

Quarterly Disclosure Statement for 1 July 2015 to 30 June 2016

Grosvenor KiwiSaver Scheme Options Fund

What is the purpose of this statement?

This statement provides key information about the **Grosvenor KiwiSaver Scheme Options Fund**. It tells you how the fund has performed and what fees it charged, and will help you to compare it with other funds. We prepared this statement in accordance with the KiwiSaver (Periodic Disclosure) Regulations 2013. This information is not audited and may be updated.

Description of the fund

The Options Fund provides savers with the opportunity to invest in an alternative trading-based strategy which aims to deliver a high level of growth over the long-term. It aims to achieve a rate of return (net of fees but before tax) of at least 5% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over rolling ten year periods.

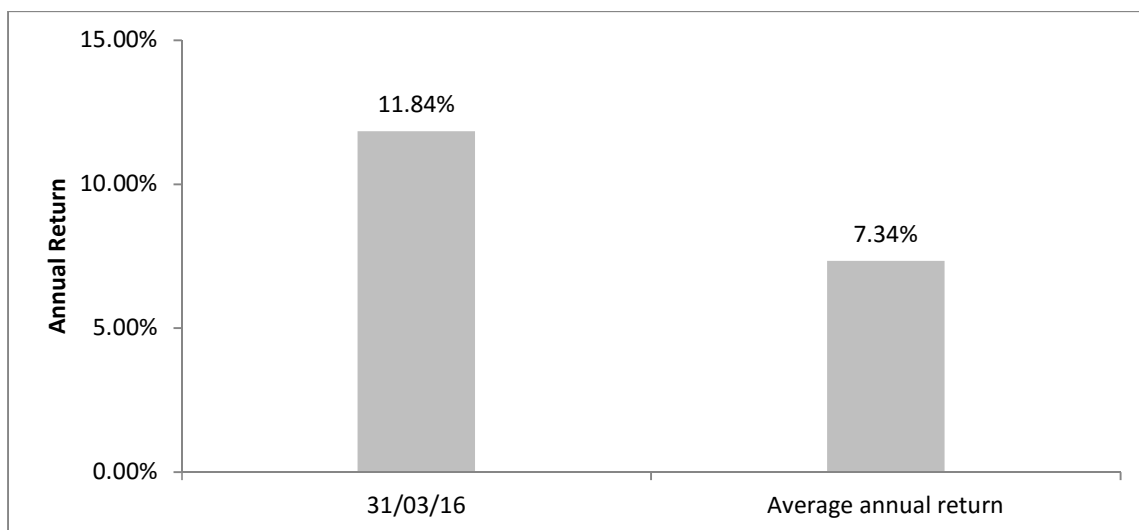
Total value of the fund	\$89,655,915
Number of members in the fund	15,523
Date the fund started	1 July 2014

How has the fund performed?

	Past year
Return (after deductions for fund fees and tax ¹)	10.37%

How has the fund performed in the past?

This shows the return after fund fees and tax for each tax year since the fund started and the average annual return since the fund started. It's important to note that this doesn't tell you how the fund will perform in the future.



What fees were members charged?

The returns above are after deductions for **fund fees**². These fees were last totalled up for the year to 31 March 2016 and were:

Total fund fees	1.20% of members' investments
Which are made up of:	
Annual management fee	1.02%
Performance-based fees	0.06%
Other fees and costs	0.12%

Members were also charged **membership fees**³ of \$36.00 for the year to 31 March 2016.

Members may also be charged fees for specific actions or decisions (e.g. account closure fee). See <http://grosvenorkiwisaver.co.nz/media/12353/gks-investment-statement-sept-2015.pdf> for more information about these fees.

