a manner consistent with the provisions in the Trust Deed relating to investment pools, in terms of which:
 - (i) any amount payable to the Trustees is payable from the investment pool or investment pools to which the matter giving rise to the amount relates (which may, for the avoidance of doubt, be all of the investment pools); and
 - (ii) where the amount payable to the Trustees relates to more than one investment pool, that amount is apportioned between those

investment pools on such fair and equitable basis as the Trustees determine.

The Trustees may at their discretion close, wind up or alter any investment pool as and when and on such terms and conditions as they determine.

While two or more investment pools are maintained, the Trustees may permit a member to choose the investment pool or investment pools in which the member's savings will be invested from time to time.

Amendments

Subject to the KiwiSaver Act, the Trust Deed may be amended by deed executed by the Promoter and the Trustees.

Appointment and removal of Trustees

The Trust Deed requires that a corporate body and (while required pursuant to the KiwiSaver Act, with the intention that a corporate body is otherwise the sole trustee) an independent natural person will be the Trustees of the Fund.

The Promoter may remove either Trustee from office:

- (a) with immediate effect, by giving the Trustee written notice, if it reasonably believes that the Fund will be adversely affected by the Trustee continuing to hold office; or
- (b) on giving the Trustee not less than 60 business days' written notice of removal.

Either Trustee may retire on giving the Promoter not less than 60 business days' written notice.

The power of appointing a replacement Trustee is vested in the Promoter.

Winding up the Fund

The manner in which the Fund may be wound up, and the consequences of a wind-up, are described on page 32.

If the Promoter resolves in writing that the Fund is to be wound up then the Promoter must, as soon as practicable after passing that resolution, provide a copy of the resolution to the Trustees, and the wind-up must take effect on the date specified for that purpose in the resolution.

In winding up the Fund, the Trustees must comply with provisions of the KiwiSaver Act relating to winding up a KiwiSaver Scheme.

Members bound by the Trust Deed

The terms and conditions of the Trust Deed are for the benefit of, and are binding on, each member of the Fund and all persons claiming through that member.

Notices to members

The Trust Deed contains provisions setting out how notices may be given to members and the date on which a notice will be deemed to have been given.

Attributed tax

The Trustees must ensure that all tax payable from the Fund, and all tax rebates paid or payable to the Fund, are attributed to members and employers in accordance with the tax rules for PIEs which apply to the Fund under the Income Tax Act 2007 (see pages 25 to 27). The Trust Deed prescribes a broad range of discretions in this regard.

Investment objectives and policy

The investment objectives and policy for the Fund and each investment pool as at the date of the instrument to amend this Prospectus are described on pages 21 to 24.

The investment objectives and policy for the Fund (and any investment pool) may change from time to time.

Investment and other activities relating to the Scheme

The Fund commenced operating on 12 July 2007, as the Fund's first Prospectus was registered on that date, and became a PIE on 1 October 2007. Money was first accepted into the Fund on 1 October 2007 and, since then, the assets of the Fund have been invested in accordance with the investment objectives and policy outlined on pages 21 to 24.

On 1 April 2009 all the assets of the Fund, excluding its holdings in forests and forest land, began being invested directly in The New Zealand Anglican Church Pension Board Investment Trust (a special-purpose trust established by The New Zealand Anglican Church Pension Board for the purpose of holding investment assets for the Koinonia Fund, the Retire Fund, the New Zealand Anglican Church Pension Fund and other permitted investors whose assets are managed by the Investment Committee of the Board). This change was solely for the purpose of facilitating investment pooling, so there was no consequent change to the Trustees' investment strategy or objectives for the Koinonia Fund.

On 30 November 2010, Robin Anthony Ian Nairn QSM retired as the Independent Trustee for the Fund and was replaced by Richard Crockford Gray.

There have been no other material developments relating to the Fund during the period since establishment.

Liabilities incurred by members

Other than in respect of:

- (a) the payment of contributions in accordance with the Trust Deed of the Fund;
- (b) any tax liability which a member incurs personally as a result of advising the wrong PIE tax rate or failing to advise the Trustees when the member's PIE tax rate changes; and
- (c) any tax liability attributed to a member over and above the amount in the member's accounts;

no member, by reason solely of being a member or by reason of the relationship created with the Trustees or the Promoter, will incur any liabilities (including contingent liabilities) in relation to the Fund.

