



**INVEST YOUR MONEY IN A  
TAX-EFFICIENT WAY**

THE ANZ PIE FUND





# INTRODUCING THE ANZ PIE FUND

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This document provides an overview of the ANZ PIE Fund. For more information, including terms and conditions, visit [anz.co.nz/pie](https://anz.co.nz/pie).

## WHY INVEST IN THE ANZ PIE FUND?

### Better after tax returns

If your income tax rate is 30% or higher, the ANZ PIE Fund could give you a higher after tax return than a standard term deposit or savings account (we explain why on the next page).

### Flexible

You can choose from two options to suit your needs:

- Term Option – works like a term deposit with the certainty of a fixed return, for a fixed time frame
- Call Option – works like a savings account, with access to your money whenever you need it

### Simple

Investing in the ANZ PIE Fund is straightforward. When you invest, you buy units and each unit costs \$1. So if you invest \$500, you receive 500 units.

### No fees

There are no monthly, joining or management fees to pay.

## DISCOVER THE TAX BENEFITS OF THE ANZ PIE FUND

The ANZ PIE Fund is a Portfolio Investment Entity that operates under special tax rules. This means tax on income earned is capped at 28%; so if you're paying income tax at a rate of 30% or higher, you could benefit from the difference. That could give you more money in your pocket after tax is deducted!

The tax you pay on income you earn from the ANZ PIE Fund is determined by your Prescribed Investor Rate (or "PIR"). Depending on your circumstances, and if you're investing as an individual, your PIR could be 10.5%, 17.5% or 28%.

**TO WORK OUT YOUR PIR, USE OUR DIAGRAM ON PAGE 5,  
OR CONTACT INLAND REVENUE (IRD.GOV.T.NZ).**

### For example

Aaron's income tax rate is 30%, Sarah's income tax rate is 33%, and John's income tax rate is 39%. They all have a PIR of 28%. Their after tax return from an investment in the ANZ PIE Fund will be higher than a traditional bank deposit with the same rate of return. That's because of the 2%, 5% or 11% difference between their PIR and income tax rate.

i AARON		i SARAH		i JOHN	
Income tax rate	30%	Income tax rate	33%	Income tax rate	39%
Rate of return	3.00%	Rate of return	3.00%	Rate of return	3.00%
PIR	28%	PIR	28%	PIR	28%
Effective rate of return	3.09%	Effective rate of return	3.22%	Effective rate of return	3.54%
<b>The benefit</b>	<b>0.09%</b>	<b>The benefit</b>	<b>0.22%</b>	<b>The benefit</b>	<b>0.54%</b>

The "effective rate of return" is the rate Aaron, Sarah or John would need to earn from a traditional bank deposit, in order to achieve the same after tax return. The "benefit" is the difference between the effective rate of return and the rate of return.

## OUR TWO INVESTMENT OPTIONS COMPARED

Feature	Call Option	Term Option
<b>Fees</b> Service charges may apply to some transactions on your investment (see 'What are the fees?' on page 6).	<ul style="list-style-type: none"> <li>No joining fee</li> <li>No monthly fee</li> <li>No management fee</li> <li>No exit fee</li> </ul>	<ul style="list-style-type: none"> <li>No joining fee</li> <li>No monthly fee</li> <li>No management fee</li> <li>No exit fee, but if you withdraw before the end of your agreed fixed term, a reduced rate of return will apply.</li> </ul>
<b>Term</b>	No specific term.	You can choose from a range of terms, from 30 days to 5 years.  At the end of the term, we will automatically reinvest your investment for the same or a similar term, unless you ask us not to.
<b>Withdrawals</b>	You can withdraw some or all of your money at any time.	You may be able to request to withdraw before the end of your fixed term – see page 6 for details under certain circumstances.
<b>Rate of return</b> For current rates visit anz.co.nz	You earn income on every dollar invested. The rate will change from time to time.	Your rate of return is fixed for the term of your investment. If you withdraw before the end of your fixed term, a reduced rate of return will apply.
<b>Returns</b>	Your returns are paid at the end of each quarter. We pay them in units that are added to your investment.	You can choose to have your return paid to your bank account, or in units that are added to your investment. <ul style="list-style-type: none"> <li>For terms of 180 days or more, returns are paid monthly, quarterly, six-monthly, annually or at maturity; or reinvested quarterly, six monthly, annually or at maturity</li> <li>For terms of less than 180 days, returns are paid or reinvested at maturity.</li> </ul>
<b>Minimum Investment</b> The purchase price for units in the fund is fixed at \$1.	<ul style="list-style-type: none"> <li>Minimum initial investment is \$500</li> <li>You have to maintain a minimum balance of 500 units (\$500) unless you close your investment.</li> </ul>	<ul style="list-style-type: none"> <li>Minimum initial investment is \$10,000</li> <li>You can't top up an existing term investment.</li> </ul> If you want to make an additional term investment, the minimum additional investment is \$10,000.

