

PROSPECTUS NO. 15

IN RESPECT OF

AN OFFER OF MEMBERSHIP OF

**WATERFRONT INDUSTRY
SUPERANNUATION FUND**

DATED 30 SEPTEMBER 2011

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This Prospectus is dated 30 September 2011.

The following documents are endorsed on, attached to, or accompany this Prospectus for the purpose of complying with Section 41 of the Securities Act 1978:

- The signed Auditor's Report dated 30 September 2011 and referred to under Clause 12 of the Statutory Information section of this Prospectus (including a statement by KPMG consenting to their report appearing in this Prospectus in the form in which it appears).
- Copies of the material contracts with Aon New Zealand, referred to under clause 9 of the Statutory Information section of this Prospectus.

This Prospectus shall remain current until 31 December 2011, or if the life of the Prospectus is extended under the Securities Act 1978, for a further period of up to nine months from the date of any certificate signed by the Trustees under Section 37A(1A) of the Securities Act 1978.

DIRECTORY

SUPERANNUATION TRUSTEES

David William YOUNG (Chairman) of Wellington
 Jason Paul TUCK of Auckland
 William Howard GORRIE of Wellington
 Raymond Paul WELSON of Auckland

are appointed by the Employers.

Joseph David FLEETWOOD of Wellington
 John Geoffrey WHITING of Wellington
 Russell Lawrence MAYN of Auckland
 Raymond Joseph Carroll FIFE of Bluff

are appointed by the organisation of workers representing the Waterfront Workers.

The Trustees may be contacted at the following address:

Waterfront Industry Superannuation Fund
 P O Box 27-201
 220 Willis Street
 Wellington

The Trustees are the “issuers” of interests in the Fund, for the purposes of the Securities Act 1978.

PROMOTERS

There are no “promoters” of the Fund, for the purposes of the Securities Act 1978.

SECRETARY TO THE TRUSTEES

Waterfront Industry Superannuation Fund
 Aon New Zealand
 20 Customhouse Quay
 P O Box 2764
 Wellington

ADMINISTRATION MANAGER & SUPERANNUATION CONSULTANTS

The “administration manager” of the Fund, is:
 Aon New Zealand
 29 Customs Street West
 P O Box 3167
 Auckland

AUDITOR

KPMG
10 Customhouse Quay
P O Box 996
Wellington

INVESTMENT MANAGERS

TOWER Asset Management Limited
50-64 Customhouse Quay
P O Box 2798
Wellington

AMP Capital Investors (New Zealand) Limited
Level 14, HP Tower
171 Featherston Street
P O Box 3764
Wellington

Tyndall Investment Management Limited
Level 7, Vero Centre
48 Shortland Street
P O Box 3892
Auckland

New Zealand Assets Management Limited
General Buildings
29 Shortland Street
P O Box 2673
Auckland

REGISTRAR OF MEMBERS

Waterfront Industry Superannuation Fund
Aon New Zealand
P O Box 3167
29 Customs Street West
Auckland

ACTUARY

Melville Jessup Weaver Limited
Level 5, AMP Chambers
187 Featherston Street
PO Box 3109
Wellington

SOLICITORS

Kensington Swan
89 The Terrace
PO Box 10-246
Wellington 6015

PARTICIPATING EMPLOYERS

The Auckland Stevedoring Company Limited
Ports of Auckland Limited
Wallace Investments Limited
CentrePort Limited
Capital City Stevedores Limited
Pacifica Shipping (1985) Limited
Lyttelton Port Company Limited
Lyttelton Stevedoring Services Limited
Port Otago Limited
Southland Stevedoring Services Limited
Hawkes Bay Stevedoring Services Limited
New Plymouth Stevedoring Services Limited
Turnbull Stevedoring Limited
Gisborne Stevedoring Services Limited
Stevedoring Services (Nelson) Limited
Port Nelson Limited
Northland Stevedoring Services Limited
Maritime Union of New Zealand - National Office, Auckland, Wellington, Lyttelton, Port
Chalmers and Dunedin, Napier, Mount Maunganui and Tauranga and Bluff
Complete Cargo Care Limited
NZL Group Limited

TERMS OF OFFER OF MEMBERSHIP

This section of the Prospectus sets out the terms of offer of membership in the Waterfront Industry Superannuation Fund and incorporates in summary form the principal terms of the Trust Deed as required by Clause 4(2) of Schedule 6 to the Securities Regulations 2009. Where expressions start with capital letters those expressions are defined in the glossary of terms. All legislation referred to in this prospectus can be viewed at www.legislation.govt.nz.

The Fund provides retirement benefits based upon the accumulated value of Member and Employer contributions, plus the investment earnings.

As well as helping eligible Employees to save for their retirement, the Fund also provides benefits should an Employee die or become totally and permanently disabled. Benefits are also provided to Members who resign, retire because of a terminal illness or are made redundant.

MEMBERSHIP

Offer of Membership

This Prospectus covers membership of the Fund by those persons employed by Participating Employers within the Waterfront Industry considered eligible by the Trustees to join the Fund.

The Fund is an employment-based “defined contribution” superannuation scheme established especially for persons employed within the Waterfront Industry. The Fund is governed by an umbrella Trust Deed and is registered as a superannuation scheme under the Superannuation Schemes Act 1989. The umbrella Trust Deed governing the Fund also governs the Waterfront Industry KiwiSaver Scheme established with effect from 1 July 2007.

Membership of the Fund is dependent on an Employee being admitted to membership at the discretion of the Trustees.

How to Join

Eligible Employees seeking to join the Fund should complete the Membership Application Form accompanying the Fund’s Investment Statement, and send it to their Employer. The Employer is also required to sign the Membership Application Form and forward it to the Administration Manager. An applicant should include evidence of his or her date of birth such as a photocopy of his or her birth certificate or passport with the application.

CONTRIBUTIONS

Member Contributions

The minimum contributions a Member can make to the Fund is 4% of gross taxable earnings. Contributions by the Member to the Waterfront Industry KiwiSaver Scheme count towards that obligation, to the extent of those contributions. A Member of the Fund who also contributes to a KiwiSaver scheme other than the Waterfront Industry KiwiSaver Scheme may elect to decrease their contribution to the Fund by an amount up to or equal to the amount they contribute to that KiwiSaver scheme, providing they still make a minimum contribution to the Fund of 3%. The Employer automatically deducts contributions from the Member’s pay each payday and pays the contributions to the Trustees (by no later than the

20th of) the following month. They are then credited to an individual account in the Member's name.

With the approval of the Trustees, Members can make additional contributions. Current policy is that Members may contribute what they wish above the 4% level. The contributions may be in the form of a deduction from earnings or lump sums.

Employer Contributions

Member contributions to the Fund, up to a maximum of 7% of gross taxable earnings, are matched by contributions by the Employer to the Fund on the Member's behalf. However, where the Employer contributes to any KiwiSaver scheme in respect of a Member who joins the Fund on or after 1 April 2008, the Employer contribution to the Fund will be reduced by an amount equal to any contributions made to the KiwiSaver scheme, unless the Employer otherwise agrees with the Member.

The amount actually received by the Fund and credited to the Member's account will be less withholding tax which the Employer is legally required to deduct from its contributions. Employer contributions are subject to an employer superannuation contribution tax. Further details about the employer superannuation contribution tax can be found pages on 32 and 33 of this prospectus.

Each Employer also contributes an additional amount as determined by the Actuary as sufficient to fund the Death Benefit.

Cessation of Contributions

A Member's contributions will cease on the earlier of the Member attaining Retirement Age, dying, leaving the Waterfront Industry or becoming Permanently Incapacitated, except that:

- If a Member continues working within the Waterfront Industry after Retirement Age, he or she may continue making contributions on terms and conditions agreed by the Member and the Participating Employer, and advised to the Trustees.
- A Member who elects to defer payment of his or her retirement benefit may continue to contribute on terms and conditions prescribed by the Trustees.
- A deceased Member's legal personal representative may elect to defer payment of the death benefit and may continue to contribute on terms and conditions prescribed by the Trustees.

Transfer of Benefit from another Superannuation Scheme into the Fund

Members of other superannuation schemes may transfer their interest into the Fund. The transfer into the Fund is at the discretion of the Trustees.