Performance of the Fund

By reason of being a PIE, the Fund has a 31 March balance date. Money was first accepted into the Fund on 1 October 2007 and the Fund has been investing members' funds since that date. The results below from the three investment pools operating as at the date of the instrument to amend this Prospectus are for:

- the six month period ended 31 March 2008;
- the years (each commencing 1 April) ended 31 March 2009, 31 March 2010 and 31 March 2011; and
- the seven month period 1 April 2011 to 31 October 2011 (these figures are included due to market volatility which is ongoing as at the date of the instrument to amend this Prospectus – 31 October 2011 is the latest date as at which month-end investment returns are available for the Fund).

The results were calculated by taking the investment gains or losses as a percentage of the average assets for each period. The average assets for each pool were calculated by averaging the assets on each day of each period.

The returns were calculated using the investment income and the change in capital values during each period for the relevant investment pool after deducting investment management expenses but before deducting other expenses and before deducting net liabilities, or refunding net credits, at individual members' PIE tax rates (as outlined under *Tax on investment income* at pages 25 to 27). The net declared rates of return for those periods (which are not shown)

incorporated not only deductions for investment and administration expenses but also income tax paid or refunded.

Conservative Pool

Period	Return
1 April 2011 to 31 October 2011	0.8%
Year ended 31 March 2011	6.3%
Year ended 31 March 2010	11.8%
Year ended 31 March 2009	-1.7%
1 October 2007 to 31 March 2008	-0.6%

Balanced Pool

Period	Return
1 April 2011 to 31 October 2011	-2.3%
Year ended 31 March 2011	8.5%
Year ended 31 March 2010	18.7%
Year ended 31 March 2009	-10.3%
1 October 2007 to 31 March 2008	-6.6%

Growth Pool

Period	Return
1 April 2011 to 31 October 2011	-5.5%
Year ended 31 March 2011	9.7%
Year ended 31 March 2010	22.5%
Year ended 31 March 2009	-16.4%
1 October 2007 to 31 March 2008	-11.3%

Each return is a reflection of past performance and not an indication of future performance. None of the Trustees, the Promoter or any related entity or any director or Board member of any of those persons, nor the Crown or any other person, guarantees the performance of the Fund or any of the investment pools.

SUMMARY OF FINANCIAL STATEMENTS

The following figures have been taken from the audited financial statements for the Fund:

1 STATEMENT OF CHANGES IN NET ASSETS

For the period ended 31 March

	2011 12 months \$(000)	2010 12 months \$(000)	2009 12 months \$(000)	2008 9 months \$(000)
A INVESTMENT ACTIVITIES				
Investment distributions	412	233	161	11
Change in net current value of investments	402	729	(407)	(45)
Total Investment Revenues	<u>814</u>	<u>962</u>	<u>(246)</u>	<u>(34)</u>
Less investment expenses	61	28	10	1
NET INVESTMENT PROFIT/(LOSS)	<u>753</u>	<u>934</u>	<u>(256)</u>	<u>(35)</u>
B OTHER REVENUES	-	-	-	-
C MANAGEMENT EXPENSES	152	106	78	16
D SURPLUS/(DEFICIT) BEFORE MEMBERSHIP ACTIVITIES	<u>601</u>	<u>828</u>	<u>(334)</u>	<u>(51)</u>
E MEMBERSHIP ACTIVITIES				
Contributions From members	1,797	1,584	1,429	456
From employers	772	722	487	83
From the Crown	1,077	1,050	979	644
	<u>3,646</u>	<u>3,356</u>	<u>2,895</u>	<u>1,183</u>
Benefits paid: Transfers and refunds to IRD	225	71	30	3
NET CONTRIBUTIONS RECEIVED	<u>3,421</u>	<u>3,285</u>	<u>2,865</u>	<u>1,180</u>
F NET INCREASE IN ASSETS BEFORE TAXATION	<u>4,022</u>	<u>4,113</u>	<u>2,531</u>	<u>1,129</u>
G TAXATION	66	89	(13)	(2)
H NET INCREASE IN ASSETS AFTER TAXATION	<u>3,956</u>	<u>4,024</u>	<u>2,544</u>	<u>1,131</u>
I NIL DISCLOSURES				
Total interest expenses	Nil	Nil	Nil	Nil
Other expenses	Nil	Nil	Nil	Nil
Extraordinary items	Nil	Nil	Nil	Nil
Other distributions	Nil	Nil	Nil	Nil
J LIABILITY FOR ACCRUED BENEFITS – Members' accounts				
Allocated to members' accounts at beginning of period	7,697	3,675	1,131	-
Allocation to members' accounts	3,958	4,022	2,544	1,131
Allocation to reserves	-	-	-	-
Allocated to members' accounts at 31 March	<u>11,655</u>	<u>7,697</u>	<u>3,675</u>	<u>1,131</u>
K RESERVE ACCOUNTS	-	3	1	-
L TOTAL MEMBERS' ACCOUNTS & RESERVE ACCOUNTS	<u>11,655</u>	<u>7,700</u>	<u>3,676</u>	<u>1,131</u>
2 STATEMENT OF NET ASSETS				
A TOTAL ASSETS	11,673	7,717	3,678	1,131
B TOTAL TANGIBLE ASSETS	11,673	7,717	3,678	1,131
C LESS LIABILITIES (Other than Liabilities for accrued benefits)	18	17	2	-
D NET ASSETS AVAILABLE TO PAY BENEFITS	<u>11,655</u>	<u>7,700</u>	<u>3,676</u>	<u>1,131</u>

NOTES

1 Accounting Periods

The 2009, 2010 and 2011 financial statements each report a 12 month period (from 1 April to 31 March). The 2008 financial statements report a 9 month period (from 1 July 2007 to 31 March 2008).

2 NZ GAAP Financial Statements

The financial statements have been prepared in accordance with, and comply with, New Zealand Equivalents to International Financial Reporting Standards (*NZ IFRS*) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards (*IFRS*). The presentation currency is New Zealand Dollars.

Other

There are no items of such incidence, size or nature as to require disclosure to explain the performance of the Fund over any period.

There have been no material changes in the activities or accounting policies of the Fund over the period.

Relationship to full financial statements for the year ended 31 March 2011

The summary financial statements contained in this report have been taken from and are a summary of the Fund's full financial statements dated 13 July 2011 and, as such, cannot be expected to provide as complete an understanding as is provided by the full financial statements.

The Fund is a defined contribution scheme registered under the KiwiSaver Act 2006. The full financial statements have been prepared in accordance with the Trust Deed, the Financial Reporting Act 1993 and the KiwiSaver Act 2006. The full financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand equivalents to International Financial Reporting Standards (*NZIFRS*) and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The auditor's report on the full financial statements for the year ended 31 March 2011 was dated 13 July 2011. Refer to page 60 for further details on the audit opinion on the full financial statements, and as to the auditor's report on the summary of financial statements.

GUARANTORS

No person guarantees payment of any monies payable from the Fund, the performance of the Fund or any particular rate of return. There is no Crown guarantee in respect of any KiwiSaver Scheme or any investment product of a KiwiSaver Scheme.

ACQUISITION OF BUSINESS OR EQUITY SECURITIES

No business or equity securities contemplated by clause 7 of Schedule 6 to the Securities Regulations 2009 have to date been acquired for the Fund.

INTERESTED PERSONS

The Trustees are entitled to remuneration from the Fund's assets for the services they provide. A description of the nature of those services, and the remuneration recoverable from the Fund, is set out on pages 14 and 15.

The Trustees may be paid such annual or other administration, management, membership, transaction or other fees as the Corporate Trustee determines from time to time. The amount of such fees (if any) and the method of their payment will be determined by the Corporate Trustee (and notified in writing to the Independent Trustee) from time to time.

Subject to the KiwiSaver Act, there is no limit on the fees recoverable by the Trustees. The Trustees are entitled to receive, in addition to such fees (if any), any goods and services tax or duty or similar tax or duty payable in respect of such fees.