## HOW TO APPLY

Investing in the ANZ PIE Fund is simple:

### Call Option

- Call 0800 269 296  
International: +64 4 470 3142
- Visit a branch

### Term Option

- Call 0800 269 296  
International: +64 4 470 3142
- Visit a branch
- Apply online at [anz.co.nz/pie](https://anz.co.nz/pie)

Our team is available by phone weekdays from 8am-7pm and weekends from 9am-5pm.

### You'll need:

- At least \$10,000 to invest for the term option or \$500 for the call option.
- Your PIR. If you don't give us your PIR, we will apply the default PIR of 28%. See page 5 for help working out your PIR.
- Your IRD number and tax residency details, including your foreign tax identification number (if any). The joint account holder must also provide the same details if you are investing jointly. See page 7 for more information as we are required by law to hold these tax details.
- Your New Zealand bank account number. This is the account your returns can be paid to.

**FOR PEACE OF MIND, YOU HAVE A 7 CALENDAR DAY 'COOLING-OFF' PERIOD AFTER WE OPEN OR REINVEST YOUR ANZ PIE FUND INVESTMENT. DURING THIS TIME YOU CAN CANCEL, OR CHANGE THE TERM OR AMOUNT OF YOUR INVESTMENT.**

### Managing your investment

It's easy to manage your investment in the ANZ PIE Fund. You can choose the method that's easiest and most convenient for you.

Method	Call Option			Term Option	
	Deposits	Withdrawals	Check Details	Deposits	Check Details
ANZ branch	✓	✓	✓	✓	✓
ANZ Contact Centre	✓*	✓*	✓	✓*	✓
ANZ Internet Banking	✓*	✓*	✓	✓*	✓
ANZ Phone Banking	✗	✗	✓	✗	✓
ANZ goMoney	✓*	✓*	✓	✓*	✓

\* provided you also have a transactional bank account with ANZ

## HOW TO WORK OUT YOUR PIR

### If you're investing as an individual:

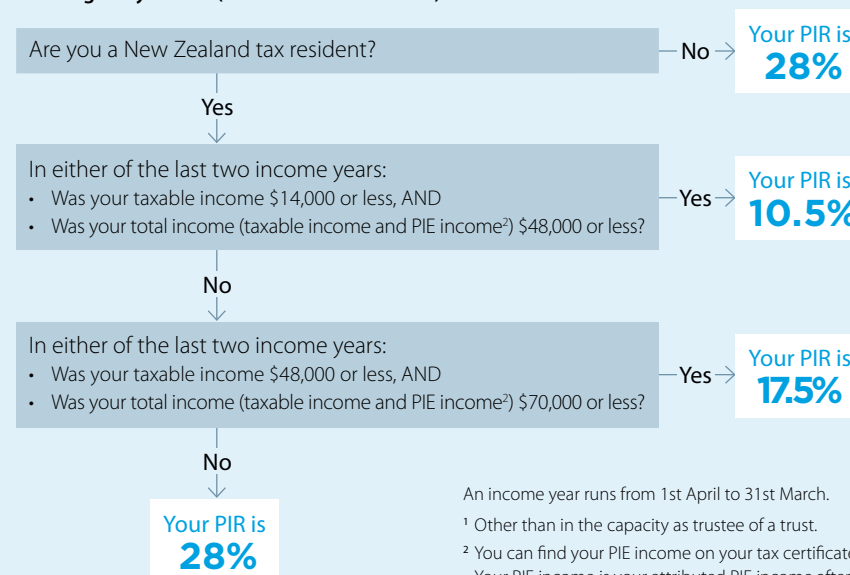
You can use the guide below to help you work out your PIR. It's important to give us the right PIR so your investments are taxed correctly.

- If your PIR is too high, any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount may be refunded to you. Inland Revenue will notify you if you're due a refund.
- If your PIR is too low, you'll be required to pay any tax shortfall as part of the income tax year-end process.

### If you're investing jointly with another person:

- If your PIRs are the same, we will attribute the income to the investor you tell us to at their PIR.
- If your PIRs are not the same, we must attribute the income to the investor with the highest PIR.
- If you don't select a PIR, we will attribute the income to the first-named investor at the default rate of 28%.