BENEFITS

A Member shall be entitled to one of the following benefits depending on the applicable circumstances.

Retirement Benefit (which includes the benefit paid on redundancy)

A Retirement Benefit is paid by the Fund if a Member attains age 65 (Retirement Age), or once a Member has attained age 60 if the Member retires from service by giving written notice to the Trustees. The Member will receive a benefit consisting of the total credit standing to his or her Member's Account.

If a Member is made redundant (which includes a situation where a Member is employed under a fixed term contract, and that contract has expired), that Member is deemed to have retired. The decision of the Trustees as to whether a Member has been declared redundant (and has therefore retired) is final.

A Member can choose to have his or her retirement benefit (including the benefit paid on redundancy) paid under one of the following options:

- (a) **Lump Sum.** A Member may elect to receive the benefit as a lump sum.
- (b) **Deferred Payment.** A Member may elect to defer all or part of his or her benefit. The deferred amount is held to the credit of the Member's Account, together with any income or losses and less any lump sum withdrawals. A Member may withdraw part of his or her deferred retirement benefit as a lump sum subject to any terms and conditions set by the Trustees. If a Member dies prior to the date of payment of all of his or her deferred benefit, the unpaid portion will be payable by the Trustees in accordance with the procedures outlined under the death benefit clause (as below).
- (c) **Lifetime Pension.** A Member may apply all or part of the benefit to purchase a lifetime pension. The amount of the pension is determined by the Trustees, on the advice of the Actuary. This pension is paid by monthly instalments.
- (d) **Deferred Pension - Nominated Beneficiary.** A Member may elect to surrender up to one-half of his or her pension to which he or she would otherwise have been entitled to provide a deferred pension to a Nominated Beneficiary. The Member must make the election within one month from the date of retirement or deemed retirement. This deferred pension is paid after the Member's death to the Nominated Beneficiary for the remainder of that person's lifetime. The amount of the pension is determined by the Trustees on the advice of the Actuary, having regard to the Member's age and the age of the Nominated Beneficiary. This pension is paid by monthly instalments.

In the case of both the lifetime and deferred pensions, if a Member and his or her Nominated Beneficiary (if there is one) both die before payment has been made of an amount equal to 120 instalments of pension, then the legal personal representative of either the Member or the Nominated Beneficiary (whoever dies last) shall be entitled to receive a lump sum equal to the difference between the total amount of pension paid to the Member and the Nominated Beneficiary during either of their lives and the greater of:

- 120 instalments of pension; or
- the original sum applied to purchase the pension.

Withdrawal Benefit

If a Member leaves the Waterfront Industry (other than for reasons of redundancy, ill health, or Permanent Incapacity) before age 60, the Member will receive his or her own contributions.

After a Member has been a member of the Fund for one complete year, 20% of the Employer's contributions vest in the Member, increasing at a rate of 20% per year for each subsequent complete year of membership of the Fund to a maximum of 100% on the fifth anniversary of the Member's membership of the Fund.

In addition, the Member can receive, if the Trustees so decide, some or all of any extra amounts in his or her Member's Account that are attributable to income earned on:

- his or her own contributions.
- the portion of the Employer's contributions in respect of the Member that have vested.

If a Member elects to defer payment of the whole of his or her withdrawal benefit until the date the Member would have qualified for 100% vesting, he or she will also receive all of the Employer's contributions in respect of the Member.

If a Member is entitled to a benefit from the Fund and becomes eligible to join another registered superannuation scheme, the Trustees may, with the Member's consent, transfer the Member's withdrawal benefit to the other superannuation scheme and in that event the amount transferred will include all of the Employer's contributions in respect of the Member. However, the rights to which a Member shall become entitled under the other scheme must be agreed between the Trustees of the Fund and the trustees of the other scheme.

A Member has the same options for payment of a withdrawal benefit as for the Retirement Benefit (see page 7).

Terminal Illness Benefit

If a Member is diagnosed as having six months or less to live, and if he or she continues working, the Member can apply to the Trustees to withdraw up to 50% of the withdrawal benefit that would be payable if the Member resigned at the date of the application. The decision of the Trustees as to whether or not a Member is entitled to a Terminal Illness benefit shall be final. The Terminal Illness Benefit will be deemed to be attributed to the Member's own contributions, and the minimum benefit payable under the Fund will be reduced accordingly. Receipt of this benefit will not affect the Member qualifying for further benefits under the Fund on leaving the Waterfront Industry.

Death Benefit

If a Member dies the Trustees will pay to the Member's legal personal representative a lump sum consisting of the total credit standing to his or her Member's Account.

If a Member dies while in the service of the Employer, and he or she is contributing to the Fund, or all or part of that Member's contributions to the Fund are being paid from the Reserve Account, or the Member's and Employer's contributions to the Waterfront Industry KiwiSaver Scheme were at least equal to the minimum contribution to the Fund required in respect of that Member, the Trustees shall also pay to the Member's legal personal representative an additional death in service benefit.

The additional death in service benefit is equal to twice the contributions (excluding contributions over 7% of Member's gross taxable earnings) the Member would have made for the year ending 31 March in which the death occurred had the Member contributed for the whole of that year, multiplied by the number of years and complete months between the 31 March preceding the Member's date of death and the Member's 65th birthday. For the purpose of calculation of contributions made prior to his or her death, the Trustees shall determine the amount earned, having regard to the advice of the Employer.

A Member's legal representative may elect to defer payment of all or part of the death benefit, subject to certain conditions and the approval of the Trustees.

The Trustees may pay a Member's death benefit to his or her dependant or dependants up to a certain limit stated under section 65 of the Administration Act for payments without probate.

Disablement Benefit

If a Member leaves the Waterfront Industry before attaining Retirement Age because he or she is no longer able to continue working owing to ill-health or Permanent Incapacity, he or she will be paid the disablement benefit. The disablement benefit consists of the total credit standing to his or her Member's Account.

The Member has options for the way that the disablement benefit is paid. The options are the same as those for payment of the retirement benefit (see above).

The decision of the Trustees as to whether or not a Member is no longer able to continue working due to ill-health or to Permanent Incapacity is final and binding.

Transfer of Benefit to another Superannuation Scheme or KiwiSaver Scheme

When a Member of the Fund ceases to be a Member of the Fund, other than by virtue of the ability to defer payment of a benefit, or is promoted to a new employment position within the Waterfront Industry on terms that result in the Member no longer being entitled to receive contributions to the Fund from their Employer, and joins or becomes a member of another scheme registered under the Superannuation Schemes Act 1989, the KiwiSaver Act 2006 (including the KiwiSaver Scheme) or any other superannuation scheme approved by the Trustees for this purpose, the Trustees may, at the request of the Member or in their discretion if so permitted under the Governing Requirements, transfer to any such scheme all or part of the benefit to which the Member is entitled on the date of the request, or to which the Member would have been entitled had the Member left the Waterfront Industry on the date of the request, on such terms and conditions as the Trustees determine. The Member's Account will be debited with the transfer amount and the Member shall cease to be entitled to any further benefit from the Fund.

Minimum Benefit

If a Member of the Fund ceases to be a Member for any reason, the value of the benefit payable to the Member shall not be less than his or her own contributions to the Fund, together with any contributions by the Member to any other superannuation schemes that have been transferred into the Fund, as determined by the Trustees, acting on the advice of the Actuary, less any amounts paid out as a terminal illness benefit.

No In-Service Access

Unless a Member suffers a Terminal Illness, or has reached age 65, a Member is not entitled to receive a benefit before leaving the service of the Employer.

No Assignment

A Member may not assign, charge, alienate, or borrow against the security of his or her benefits.

Bankruptcy

A Member's interest in any benefits in the Fund will continue until that Member becomes bankrupt. The benefits which had not vested in that person will then be forfeited to the Fund to the extent permitted at law. The Trustees will apply the amount of the forfeited benefits

for the benefit of the Member's dependants, or such other persons, as the Trustees may determine.