The Trustees are also entitled to recover certain expenses in respect of the Fund from the Fund's assets. For a description of these expenses please refer to page 14.

Subject to the reasonable fees restrictions prescribed in the KiwiSaver Act and the above qualifications, there is no limit on the recovery of expenses from Fund assets by the Trustees.

Board Members of the Corporate Trustee, and Members of its Investment Committee, may from time to time provide professional services to the Corporate Trustee, for which they may charge and be paid usual charges for business carried out by their firm or company (but the reasonable fees restrictions apply to these payments). Those persons may also be Members of the Fund.

As noted elsewhere in this Prospectus, all Koinonia Fund assets (excluding its holdings in forests and forest land) are currently invested in The New Zealand Anglican Church Pension Board Investment Trust, of which the Corporate Trustee is the trustee and its Investment Committee acts as investment manager. During the two years preceding the date of registration of this Prospectus, none of the assets of the Fund have otherwise been represented by securities issued by the Anglican Church, the Trustees, any member of the Investment Committee or any person associated with or related to any of them.

MATERIAL CONTRACTS

No material contracts (not being contracts entered into in the ordinary course of business) have been entered into in respect of the Fund in the two years preceding the date of registration of this Prospectus.

PENDING PROCEEDINGS

There were no legal proceedings or arbitrations pending as at the date of registration of this Prospectus that may have a material adverse effect on the Koinonia Fund.

OTHER TERMS OF OFFER AND FUND

All other terms of the offer of the Koinonia Fund (other than terms relating to amounts payable by or to individuals, terms implied by law and terms set out in the Scheme Provider Agreement referred to above) applying at the date of the instrument to amend this Prospectus are set out in the Trust Deed, a copy of which has been lodged with the Registrar of Companies and is available for public inspection as specified under *Places of inspection of documents*, below.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The latest financial statements for the Fund that comply with, and have been registered under, the Financial Reporting Act 1993 cover the period 1 April 2010 to 31 March 2011 and were registered under that Act on 28 July 2011.

The auditor's report on those financial statements was dated 13 July 2011. That report did not refer to any fundamental uncertainty, and nor was it modified in any respect.

A copy of the auditor's report from Deloitte (the Fund's auditor), stating that the amounts set out in the summary financial statements have been correctly taken from the audited financial statements of the Fund, is attached to this Prospectus. Deloitte has given and has not withdrawn its consent to be named in this Prospectus as auditor of the Fund.

This Prospectus contains no prospective financial information.

PLACES OF INSPECTION OF DOCUMENTS

Copies of:

- (a) the Trust Deed;
- (b) the latest financial statements for the Fund registered under the Financial Reporting Act 1993;

- (c) the latest annual report for the Fund prepared in accordance with the KiwiSaver Act; and
- (d) any material contract referred to in this Prospectus;

may be inspected, without fee, by members or prospective members at the address of the Corporate Trustee during normal business hours.

Copies of these documents (other than the latest annual report) may also be obtained from the Companies Office website www.companies.govt.nz under "Do It Now" then "Search Other Registers". The organisation number is 1969536.

OTHER MATERIAL MATTERS

Scheme Provider Agreement

On 17 May 2007, The New Zealand Anglican Church Pension Board and Inland Revenue entered into a Scheme Provider Agreement recording the operational and technical requirements governing the way the parties must work together to administer The New Zealand Anglican Church Pension Board's participation, as a scheme provider, under the KiwiSaver Act. The Scheme Provider Agreement was amended effective 6 June 2008.

General

Except as set out in this Prospectus there are no other material matters relating to the Fund.

SUPERANNUATION TRUSTEES' STATEMENT

The Members of the Board of the Corporate Trustee, and the Independent Trustee, after due enquiry by them, each hereby state that in their opinion:

- (a) the value of the Fund's assets relative to its liabilities (including contingent liabilities); and
- (b) the ability of the Fund to pay its debts as they become due in the normal course of business;

have not materially and adversely changed during the period between the balance date of the latest financial statements referred to in this Prospectus (being 31 March 2011) and the date when this Prospectus is delivered for registration.