### Working out your PIR (for individual investors)<sup>1</sup>



If, after considering the two previous income years you qualify for two rates, your PIR is the lower rate.

We may be notified by Inland Revenue to update your PIR if they believe it is incorrect. We are required to apply this updated PIR. However, you can provide us with a different PIR if you believe it is incorrect. If you are unsure of your PIR, we recommend you seek professional tax advice.

**Please note: If you want tax advice, or you're investing as a business or a trustee, you should contact Inland Revenue ([ird.govt.nz](https://ird.govt.nz)) or your tax professional.**



## YOUR QUESTIONS ANSWERED

### What does the ANZ PIE Fund invest in?

The ANZ PIE Fund invests only in New Zealand dollar deposits with ANZ. This means you're indirectly investing in deposits in New Zealand's largest bank, and one of New Zealand's largest companies based on profit and assets.

### How does the ANZ PIE Fund work?

The ANZ PIE Fund is a trust. That means your investment in the Fund is pooled with the investments of other investors. You have an interest in the assets held by the Fund, but you don't have any interest in any particular part of those assets. You can't require any of the Fund's assets to be transferred to you.

The ANZ PIE Fund is a managed investment scheme under the Financial Markets Conduct Act 2013 which, along with the Trust Deed, governs how the ANZ PIE Fund operates. You can get a copy of the Trust Deed from us at any time.

### Who manages the ANZ PIE Fund?

ANZ Investment Services (New Zealand) Limited is the manager of the ANZ PIE Fund. We are legally responsible for managing your investment in the Fund, although ANZ supplies us with the resources to do so.

The ANZ PIE Fund has a Supervisor (The New Zealand Guardian Trust Company Limited), which holds the assets of the Fund on trust for all investors. The Supervisor is also responsible for supervising how we manage and administer the Fund.

### What are the fees?

There are no joining, management or monthly fees. Service charges may apply, including if you use ANZ Internet Banking. The service charges are set out in the ANZ Fees and Charges booklet – you can get a copy at [anz.co.nz](http://anz.co.nz).

The Supervisor is paid a fee for its role in relation to the ANZ PIE Fund. ANZ pays this fee on your behalf. However, in the unlikely event that ANZ fails to pay the Supervisor's fee for any reason it will be paid from the assets of the ANZ PIE Fund.

### What are the risks?

Just like any investment, your investment in the ANZ PIE Fund is subject to risks, and its performance is not guaranteed. The main risks are:

- any change in ANZ's ability to pay interest on, or to repay, the ANZ PIE Fund's investments. For more information about ANZ's business and financial position, and its credit rating, see ANZ's Reserve Bank Disclosure Statements, available at [anz.co.nz](http://anz.co.nz) or any ANZ branch
- changes to PIE status, or to tax and other legislation which may affect the returns that you receive.

### What happens if I need to access my money?


With the Call Option, you can withdraw some or all of your money anytime. If your balance goes below 500 units (\$500), we may require you to close your investment. If you invest in the Term Option, your investment will be locked in for the particular term you selected. If you're not in the 'cooling off' period, you can request to withdraw all or part of your investment early if either:

- you give us 31 days' notice of the withdrawal; or
- you are suffering from financial hardship (does not apply to businesses with total investments in the fund of \$2m or more).

If we agree to let you withdraw early, a reduced rate of return will be applied to the amount you withdraw (your return will not go below 0%). The applicable early withdrawal rate reduction can be found on [anz.co.nz](http://anz.co.nz).

The reduced rate of return will apply:

- To any income earned from the start date of the investment up to and including the date of withdrawal (even if you have already received that income and PIE tax has been paid by the Fund for that income)
- Only to the amount withdrawn, if you withdraw only part of your investment. The reduced rate of return does not apply to any balance remaining, unless further partial withdrawal requests are made.

 **For example:** The term of your ANZ PIE Fund was 2 years from 31 January 2022 at a rate of 2.50% p.a. On 15 March 2022 we agree to let you withdraw your investment on grounds of hardship. If the applicable early withdrawal rate reduction is 1% p.a. on the day of the withdrawal, then we will pay you 1.50% p.a. return on the money you have withdrawn up to and including 15 March 2022.

### Is there an option to withdraw because of financial hardship?

Yes, if you're suffering from hardship you can apply for an early withdrawal. You will need to establish that you are experiencing hardship, to our reasonable satisfaction. This means that you can't meet essential costs such as living costs or essential business costs. Businesses with total investments in the fund of \$2m or more will not qualify for early withdrawal on the grounds of hardship.