MEMBERS' INVESTMENT CHOICES

The Trustees may make available to Members investment choices (**Members' Investment Choices**). The income or losses allocated to each Member's Account will be influenced by the investment portfolio or portfolios chosen by the Member. Amounts allocated to Members' Accounts by reference to a particular investment portfolio do not bear any losses arising under any other portfolio, and neither do they subsidise any of the returns arising under any other portfolio.

At the date of this prospectus, the Members' Investment Choices available are:

- **a Balanced Portfolio;** and
- **a Conservative Portfolio.**

Subject to the terms and conditions applying to the Members' Investment Choices, Members are able to choose one or both portfolios. However, if a Member fails to make an election, the Member's savings will be invested in the Balanced Portfolio, the default option.

A Member is able to make the above choices:

- when the Member joins the Fund;
- at any time but a change will only take effect from the first of the month following receipt of their election.
- when a benefit is payable, if payment of all or part of the benefit is being deferred.

The Trustees are permitted at any time to change any of the conditions applying to the Members' Investment Choices or withdraw any of the choices.

AMENDMENT OF TRUST DEED

The Trust Deed may be amended by unanimous decision of the Trustees. Current legislation protects Members' rights and interests by requiring the consent of all Members and beneficiaries to any amendment which may adversely affect the benefits which may flow from, or are attributable to, their membership at that time, or which remove any of their rights to participate in the management of the Fund, or which provide for the reversion of any assets of the Fund to any Participating Employer to any greater extent than already provided or increase contributions or fees payable by them. The amendment must not conflict with any provisions of any employment contract or the Superannuation Schemes Act 1989.

WINDING UP

The Trustees have the power to resolve to wind up the Fund.

If the Fund were to be wound up, the Trustees would distribute all the moneys and assets in order of priority.

The first priority is to provide for the expenses of and incidental to the winding-up.

Secondly, the Fund would provide for Members who are in receipt of a pension from the Fund, by purchasing an individual non-assignable non-commutable annuity from a reputable life insurance office or annuity company. The amount of each Member's pension is determined by the Trustees acting on the advice of the Actuary. Each Member who is in receipt of a pension from the Fund would be entitled to take a lump sum in lieu of an annuity. The Member must give notice in writing to the Trustees within one month of being notified by the Trustees of the winding up of the Fund.

Thirdly, the Fund would provide for each Member who at the date of winding up, had attained the age of 65, a lump sum calculated in accordance with the retirement benefit.

Fourthly, the assets representing the Death Benefit "A" Account (part of the Reserve Account) or any other account which is wholly funded by the Employer (but excluding the Death Benefit "B" Account) would revert back to the Employer, together with the income from these accounts. However, the Government Actuary's prior written consent must be obtained before making this reversion.

Fifthly, the Trustees would distribute to each Member, who at the date of winding up has not attained the age of 65, the amount standing to the Member's credit in the Member's Account.

Finally, any balance remaining (for example, any residual balance in the Reserve Account) would be distributed to Members in proportion to the credit held in each Member's Account.

Members would continue to have the right, upon request, to look at, or obtain at a reasonable cost, a copy of the Trust Deed or any report of an actuarial examination.

After the Fund is wound up, each Member would receive a copy of the Fund's audited financial statements, showing the position of the Fund as at the date on which the winding up took effect. Also, Members would be advised in writing as to the manner in which the assets of the Fund are to be distributed.

PARTICIPATING EMPLOYERS

The Trustees are required to admit as a Participating Employer in the Fund any company, partnership, incorporated or unincorporated body that is a party to an employment contract prescribing, or relevant to terms or conditions of employment of waterside workers. The Trustees may also admit as a Participating Employer any company, partnership, incorporated or unincorporated body if it carries on business or is engaged in work or employment within the Waterfront Industry. The admission of Participating Employers will be on such terms and conditions as to contributions and benefits as the Trustees think fit.

If, in the opinion of the Trustees, a Participating Employer is no longer eligible to participate in the Fund, or the Participating Employer is dissolved or goes into liquidation, receivership

or otherwise cease its operations (otherwise than for the purposes of reconstitution, reconstruction or amalgamation), the Fund will be terminated in respect of the part of the Fund which concerns employees of that Participating Employer. The wind-up provisions will apply to the part of the Fund that the Trustees, on the advice of the Actuary, determine to be appropriate.

TRUSTEES

The Participating Employers appoint and remove up to four Trustees. The organisation of workers representing the Waterside Workers appoints and removes up to four Trustees. The Trustees have the power to appoint a further independent Trustee. At all times there must be a minimum of four Trustees.

For a Trustees' meeting there must be at least four Trustees, two appointed by Employers and two appointed by the organisation of workers representing the Waterside Workers.

ACCOUNTS

Reserve Account

The Trustees keep a Reserve Account. Contributions and any other money paid into the Fund and the income on the investments are paid or transferred into the Reserve Account. Other functions of the Reserve Account are holding gains or losses including on the revaluation of investments, and meeting benefits paid by the Fund.

The Reserve Account can also be used for:

- Meeting all or part of the contributions of all Members of the Fund on an equitable basis. In particular, in payment of a Member's contribution where the Member has been granted sick or compassionate leave in excess of four weeks. In these circumstances a maximum of 26 weeks of contributions may be payable.
- Meeting all or part of the Employers contributions if they have suspended or terminated their contributions to the Fund.
- Increasing retirement benefits of all Members on a pro rata basis.
- Providing benefits other than retirement benefits for Members on an equitable basis.
- Providing benefits for Members or dependants in case of hardship.
- Payment of expenses of the Fund.

The Trust Deed allows the Trustees to set up sub accounts of the Reserve Account.

The current sub accounts are:

- **Death Benefit A Account and Death Benefit B Account**
These accounts represent amounts available to pay the Fund's death benefits.

The Death Benefit A Account is funded by Participating Employers.

Employers' contributions and interest, to which Members who resign are not entitled under the vesting provisions of the Trust Deed, are transferred to the Death Benefit B Account.

Death benefits are currently paid in proportional amounts from the two accounts.

- **Pension Reserve Account**

This represents amounts available to pay the Fund's pensioners.

- **Income Reserve Account**

This represents income not distributed to Members' Accounts and other Reserve Accounts.

Members' Accounts

The Trustees keep separate accounts for each Member to which are allocated that Member's contributions, the Employer's contributions on behalf of that Member and that Member's share of net income or losses. The share of net income or losses will be influenced by the investment portfolio or portfolios chosen by the Member under the Members' Investment Choices. Refer to Members' Investment Choices on page 11 of this Prospectus for further details. The Trustees are permitted at any time to change any of the conditions of the Members' Investment Choices or withdraw the choices.

SUMMARY OF FINANCIAL STATEMENTS

The following is a summary of the annual financial statements for the Fund in compliance with Clauses 5(2) and 5(3) of Schedule 6 to the Securities Regulations 2009 (as amended).

WATERFRONT INDUSTRY SUPERANNUATION FUND					
<i>SUMMARY OF FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH</i>					
	2011	2010	2009	2008	2007
	\$000	\$000	\$000	\$000	\$000
Member Contributions	4,239	5,867	4,366	4,839	5,326
Employer Contributions	2,459	2,426	2,564	2,578	2,598
Transfer from Other Schemes	0	0	0	0	17
Deferred Entitlements – Note 3	0	0	984	2,689	6,004
Investment Revenues	1,021	850	653	6,992	1,111
Net Gains/(Losses) on Investments	7,274	19,289	(19,698)	(6,930)	9,478
Total Investment Revenues	8,295	20,139	(19,045)	62	10,589
Benefits Paid	6,989	7,376	22,161	19,925	21,301
Members' PIE Tax	1,334	1,856	-	-	-
Investment Expenses (net fee rebates)	(21)	(30)	72	79	75
Management Expenses	469	529	593	441	348
Total Interest Expense	-	-	-	-	-
Other Expenses	-	-	-	-	-
Operating Result/Change in Net Assets before Taxation and Extraordinary Items	6,222	18,701	(33,957)	(10,277)	2,810
Total Provided for (or Credited) by way of Taxation	-	-	153	242	2,434
Operating Result/Change in Net Assets before Extraordinary Items	6,222	18,701	(34,110)	(10,519)	376
Total of Extraordinary Items (net of Taxation)	-	-	-	-	-
Operating Result/Change in Net Assets after Extraordinary Items	6,222	18,701	(34,110)	(10,519)	376
Allocation to Members' Accounts	5,833	18,067	(32,379)	(10,436)	380
Transfer to Reserves	389	634	(1,731)	(83)	(4)
Other Distributions	-	-	-	-	-
Total Assets	122,998	117,037	99,349	134,260	147,637
Total Tangible Assets	122,998	117,037	99,349	134,260	147,637
Deferred Tax Asset	-	-	-	-	-
Liabilities other than Liabilities for Accrued Benefits	438	699	1,712	2,513	5,371
Net Assets Available to Pay Benefits	122,560	116,338	97,637	131,747	142,266
Liabilities for Accrued Benefits – Note 2	122,560	116,338	97,637	131,747	142,266