This Prospectus has been signed for and on behalf of The New Zealand Anglican Church Pension Board by his duly authorised agent:

Bruce James Dutton

This Prospectus has been signed for and on behalf of Richard Crockford Gray (the Independent Trustee) by his duly authorised agent:

Bruce James Dutton

This Prospectus has been signed for the Church under the seal of the Primate of the Church:

Given under our hand and the
Seal of the Primate and Archbishop of
The Anglican Church in Aotearoa,
New Zealand and Polynesia
this day of September 2011
in the nineteenth year of our
Consecration, and of
our Primacy the fourth.

Primate and Archbishop

15 September 2011

The Trustee
The Koinonia Fund
PO Box 12-287
Thorndon
WELLINGTON

Dear Trustee

INDEPENDENT AUDITORS' REPORT FOR INCLUSION IN PROSPECTUS

As auditors of the Koinonia Fund (the 'Fund') we have prepared this report pursuant to clause 12 of Schedule 6 of the Securities Regulations 2009 ('Schedule 6') for inclusion in a prospectus to be dated 15 September 2011.

This report is made in accordance with clause 12(4) of Schedule 6. Our audit has been undertaken so that we might state those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Summary of Financial Statements

The accompanying summary of financial statements of the Fund on pages 56 and 57, as at 31 March 2011, 31 March 2010, 31 March 2009, 31 March 2008, and for the years ended 31 March 2011, 31 March 2010, 31 March 2009 and 9 months ended 31 March 2008, and related notes, are derived from the audited financial statements of the Fund for the years ended 31 March 2011, 31 March 2010, 31 March 2009, and 9 months ended 31 March 2008. We expressed unmodified audit opinions on those financial statements in our reports dated 13 July 2011, 26 July 2010, 5 August 2009, 19 August 2008 respectively. Those financial statements, and the summary of financial statements, do not reflect the effects of events that occurred subsequent to the dates of our reports on those financial statements.

The summary of financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary(s), therefore, is not a substitute for reading the audited financial statements of the Fund.

Trustee's Responsibilities

The Trustee is responsible for the preparation and presentation of:

- (a) the financial statements referred to in accordance with clause 12(1) of Schedule 6, that comply with and have been registered under the Financial Reporting Act 1993 and which comply with generally accepted accounting practice in New Zealand and give a true and fair view of the financial position of the Fund as at 31 March 2011 and its financial performance and cash flows for the financial year ended on that date, and for such internal control as the Trustee

Deloitte.

determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and

- (b) the summary of financial statements of the Fund for the financial years ended 31 March 2011, 31 March 2010, 31 March 2009, and 9 months ended 31 March 2008, as required by clause 5 of Schedule 6.

Auditors' Responsibilities

This report has been prepared for inclusion in the prospectus for the purpose of meeting the requirements of clauses 12(4) of Schedule 6. We disclaim any assumptions of responsibility for reliance on this report or the amounts included in the financial statements, the summary financial statements for any other purpose other than that for which they were prepared. In addition, we take no responsibility for, nor do we report on, any part of the prospectus not specifically mentioned in this report.

Independence

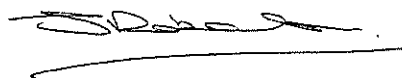
Other than in our capacity as auditor and the provision of tax advice, we have no relationship with or interests in the Fund.

Opinion on the Summary of Financial Statements

In our opinion the amounts set out in the summary of financial statements, on pages 56 and 57 of this prospectus, as required by clause 5 of Schedule 6, have been correctly taken from the audited financial statements of the Fund for the financial years ended 31 March 2011, 31 March 2010, 31 March 2009, and 9 months ended 31 March 2008 from which they were extracted.

In terms of Regulation 18(1)(c)(ii) of the Securities Regulations 2009 we hereby give our consent to the inclusion in the above mentioned prospectus of this report in the form in which it is included. We also confirm that we have not, before delivery of this prospectus for registration, withdrawn our consent to the issue thereof.

Yours faithfully
DELOITTE



15 September 2011
Chartered Accountants
Wellington, New Zealand

Document Number

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The Securities Act 1978
**AUTHORITY FOR AGENT TO SIGN
INSTRUMENT TO AMEND
PROSPECTUS**

(Section 43(2))

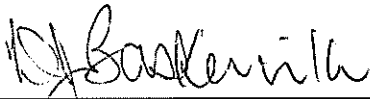
Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Donald James Baskerville, being a member of the Board of the Issuer, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.