### How is the reduced rate of return calculated?

The rate adjustment amount is calculated as follows:

Amount withdrawn	x	Period of investment (up to date of withdrawal)	x	Adjustment rate	=	Rate adjustment amount
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If you are receiving returns regularly during your term and would like to make a full/partial withdrawal please note you will not be able to recover any PIE tax already paid. If you are withdrawing part of your investment, your returns will continue on a regular basis after the withdrawal (but we will need to take any part of the rate adjustment amount from the principal amount we pay to you at maturity).

### What if I don't have my IRD number on hand when opening/applying for my account?

If you have an IRD number, you'll need to provide it to us within six weeks of opening your ANZ PIE Fund investment. If we don't receive it by this time, we will have to close your account and return your investment.

If you do not have an IRD number and are a non-resident for tax purposes, you'll need to supply us with: i) the tax details of the country(ies) where you are a tax resident, along with your foreign tax identification number or ii) a declaration as to why you cannot provide a foreign tax identification number. We cannot open your ANZ PIE Fund account without this information.

If you become a New Zealand tax resident in the future, then you will need to let us know immediately and provide us with your IRD number within six weeks of the notification. If we do not receive it within the time frame, we are required by law to close your PIE account and return your investment.

## OTHER IMPORTANT INFORMATION

### **We can require you to withdraw your units**

We can require you to withdraw units in certain circumstances – for example, if you hold less than the minimum number; or if you purchase more than 20% of the units in the entire fund.

### **We can suspend withdrawals of units in some circumstances**

One example is where it would be prejudicial to the interests of investors to permit a withdrawal.

### **We can make changes to the Fund**

We can change the times when returns are paid, and the method for paying returns. We can also change the maximum and minimum investment, withdrawal and holding amounts.

We can, with the Supervisor, change the terms of the Trust Deed in certain circumstances.

### **The Fund can be wound up**

We can wind up the ANZ PIE Fund if we decide to do so, after giving all required notices. Alternatively, the investors can elect to wind up the ANZ PIE Fund. If we wind up the ANZ PIE Fund, we will distribute its assets as required by the Trust Deed.

## WHAT ARE THE NEXT STEPS?

If you'd like more information, please feel free to:



Call 0800 269 296



Visit [anz.co.nz/pie](https://anz.co.nz/pie)



#### **Write to:**

The Product Manager  
ANZ PIE Fund  
ANZ Investment Services (New Zealand) Limited  
PO Box 91966  
Victoria Street West  
Auckland 1142

### **The fine print**

This material is for information purposes only. We recommend seeking financial advice about your situation and goals before getting a financial product. To talk to one of our team at ANZ, please call 0800 269 296, or for more information about ANZ's financial advice service or to view our financial advice provider disclosure statement see [anz.co.nz/fapdisclosure](https://anz.co.nz/fapdisclosure)

Investments in the ANZ PIE Fund are subject to the Terms and Conditions for the ANZ PIE Fund.

ANZ's General Terms and Conditions apply to services provided by ANZ for the ANZ PIE Fund. For a copy please visit [anz.co.nz](https://anz.co.nz) or any ANZ branch, or call 0800 269 296.

The ANZ Electronic Banking Conditions of Use apply if you use ANZ Internet Banking, ANZ goMoney or ANZ Phone Banking to make deposits or withdrawals to the ANZ PIE Fund, or to check your investment details (including the fees and charges which apply for the use of ANZ Internet Banking, ANZ goMoney or ANZ Phone Banking). The ANZ Internet Banking Conditions of Use can change or be replaced from time to time without prior notice. ANZ Internet Banking and ANZ goMoney may be suspended at any time without notice.

Investments in the ANZ PIE Fund are issued by ANZ Investment Services (New Zealand) Limited and do not represent deposits or liabilities of ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited, or their subsidiaries (together 'ANZ Group'). Neither ANZ Group nor The New Zealand Guardian Trust Company Limited ('the Supervisor') stand behind or guarantee ANZ Investment Services (New Zealand) Limited. Investments are subject to investment risk, including possible delays in repayment, and loss of income and principal invested. None of ANZ Group, ANZ Investment Services (New Zealand) Limited, or the Supervisor will be liable to you for the capital value or performance of your investment.

Australian Prudential Regulatory Authority (APRA) regulates all Authorised Deposit Taking Institution (ADI) in Australia. Australia and New Zealand Banking Group Limited is an ADI however ANZ Bank New Zealand Limited is not an ADI.

This brochure is current as at January 2023 and the details in it are subject to change.