Notes

- The amounts stated in this summary have been taken from audited financial statements.
- The liability for accrued benefits is the Fund's current obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the net market values of the assets and liabilities as at 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010 and 31 March 2011.
- The Trust Deed allows Members to defer the receipt of all or part of their retirement benefits, redundancy benefits and withdrawal benefits and, with the approval of the Trustees, the estate of any beneficiary entitled to receive a death benefit on the death of a Member may elect to defer the receipt of all or part of that benefit.
- The Fund changed its accounting policies on 1 April 2007 to comply with NZ IFRS. The transition to NZ IFRS is accounted for in accordance with NZ IFRS 1 – First time adoption of New Zealand Equivalents to International Financial Reporting Standards, with 1 April 2006 as the transition date. Financial information for the years ended 31 March 2010, 31 March 2009, 2008, and 2007 have been prepared to comply with NZ IFRS, and financial information for year ended 31 March 2006 was prepared to comply with Previous NZ GAAP. There were no material adjustments required to the financial statements on transition to NZ IFRS.



Independent Auditor's Report

To the Trustees of Waterfront Industry Superannuation Fund

As auditor of Waterfront Industry Superannuation Fund ("the Fund") we have prepared this report pursuant to clause 12 of Schedule 6 of the Securities Regulations 2009 for inclusion in the prospectus dated 30 September 2011.

Report on the Financial Statements

We have audited the financial statements of the Fund for the year ending 31 March 2011. We expressed an unmodified audit opinion on those financial statements in our report dated 28 June 2011.

Report on the Summary Financial Statements

The summary financial statements on page 15 are derived from the audited financial statements of the Fund for the years ended 31 March 2007, 2008, 2009, 2010 and 2011. We expressed an unmodified opinion on the financial statements in our audit reports for 2011. The summary financial statements do not reflect the effects of events that occurred subsequent to the date of the report on those financial statements.

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

The Trustees' Responsibility for the Summary Financial Statements

The Trustees are responsible for preparing a summary of the audited financial statements of the Fund for the years ended 31 March 2007, 2008, 2009, 2010 and 2011 in accordance with clause 5 of Schedule 6 of the Securities Regulations 2009.

Auditor's Responsibility for the Summary Financial Statements

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ)) 810 *Engagements to Report on Summary Financial Statements*.

Opinion on the Summary Financial Statements

In our opinion, the amounts set out in the summary financial statements on page 15 of this prospectus, derived from the audited financial statements of the Fund for the years ended 31 March 2007, 2008, 2009, 2010 and 2011, as required by clause 5 of Schedule 6 of the Securities Regulations 2009:

- are consistent, in all material respects, with those financial statements; and
- have been correctly taken from the audited financial statements of the Fund for the years ended 31 March 2007, 2008, 2009, 2010 and 2011.



Other Matters

Comparatives

The financial statements of the Fund for the years ended 31 March 2007, 31 March 2008, 31 March 2009 and 31 March 2010, were audited by another auditor who expressed unmodified opinions on those statements.

Responsibility for Updating

We have no responsibility to update our opinion on any of the matters above for events and circumstances occurring after the date of this report.

Restriction on Use

This report has been prepared for inclusion in the prospectus for the purpose of meeting the requirements of clause 12 of Schedule 6 of the Securities Regulations 2009. We disclaim any assumption of responsibility for reliance on this report or the amounts included in the summary financial statements, for any 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.

Auditor's Consent

In accordance with regulation 18(1)(c)(ii) of the Securities Regulations 2009, we hereby give our consent to the inclusion of this report in the prospectus in the form in which it appears. We also confirm that we have not, before delivery of this prospectus, withdrawn our consent to the issue thereof.

A handwritten signature in blue ink, appearing to read 'KPMG'.

30 September 2011

Wellington

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(of matters required for inclusion in a registered prospectus for a superannuation scheme by Schedule 6 to the Securities Regulations 2009)

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STATUTORY INFORMATION

The following information is included in this Prospectus in compliance with the matters required in a registered prospectus for a superannuation scheme by Schedule 6 to the Securities Regulations 2009. For ease of reference, the numbering used for the principal clauses in this section of the Prospectus corresponds with that used in Schedule 6.

1. DESCRIPTION OF FUND

- 1.1 The Fund is called the “Waterfront Industry Superannuation Fund”.
- 1.2 The Fund is an employer-subsidised defined contribution superannuation scheme established especially for persons employed within the Waterfront Industry. There are currently more than 20 Employers participating in the Fund. The Fund was originally established by the Employer and Union parties within the Waterfront Industry. The Fund is a registered superannuation scheme under the Superannuation Schemes Act 1989.
- 1.3 This Prospectus relates to an offer of membership of the Fund. The purpose is to provide retirement and other benefits for Waterside workers, tally clerks and other persons employed within the Waterfront Industry considered eligible to be admitted to the Fund. As well as helping eligible Employees to save for their retirement, the Fund also provides benefits should a Member die, become totally and permanently incapacitated or terminally ill. Benefits are also provided to Members who resign prior to retirement, or are made redundant.
- 1.4 The Fund was first established in Wellington, New Zealand on 9 December 1975 and was effective from 24 March 1975.

2. SUPERANNUATION TRUSTEES

- 2.1 The names and addresses of the current Superannuation Trustees of the Fund are set out in the Directory.
- 2.2 During the five years preceding the Specified Date no Trustees have been:
 - (a) adjudged bankrupt or insolvent;
 - (b) convicted of any crime involving dishonesty;
 - (c) prohibited as acting as a director of a company; or
 - (d) put into statutory management, voluntary administration, liquidation or receivership.
- 2.3 Each Trustee is indemnified by the Fund in respect of any loss or liability which the Trustee may sustain or incur in carrying out any function, duty or power of the Trustees under the Trust Deed. However, the Trustees are not indemnified for any loss or liability attributable to their own dishonesty, or any act or omission known by that Trustee to be a breach of trust.
- 2.4 The Trustees are independent of the Fund’s Investment Managers.

3. MANAGER, PROMOTERS, AUDITORS AND ADVISORS

3.1 The name and address of each Investment Manager and the Administration Manager of the Fund are set out in the Directory.

3.2 There are no Promoters of the Fund.

3.3 During the five years preceding the Specified Date no Investment Manager or Administration Manager or any of their respective directors have been:

- (a) adjudged bankrupt or insolvent;
- (b) convicted of any crime involving dishonesty;
- (c) prohibited from acting as a director of a company; or
- (d) put into statutory management, voluntary administration, liquidation or receivership.

The names of the Fund's Registrar of Members and Auditors are set out in the Directory.

3.4 The name of the Superannuation Consultants involved in the preparation of this Prospectus is set out in the Directory.

3.5 There are no experts named in this Prospectus.

4. DESCRIPTION OF FUND AND ITS DEVELOPMENT

4.1 *Date of Trust Deed*

The Fund is constituted and administered in accordance with a deed of amendment and consolidation of the Trust Deed dated 1 April 2008 as subsequently amended by a deed of amendment dated 6 May 2008.

4.2 *Principal Terms*

The principal terms of the Trust Deed, other than those outlined below in this section, are summarised on pages 6 to 14 of this Prospectus under the section headed "Terms of Offer of Membership".

A description of the conditions of entry of Members to the Fund, and termination of membership of the Fund are set out on page 6 and pages 7 to 10 of this Prospectus.