Donald James Baskerville
Member of the Board of the Issuer

Date: 16 December 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone

Facsimile

(04) 499 5999

(04) 472 7111

Document Number

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The Securities Act 1978

**AUTHORITY FOR AGENT TO SIGN
INSTRUMENT TO AMEND
PROSPECTUS**

(Section 43(2))


Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Mervyn Alexander Gaskin, being a member of the Board of the Issuer, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.



Mervyn Alexander Gaskin
Member of the Board of the Issuer

Date:

20/12/2011

Presented by

Chapman Tripp Sheffield Young (AMF)

10 Customhouse Quay, Wellington

Account No.

[Empty box for Account No.]

Postal Address

Telephone

(04) 499 5999

Facsimile

(04) 472 7111

Document Number

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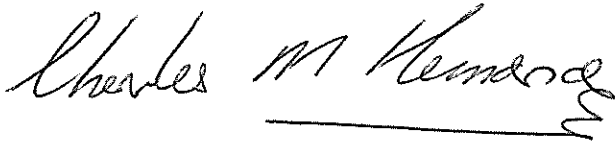
Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Charles Manihera Hemana, being a member of the Board of the Issuer, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.



Charles Manihera Hemana
Member of the Board of the Issuer

Date: 19 December 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone

Facsimile

(04) 499 5999

(04) 472 7111

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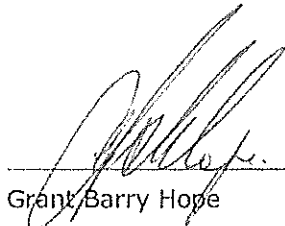
Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Grant Barry Hope, being a member of the Board of the Issuer, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.



Grant Barry Hope
Member of the Board of the Issuer

Date: 16 December 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone

Facsimile

(04) 499 5999

(04) 472 7111

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**AUTHORITY FOR AGENT TO SIGN
INSTRUMENT TO AMEND
PROSPECTUS**

(Section 43(2))


Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Lawrence Arthur Kimberley, being a member of the Board of the Issuer, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.



Lawrence Arthur Kimberley
Member of the Board of the Issuer

Date: 15 December 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone

Facsimile

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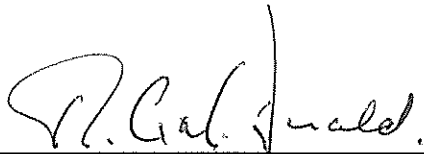
Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Ross George McDonald, being a member of the Board of the Issuer, hereby authorise
BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the
Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to
be dated on or about 21 December 2011.



Ross George McDonald
Member of the Board of the Issuer

Date: 15/12/ 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone (04) 499 5999

Facsimile (04) 472 7111

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INSTRUMENT TO AMEND
PROSPECTUS**

(Section 43(2))

Issuer
Name

The New Zealand Anglican Church Pension Board

Issuer Number

210622

I, Philip Richardson, being a member of the Board of the Issuer, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.



Philip Richardson
Member of the Board of the Issuer

Date: 20 December 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone

Facsimile

(04) 499 5999

(04) 472 7111

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PROSPECTUS**

(Section 43(2))

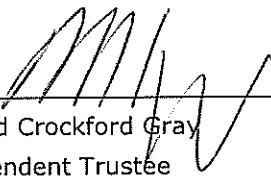
Issuer
Names

The New Zealand Anglican Church Pension Board and Richard
Crockford Gray

Scheme Number

1969536

I, Richard Crockford Gray, being one of the Issuers, hereby authorise BRUCE JAMES DUTTON to sign on my behalf as my agent an instrument to amend the Prospectus for the offer of membership of the Koinonia Fund dated 15 September 2011, to be dated on or about 21 December 2011.


Richard Crockford Gray
Independent Trustee

Date: 18 December 2011

Presented by Chapman Tripp Sheffield Young (AMF)

Postal Address 10 Customhouse Quay, Wellington

Account No.

Telephone

Facsimile

(04) 499 5999

(04) 472 7111