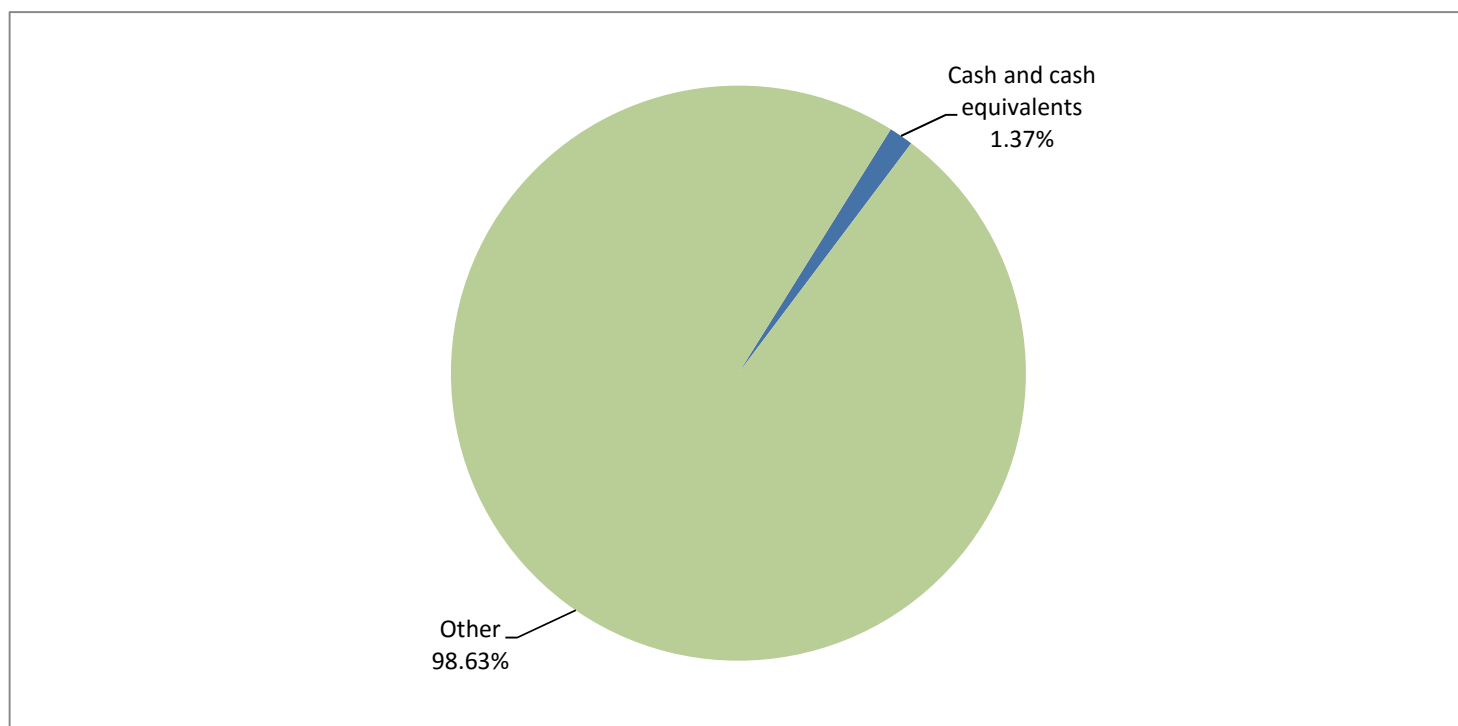
Example of how this applies to a member

Mr Smith had \$10,000 in the fund at the start of the year and didn't make any further contributions. At the end of the year, Mr Smith received a return after fund fees and tax were deducted of \$1,037.00 (that's 10.37% of his initial \$10,000). Mr Smith also paid \$36.00 in membership fees. This gives Mr Smith a total return of \$1,001.00 for the year.

What does the fund invest in?

Actual investment mix

This shows the types of assets that the fund invests in.



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Other ⁴	100.00%
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Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Nikko AM Wholesale Option Fund	98.63%	Fund	New Zealand	
2	Cash deposit (ANZ)	1.37%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 100.00% of the fund.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund⁵.

Name	Current position	Time in current position	Previous or other position	Time in previous or other position
Stuart Williams	Head of Equities, Nikko Asset Management New Zealand Limited	1 year, 10 months	Portfolio Manager, OnePath	1 year, 7 months
Fergus McDonald	Head of Bonds and Currency, Nikko Asset Management New Zealand Limited	16 years, 1 month	New Zealand Fixed Interest Portfolio Manager, Nikko Asset Management New Zealand Limited	10 years
George Carter	Managing Director, Nikko Asset Management New Zealand Limited	8 months	Director, AMP Investment Management (NZ) Ltd	5 Years
James Wesley	Head of Distribution, Nikko Asset Management New Zealand Limited	2 years, 7 months	Head of Australia Wholesale, Threadneedle Investments	3 years
Reena Madhoo	Head of Operations, Nikko Asset Management New Zealand Limited	2 years, 2 months	Senior Client Services Manager, Nikko Asset Management New Zealand Limited	1 year, 2 months

Further information:

Information about conflicts of interest

There have not been changes to the nature, or increases in the scale of, the fund's related-party transactions over the past three months. See the Grosvenor KiwiSaver Scheme's annual financial statements for more information about the scheme's related-party transactions.

Changes to trade allocation, execution and proxy voting policies

There have not been changes to the fund's trade allocation, execution and proxy voting policies in the past three months. See www.grosvenorkiwisaver.co.nz/media/13221/proxy-vote-philosophy.pdf for more information about these policies.

Changes to valuation methods

There have not been changes to the fund's valuation methods in the past three months.

Electronic disclosure of this information

Most of the information contained in this statement, including some additional information, is available in a spreadsheet at <http://www.grosvenorkiwisaver.co.nz/media/14606/kss10026-015-qdsjun2016-of.csv>

Notes

1. Returns in this statement are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax rate may be lower.
2. Fund fees are fees charged as a percentage of a member's interest in the fund (i.e. as a percentage of their KiwiSaver account balance).
3. Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme. From 18 September 2015, this fee will not be charged unless the balance of the member's account is greater than \$500.
4. Other covers alternative assets, being asset classes not usually accessed by retail investors, such as private equity, venture capital and hedge funds. In particular, it covers the fund's investment in the Nikko AM Wholesale Option Fund, which invests in short-term fixed interest investments, which are used as security for issuing derivatives (selling put and call options contracts).
5. The key personnel who have the most influence on the investment decisions of the fund changed during the period as follows:
 - Stuart Williams replaced Ian Bellew, Fixed Income Manager, Nikko Asset Management New Zealand Limited;
 - James Wesley replaced Tim O'Loan, Fixed Income Analyst, Nikko Asset Management New Zealand Limited; and
 - Reena Madhoo replaced Anthony Harland, Chief Operating Officer/Director, Nikko Asset Management New Zealand Limited;All key personnel are members of the Investment Committee of Nikko Asset Management New Zealand Limited.

Manager's certificate

In accordance with Regulation 41 of the KiwiSaver (Periodic Disclosure) Regulations 2013, Grosvenor Investment Management Limited certifies that:

1. the disclosure statement has been prepared for the purposes of the regulations;
2. to the best of its knowledge after making reasonable inquiry, all information required by the regulations has been disclosed in accordance with the regulations and the information presented is accurate; and
3. the disclosure statement does not contain any matter that is likely to deceive or mislead with regard to any particular that would be material to an offer of an interest in the Grosvenor KiwiSaver Scheme.

On behalf of Grosvenor Investment Management Limited



David Beattie
Authorised Signatory

20 July 2016