4.3 *Restrictions on Investment of the Assets of the Fund*

The Trustees are required to invest in accordance with the provisions of the Trustee Act 1956. In exercising the power of investment, the Trustees are required to exercise the care, diligence and skill that a prudent person of business, engaged in that profession, would exercise in managing the affairs of others.

4.4 ***Rights and Obligations of the Employer***

The rights and obligations of the Employer under the Trust Deed include:

- to contribute additional amounts as determined by the Actuary to sufficiently fund the death benefit.
- to pay Member contributions together with its own contributions to the Fund on behalf of Members.
- to determine the terms and conditions whereby a Member continues to contribute to the Fund after Retirement Age.

A description of employers' obligations in relation to contributions is set out on page 7 of this Prospectus.

4.5 ***Description of Investment Activities and Material Developments***

The following is a brief description of the investment and other activities, and any material developments relating to the Fund during the five years preceding the Specified Date.

(a) Investments

- (i) The Fund's assets have been and are invested by the Investment Managers under the direction of the Trustees and in accordance with the Statement of Investment Policy and Objectives ("SIPO") referred to below. The SIPO has been revised as follows:
- **October 2007** - to increase the benchmark asset allocation to Australasian and global equities and reduce the benchmark allocation to global bonds for the balanced investment portfolio;
 - **October 2009** - to increase the benchmark asset allocation to Australasian equities and reduce the benchmark allocation to global equities for the balanced portfolio, and to increase the benchmark allocation to New Zealand bonds and reduce the benchmark allocation to cash for the conservative portfolio;
 - **14 December 2009** - by appointing New Zealand Assets Management Limited to manage 5% of the Balanced Portfolio, with effect from January 2010.
- (ii) From December 2007 global equities were managed actively by AllianceBernstein New Zealand Limited and AMP Capital Investors (New Zealand) Limited. Global equities were previously managed passively by TOWER Asset Management Limited.
- (iii) ING (NZ) Limited replaced Walker Capital Management Limited as an investment manager for Australasian Equities with effect from 1 May 2008. ING has since changed its name to OnePath (NZ) Limited.
- (iv) On 21 November 2008 the Trustees completed an application form for investment in the TOWER Asset Management International Bond Fund (FDR) by which TOWER continued as investment manager for the Fund's international bonds following migration of all of the Fund's investments from the TOWER Asset Management International Bond Fund (TBIF).

- (v) In December 2008 the Trustees determined to hold funds invested in property in a separate property sub-portfolio. That property sub-portfolio was subsequently closed to new contributions, switches and withdrawals. On 30 September 2009 the sub-portfolio ceased to be operative, with funds invested in property then being held on the same basis as all other assets of the Fund.
- (vi) In September 2009, the Trustees appointed Tyndall Investment Management New Zealand Limited and Tower Asset Management Limited to manage Australasian Equities in place of Alliance Bernstein New Zealand Limited and ING (NZ) Limited.
- (vii) The custodial services provided by Trustees Executors Limited (which services were linked to the Australasian portfolio managed by Alliance Bernstein New Zealand Limited) were terminated on 17 September 2009.
- (viii) In December 2009, the Trustees appointed Tyndall Investment Management New Zealand Limited to manage Global Equities in place of Alliance Bernstein New Zealand Limited.
- (ix) In December 2009, the Trustees appointed New Zealand Assets Management Limited to manage Alternative Assets.

The Investment Managers currently employed are:

- ◆ AMP Capital Investors (New Zealand) Limited who have managed New Zealand bonds and Cash since 1 February 2002, property since 1 September 2003, and global equities since December 2007.
- ◆ TOWER Asset Management Limited who have managed global bonds since 7 February 2002, property since 1 September 2003, and Australian equities since 30 September 2009.
- ◆ Tyndall Investment Management Limited who have managed New Zealand equities since September 2009, and global equities since January 2010.
- ◆ New Zealand Assets Management Limited who have managed alternative assets since January 2010.

With effect from 1 October 2007 the Fund elected to become a portfolio investment entity for tax purposes. See page 33 of this Prospectus for details.

(b) Management and Administration

- (i) The Fund has admitted new Members, collected contributions and paid out benefits, reported to Members and government bodies as and when required by legislation.
- (ii) New legislation and amendments to existing legislation have changed the way the Fund operates from time to time, but the Trustees do not consider any such change to be a material development warranting disclosure in this Prospectus.
- (iii) The Trustees meet with the Investment Managers on a regular basis in order to keep informed of any changes and developments, and ensure the Fund's objectives are being met. Portfolios and policies are reviewed from time to time.

- (iv) With effect from 1 September 2011 the Trustees appointed Aon New Zealand as the Administration Manager of the Fund. From the same date Aon New Zealand will also provide the Trustees with secretarial services.

(c) Trust Deed

An amendment and consolidation of the Trust Deed of the Fund was executed on 1 June 2007 to take effect from 1 July 2007. That deed established the Waterfront Industry KiwiSaver Scheme and converted the Trust Deed into an umbrella deed governing both the Fund and the Waterfront Industry KiwiSaver Scheme involving a restructuring of the Trust Deed, with the Trustees taking the opportunity to update a number of administrative provisions of the Trust Deed, including consequential adjustments to the contributions and death benefit provisions to reflect KiwiSaver Scheme membership and amendment to the definition of 'Waterfront Industry'.

The Trust Deed was further amended as follows:

1 April 2008 – An amendment and consolidation. That deed accelerated the vesting scale to provide for 100% vesting on the 5th anniversary of membership, altered contribution rates to take into account contributions to other KiwiSaver schemes, altered options for transferring out of the Fund to cover certain transfers within the Waterfront Industry, and provided for the appointment of an independent trustee;

6 May 2008 - This amendment clarified the operation of clause 13 of Part D relating to transfers of account balances to other schemes.

4.6 Liability of Members

No liabilities (or contingent liabilities) may be incurred by Members in relation to the Fund other than in respect of contributions and in respect of tax.

4.7 Fund Investment Objectives and Policy

The Trustees have adopted a formal statement of investment policy and objectives ("SIPO"). The current SIPO is dated 28 October 2010. The SIPO can be amended at any time by resolution of the Trustees.

The purpose of the Fund's investment policy and objectives is to provide for effective management of the Fund through:

- allocation of responsibilities between the Trustees and Investment Managers.
- specification of investment constraints to be observed by Investment Managers.
- analysis of performance to ensure adherence of Investment Managers to the objectives and investment constraints.

4.8 **Balanced Portfolio**

This portfolio applies to the extent that Members do not choose the Conservative Portfolio. Refer to Members' Investment Choices on page 11 of this Prospectus for further details. The Trustees may at any time change any of the conditions applying to Members' Investment Choices or withdraw the choices.

Investment Objectives

- to deliver superior returns over the medium to long term by investing in a medium risk portfolio, and
- to recognise that the benefits are payable in NZ dollars.

As a result, the Trustees have determined that the appropriate investment return objective and risk tolerance for the balanced portfolio as at March 2010 are:

Investment Return Objective	To achieve a 2% per annum real return over the long term
Investment Risk	<p>There is the prospect of total market values of investments being lower in any one year than the preceding year. This risk is managed by diversifying its investments widely, both across asset classes chosen, and within those asset classes.</p> <p>The Balanced Portfolio lowers risk by diversifying Global Share holdings and, to a lesser extent, Australasian Shares. The Balanced Portfolio also has Fixed Interest investments, although in lower proportions than the Conservative Portfolio.</p> <p>The higher weighting given to Shares reflects the fact that the Balanced Portfolio is higher in risk than the Conservative Portfolio, but is expected to provide superior returns over the longer term.</p>

To satisfy these objectives, the Trustees have determined that the appropriate benchmark asset allocation for the Balanced Portfolio as at October 2010 is:

▪ Australian Shares*	10.0%
▪ New Zealand Shares*	10.0%
▪ Global Shares*	30.0%
▪ Property*	10.0%
▪ New Zealand Bonds*	12.5%
▪ Global Bonds*	27.5%
▪ Cash*	<u>0.0%</u>
	100.0%
▪ Alternative Assets	5.0%*

*The SIPO also allows the Trustees to hold up to 5% in Alternative Assets. Where Alternative Assets are held the benchmark asset allocation for the other asset classes will necessarily be affected.

The actual asset allocations for the Balanced Portfolio from time to time may vary from these benchmark asset allocations. The specific stock selection decisions are the responsibility of the Investment Managers.

The Balanced Portfolio is expected to incur an investment loss every three to four years.

4.9 *Conservative Portfolio*

This portfolio applies only to the extent that Members choose it. Refer to Members' Investment Choices on page 11 of this Prospectus for further details. The Trustees may at any time change any of the conditions of the Members' Investment Choices or withdraw the choices.

Investment Objectives

- To obtain a relatively consistent return by investing in a relatively low risk portfolio; and
- To recognise that the benefits are payable in NZ dollars.

As a result, the Trustees have determined that the appropriate investment return objective and risk tolerance for the conservative portfolio as at March 2010 are:

Investment Return Objective	To achieve a 1.0% per annum real return over the long term.
Investment Risk	<p>There is the prospect of total market values of investments being lower in any one year than the preceding year. This risk is managed by diversifying investments widely, both across asset classes chosen, and within those asset classes.</p> <p>The Conservative Portfolio lowers this risk further (as compared with the Balanced Portfolio) by having a higher proportion of its investments held in the Fixed Interest and Cash asset classes.</p> <p>The Conservative Portfolio is therefore lower in risk than the Balanced Portfolio, and is expected to provide more consistent but potentially lower returns over the longer term.</p>

To satisfy these objectives, the Trustees have determined that the appropriate benchmark asset allocation for the Conservative Portfolio as at March 2010 is:

▪ Australian Shares*	2.5%
▪ New Zealand Shares*	2.5%
▪ Global Shares*	10.0%
▪ Property*	5.0%
▪ New Zealand Bonds*	25.0%
▪ Global Bonds*	45.0%
▪ Cash*	<u>10.0%</u>
	100.0%

The actual asset allocations for the Conservative Portfolio from time to time may vary from these benchmark asset allocations. The specific stock selection decisions are the responsibility of the Investment Managers.

The Conservative Portfolio is expected to incur an investment loss every ten to eleven years.

The Trustees may change the investment return objective, risk tolerance, benchmark asset allocations or management style for either portfolio by a resolution of Trustees at any time.

4.10 *Investment Performance of the Fund*

INVESTMENT PERFORMANCE FOR THE YEARS ENDED 31 MARCH

	2011	2010	2009	2008	2007
Balanced Portfolio					
Gross Return on Investments per annum	7.3%	27.0%	-14.9%	1.52%	9.63%
Income Distribution Rate per annum (net of expenses and taxes)	5.2%	23.7%	-17.3%	-0.77%	5.63%
Conservative Portfolio					
Gross Return on Investments per annum	8.5%	17.7%	-4.47%	5.23%	7.47%
Income Distribution Rate per annum (net of expenses and taxes)	6.1%	15.2%	-5.03%	2.80%	4.66%

The gross return on investments for each portfolio is the change in the value of that portfolio's investments, including all investment income and before the deduction of expenses and taxes, recorded each month and expressed as a percentage of the value of the assets invested. The monthly percentage returns are compounded to give the annual return.

The income distribution rate for each portfolio is the percentage increase in the Members' and other Reserve Accounts invested in that portfolio as a result of crediting those accounts with that portfolio's investment earnings each month after deducting expenses and taxes. The monthly rates are compounded to give the annual distribution rate.

The Trust Deed provides that the income or losses of the Fund can be debited or credited at such rate and in such manner as the Trustees from time to time decide. The current procedure of the Trustees is to determine the Fund's actual rate of income or losses earned each month (net of expenses and taxation) for each of the investment portfolios available by way of the Members' Investment Choices and apply these as increases or decreases to Members' Accounts and the Reserve Account at month end.

The impact that future economic conditions may have on the Fund cannot be predicted, be they positive or negative. It is expected that there be negative returns in the Investment Choices from time to time and that negative returns may continue for a period of time. There can be no assurance that future economic conditions will not

materially and adversely affect the Fund's investments. Members and prospective Members are advised to consult an investment adviser before making a decision to invest.

5. SUMMARY OF FINANCIAL STATEMENTS

- 5.1 A summary of the financial statements of the Fund for each annual accounting period of the Fund beginning with the annual accounting period ended 31 March 2007 is set out on page 15.
- 5.2 The amounts stated in the summary of the financial statements of the Fund are the amounts that appear in the financial statements for the Fund that comply with, and have been registered under the Financial Reporting Act 1993 on 24 August 2011.
- 5.3 The amounts in the summary of the financial statements of the Fund include the amounts set out in subclause (3) of clause 5 of Schedule 6 to the Securities Regulations 2009.
- 5.4 In respect of the amounts stated in the financial statements of the Fund:
- there have been no material changes in the activities of the Fund or any material changes in the accounting policies used, during the periods to which the amounts stated in the financial statements of the Fund relate, other than the election to become a portfolio investment entity with effect from 1 October 2007 and the various investment responses as a consequence of that election.
 - There are no other items of such incidence and size, that disclosure is necessary to explain the performance of the Fund.
- 5.5 The amounts stated in the summary of the Fund's financial statements have been taken from audited financial statements.
- 5.6 The Auditor's Reports in respect of the audited financial statements from which the amounts stated in the Fund's financial statements had been taken were not qualified in any way and did not refer to any fundamental uncertainty.

6. GUARANTORS

No person guarantees the payment of any money payable from the Fund.

7. ACQUISITION OF BUSINESS OR EQUITY SECURITIES

The Fund has not acquired any business or equity securities for a consideration of more than one-fifth of the total tangible assets shown in the Fund's summary of financial statements appearing on page 15 of this Prospectus at any time in the two years preceding the Specified Date.

8. INTERESTED PERSONS

- 8.1 The Trustees are entitled to be reimbursed out of the Fund for any direct costs and expenses incurred attending to the affairs of the Fund. The Trustees may also charge and be paid such fees or charges for any services rendered in connection with the Fund deemed reasonable by the Trustees. The recovery of the Trustees' fees and expenses from the Fund is not limited.
- 8.2 The Investment Managers named in the Directory are entitled to remuneration for their services and to recover transaction costs in respect of the Fund. Their remuneration is calculated as a percentage of the Fund's assets under their management and is deducted from the Fund's investment revenues.

The current Investment Management fees are deducted from the Fund are as follows:

- Australian shares 0.85% per annum plus a performance fee of up to 15% of the excess returns over agreed performance benchmarks
- New Zealand shares a base fee of 1% of the assets and a performance fee of 10% of the excess return over the RBNZ Official Cash Rate plus 5%. The performance fee is accumulated and only paid out if the performance target is met
- Global shares not exceeding 0.78% per annum for funds managed by AMP and 0.80% per annum for funds managed by Tyndall
- Property 0.55% per annum for property managed by AMP, 0.7% per annum for property managed by Tower
- New Zealand bonds and cash not exceeding 0.35% per annum
- Global bonds 0.65% per annum
- Alternative assets 1.25% per annum

The Investment Managers' fees and entitlement to recovery of transaction costs are not limited. Under the terms of their respective appointments, the Investment Managers may review and revise their fees. The Trustees may terminate the appointment of an Investment Manager by giving appropriate notice to the Investment Manager concerned.

- 8.3 The Administration Manager named in the Directory is entitled to remuneration for its services. The current fees of the Administration Manager are:

- \$7.50 per member per month for each active member of the Fund, plus
- \$5.00 per member per month for each deferred member of the Fund, plus
- a share of *\$3,000 per quarter account management fee, plus
- a share of *\$6,500 per month fund fee.

*The share will be based on the proportion that the Fund's assets under management bear to the total assets under management of the Fund and the Waterfront Industry KiwiSaver Scheme.

The fees of the Administration Manager will be adjusted each 1 September by the percentage adjustment (if any) in the annual all groups number of the New Zealand Consumer Price Index for the immediately preceding year. In addition the Administration Manager or the Trustees may notify the other party that it wishes to alter

the administration fees if the Administration Manager's duties become materially more or less onerous.

8.4 The following Trustees are currently Members of the Fund: John Whiting, Raymond Fife, Russell Mayn and David Young. In all other respects the Trustees, Investment Managers of the Fund (and any associated person of any of them) do not have, and have not had during the five years preceding the Specified Date, a material interest (whether direct or indirect) in the Fund or in any contract or arrangement entered into on behalf of or in respect of the Fund, except, in the case of the Investment Managers, under the contracts or arrangements by which they are appointed.

8.5 At no time during the two years preceding the Specified Date, were more than 10% of the value of the assets of the Fund, represented directly or indirectly by any securities of which the Trustees or the Investment Managers or Custodian (or any associated person of any of them) was the issuer.

9. MATERIAL CONTRACTS

The following material contracts in respect of the Fund have been entered into at any time in the two years preceding the Specified Date:

- (a) The Trustees completed an application form for investment in the Tyndall Aggressive Australasian Equity Fund dated 22 September 2009 by which Tyndall Investment Management New Zealand Limited became an investment manager for half of the Fund's Australasian Equities.
- (b) The Trustees completed an application form for investment in the Tower Australian Equity Fund dated 22 September 2009 by which Tower Asset Management Limited became an investment manager for half of the Fund's Australasian Equities.
- (c) The Trustees completed an application form for investment in the Tyndall Multi-Manager Global Equity Fund, dated 23 December 2009 by which Tyndall Investment Management New Zealand Limited became an investment manager for approximately half of the Fund's Global Equities.
- (d) The Trustees completed an application form for investment in the NZAM Global Trust dated 23 December 2009 by which New Zealand Assets Management Limited became an investment manager for the Fund's Alternative Assets.
- (e) The Trustees completed an administration agreement with Aon New Zealand dated 30 August 2011 to become the administration manager of the Fund.
- (f) The Trustees completed an agreement with Aon New Zealand dated 30 August 2011 to provide the Trustees with secretarial services.

10. PENDING PROCEEDINGS

None.

11. OTHER TERMS OF OFFER AND SCHEME

All the terms of the offer, and all the terms of the Fund being offered, are set out in this Prospectus, other than:

- (a) any term that relates to any amounts payable by or to an identifiable person;
- (b) any terms implied by law; or
- (c) any terms that are set out in a document that is registered with a public official and that is available for public inspection and is referred to in this Prospectus.

12. FINANCIAL STATEMENTS AND ACTUARIAL AND AUDITOR'S REPORTS

12.1 This Prospectus refers to annual financial statements for the Fund which comply with and have been registered under the Financial Reporting Act 1993. The latest annual financial statements cover the accounting period from 1 April 2010 to 31 March 2011, and they were registered under the Financial Reporting Act 1993 on 24 August 2011.

12.2 The date of the Auditor's report on those latest annual financial statements is 28 June 2011. The Auditor's report does not refer to a fundamental uncertainty and was not qualified in any way.

12.3 The latest actuarial report for the Fund which has been lodged with the Government Actuary in accordance with Section 15 of the Superannuation Schemes Act 1989 was prepared by John Melville of Melville Jessup Weaver Limited, the Fund's Actuary, as at 31 March 2010 relating to the period 1 April 2007 to 31 March 2010 and issued in July 2010.

12.4 A signed copy of the report by the Fund's Auditor's, KPMG, stating that the amounts started pursuant to clause 5 of Schedule 6 to the Securities Regulations 2009 in the Fund's summary of the annual financial statements have been correctly taken from audited financial statements of the Fund, appears on pages 16 to 17 of this Prospectus.

13. PLACES OF INSPECTION OF DOCUMENTS

Copies of the following documents may be inspected by any eligible Employee or by any Member of the Fund at the offices of:

The Secretary to the Trustees
 Waterfront Industry Superannuation Fund
 Aon New Zealand
 20 Customhouse Quay
 Wellington

at any time during normal business hours and at the office of each Participating Employer and local branch office of the Maritime Union of New Zealand during their normal business hours:

- the Trust Deed;

- the Fund's latest financial statements referred to under clause 12 of this Prospectus (held at the office of the Secretary to the Trustees only);
- the latest Actuarial Report on the Fund (held at the office of the Secretary to the Trustees only);
- the latest Annual Report for the Fund; and
- the material contracts referred to under clause 9 of this Prospectus (held at the office of the Secretary to the Trustees only).

The Secretary to the Trustees may require payment of a reasonable fee (not exceeding 20 cents per page) to cover the costs of providing copies of the Trust Deed and the most recent Actuarial Report.

Copies of the Trust Deed, material contracts referred to in this Prospectus and the Fund's audited financial statements can also be obtained (on payment of the relevant fee) by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726, quoting file reference 1802221, or by viewing the Fund's file using the "search other registers" function on the Companies Office website at www.companies.govt.nz.

14. OTHER MATERIAL MATTERS

Except as outlined below there are no other material matters relating to the Fund.

14.1 Scheme specific risks

Possible scheme-specific risks associated with the Fund include:

- a. if any of the information a Member gives the Trustees is incorrect (for example, if a Member conceals any information or makes false statements or misrepresentations), his or her benefit may be reduced.
- b. if the income rate determined by the Trustees is negative, the balance of Members' Accounts may be reduced.
- c. if a Member is declared bankrupt at the time his or her benefit from the Fund becomes payable, the Official Assignee may have a claim against his or her benefit.
- d. if a Member's Employer goes into receivership or liquidation in circumstances where it has not paid over to the Fund any of the contributions it has deducted from the Member, or any of the contributions it is required to make for the Member (and there are insufficient reserves to meet the shortfall), the Member's benefits may be reduced.
- e. if the Trustees make an amendment to the Trust Deed varying benefits payable under the Trust Deed to take into account future changes in taxation that may arise, the Member's benefits may be affected.
- f. if the reserves set aside to provide for pensioners and death benefits prove inadequate and the Employers do not contribute any additional amount required, the shortfall will have to be deducted from the Reserve Account. This may affect Members' benefits through lower or negative income distributions.

- g. if there is a technological or other failure which impacts on the Fund.

14.2 General risks

All investments carry risk. There are risks associated with the Fund that could affect members' ability to recover the amount of their contributions or impact on the returns payable from the Fund as described in this prospectus, in addition to the scheme-specific risks described above. In addition to the risks already described in this section, the principal risks applying to the Fund that could affect returns (and which are common to most superannuation schemes generally) are:

- a. Investment risk: The risk of a result (after expenses) of negative returns on the Fund's investments (either generally or in respect of particular Investment Choices);
- b. Liquidity risk: The risk associated with an inability on the part of the Fund to meet monetary obligations in a timely manner. The risk arises where the Trustees are unable to liquidate investments when required in order to pay benefits or meet any other financial obligations. In the context of the Fund, this risk is most likely to crystallise in respect of its holdings in unlisted property investments;
- c. Regulatory risk: The risk of future changes to tax, or general superannuation legislation which could affect the operation of the Fund or members' benefits, or of the Trust Deed being amended in a manner permitted by law that has the effect of reducing benefits;
- d. Credit risk: The risk of the Fund becoming insolvent and being placed into receivership, liquidation or statutory management or being otherwise unable to meet its financial obligations. If this occurs, members may not recover the full amount of their interest in the Fund;
- e. Administration risk: The risk of a technological or other failure impacting on financial markets in general; and
- f. Tax rate risk: The risk of the Fund either over or underpaying tax within the Fund on behalf of a member as a result of the member providing the Fund Director with the wrong Prescribed Investor Rate or not advising the Manager to change that rate when it needed to be changed. In the event of an underpayment of tax a Member will be obliged to pay additional tax (and potentially penalties or interest) to the IRD.

14.3 Taxation

At the date of this Prospectus the following taxation regime applies to the Fund:

- Employee contributions are not tax deductible.
- Employer contributions are subjected to a 33% contribution tax. Employers can (but are not obliged to) apply a rate of contribution tax lower than 33% in certain circumstances based on the Member's
 - previous Income Year's salary or wages, if the Member was employed by his or her current Employer for all of that previous Income Year, or
 - on the Employer's estimate of the salary or wages it will pay the Member in the current Income Year if the Member started employment after the start of the previous Income Year.

From 1 April 2012 all Employers will be required to apply the lower rates of contribution tax according to the Member's salary or wages. The scale of rates are as follows:

Income Year's salary or wages, plus Employer contributions	Contributions Tax Rate
Up to \$16,800	10.5%
Greater than \$16,800 but not more than \$57,600	17.5%
Greater than \$57,600 but not more than \$84,000	30.0%
Greater than \$84,000	33.0%

- The Fund is a portfolio investment entity, meaning tax on its assessable investment income is subject to special rules described under 'other material matters'.
- In most cases, benefits will be paid tax-free.

This prospectus is not a full statement of the circumstances in which the tax on benefits might apply.

Tax applying to Portfolio Investment Entities

The Fund is a portfolio investment entity ("PIE"), which allows tax to be paid on Members' behalf. As a PIE the following rules apply.

The Portfolio Investment Entities tax rules provide that all taxable income, deductible expenses and tax credits related to the Fund's investments must be attributable to Members in proportion to the value of their daily interest in the Fund, with tax payable at each Member's Prescribed Investor rate.

The Prescribed Investor Rate for New Zealand resident individuals are 10.5%, 17.5% or 28% depending on the level of their income for the previous two years. For information to assist in selecting the correct Prescribed Investor Rate refer to the IRD website www.ird.govt.nz.

The amount of tax payable by the Fund to the Inland Revenue Department is the total of the tax liability of each Member based on each Member's Prescribed Investor Rate.

Tax legislation is complex and may have different or further consequences than those described in general terms above. Tax legislation may also change. Members should seek independent professional tax advice on the implications of your investing in the Fund and/or withdrawing or transferring to or from it.

15. SUPERANNUATION TRUSTEES' STATEMENT

The Trustees of the Fund are of the opinion, after due enquiry by them, that:

- (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,

has not materially and adversely changed during the period between 31 March 2011 (being the balance date of the latest financial statements referred to under clause 12 in this Prospectus) and the Specified Date.

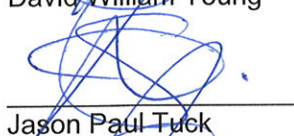
Signed by each Trustee of the Waterfront Industry Superannuation Fund, or by their respective agent authorised in writing, as Trustees and issuers of this Prospectus:



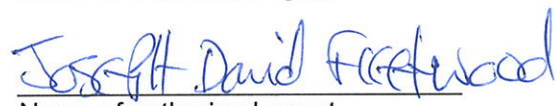
David William Young




Name of authorised agent



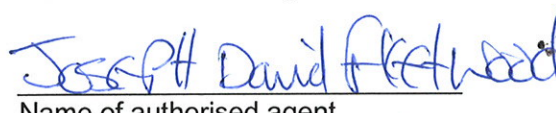
Jason Paul Tuck



Name of authorised agent



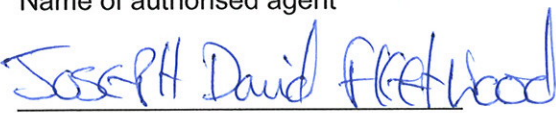
Raymond Paul Welson



Name of authorised agent



John Geoffrey Whiting



Name of authorised agent



Joseph David Fleetwood

Name of authorised agent



Raymond Joseph Carroll Fife



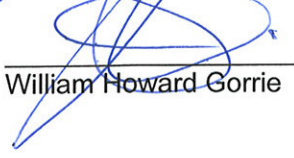
Name of authorised agent



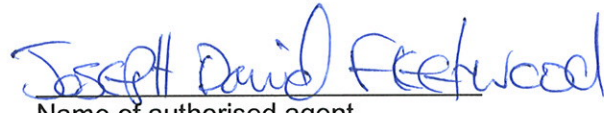
Russell Lawrence Mayn



Name of authorised agent



William Howard Gorrie



Name of authorised agent

GLOSSARY

“**Administration Manager**” means the administration manager, if any, named in the Directory or any other administration manager appointed from time to time by the Trustees to administer the Fund.

“**Auditor**” means a person who is the holder of a certificate of public practice issued by the Institute of Chartered Accountants of New Zealand and appointed by the Trustees to audit the accounts of the Fund.

“**Custodian**” means the custodian named in the Directory or any other custodian appointed from time to time by the Trustees to provide custodial services for any assets of the Fund.

“**Directory**” means the Directory set out on pages 3 to 5 of this Prospectus.

“**Employee**” means an employee as determined by his or her Employer to be eligible to be invited to become a Member.

“**Employers**” means the employers (including Participating Employers) which are party to an employment contract from time to time, and Employer means each of the Employers individually and in relation to a Member means that Employer by which the member is for the time being employed.

“**Fund**” means the Waterfront Industry Superannuation Fund created by the Trust Deed with effect from 24 March 1975, governed by the Trust Deed dated 1 June 2007.

“**Governing Requirements**” means the Trust Deed, KiwiSaver Act 2006 and the Superannuation Schemes Act 1989.

“**Income Year**” means financial year ended 31 March.

“**Investment Manager**” means any Investment Manager named in the Directory and any other Investment Manager appointed from time to time by the Trustees to manage the investment of the assets of the Fund.

“**Member**” means a waterside worker or such other person within the Waterfront Industry who may be admitted to membership at the discretion of the Trustees, and who in the opinion of the Trustees, remains a Member.

“**Members’ Investment Choices**” means the investment choices made available to Members under which the income or losses comprised in the Member’s Account will be influenced by an investment portfolio or portfolios chosen by the Member.

“**Nominated Beneficiary**” means the person the Member may nominate in writing to the Trustees on or before the date of the Member’s retirement.

“**NZ IFRS**” means the New Zealand Equivalents to International Financial Reporting Standards.

“Participating Employer” means any Employer which has been admitted as a Participating Employer but does not include any Employer which has ceased to be a Participating Employer, and in relation to a Member, means that Employer by which the Member is for the time being employed.

“Permanent Incapacity” means permanent, physical or mental incapacity suffered by any Member that is in the opinion of the Trustees, acting on medical advice, of such an extent that having regard to the previous employment and other characteristics of that person, such person is unlikely to have a significant earning capacity in the future.

“Previous NZ GAAP” means Generally Accepted Accounting Practice in New Zealand as applicable to the Fund prior to its adoption of NZ IFRS.

“Prospectus” means this Prospectus.

“Retirement Age” means the age of sixty-five years.

“SIPO” means the Statement of Investment Performance and Objectives adopted by the Trustees from time to time.

“Specified Date” means the date on which this Prospectus was delivered to the Registrar of Companies for registration under Section 42 of the Securities Act 1978.

“Terminal Illness” means such illness suffered by any Member where in the opinion of the Trustees, acting on medical advice, the remaining life of the Member as a result of the illness is expected to be 6 months or less from the date the illness was diagnosed.

“Trust Deed” means the trust deed dated 9 December 1975 and executed by the Trustees by which the Fund came into operation from 24 March 1975, as the Trust Deed has been subsequently amended or consolidated.

“Trustees” means the Trustees for the time being appointed to administer the Fund.

“Waterfront Industry” means:

- (a) in relation to any person who was a member of the Fund immediately prior to the Date of this Trust Deed shall have the same meaning as given to that term in the Waterfront Industry Commission Act 1976 immediately prior to the repeal of that Act and shall include the carrying out of any other work including clerical work in relation to or in connection with the Waterfront Industry which the Trustees in their discretion from time to time decide to include within Waterfront Industry; and
- (b) in relation to any other Member, means waterside or waterside-related work as determined by the Trustees including:
 - (i) loading and unloading ships and other seafaring vessels in New Zealand;
 - (ii) work within the limits of any New Zealand port involving: -
 - receiving and delivering or otherwise handling cargo for or from any ship or other seafaring vessel, including the packing and unpacking of containers;
 - or

- the driving or operation of cranes, forklift trucks, or other mechanical or logistical equipment; or
 - the carrying out of any work similar in nature to that traditionally carried out by tally clerks, foremen stevedores, or permanent hands in connection with waterside-related work; and
- (iii) clerical and other support work directly or indirectly related to the above, which the Trustees in their discretion from time to time decide is appropriate to recognise as falling within the concept of waterfront industry work.