Selected Conservative Balanced Income Portfolio Fact Sheet

Portfolio description

- Not a single discrete fund, but a Portfolio that provides solutions for investors seeking to generate income and have the option of growing their investment over the medium term (more than five years) with moderate volatility.
- **Regularly monitored** by JMIS, the investment consultant to Select Wealth Management ('Select'), **reviewed every calendar quarter** and changes made as fund manager performance and/or investment conditions change
- Automatically re-balanced back to current weightings if the Portfolio deviates beyond certain limits from the current mix.

Minimum investment

- Initial investment: $20,000
- Additional investment: $2,000
- Regular investment: $500 per month.

Regular withdrawals

Minimum of $250 p.m. can be paid direct to investor's bank account while the balance in Portfolio remains above the minimum of $20,000.

Fees (charged as a % of investment)

- Contribution fee: up to 1%
- Adviser service fee: up to 1% p.a.
- Select fee: $0 to $250,000 = 0.60% p.a.
  - $250,000 to $500,000 = 0.50% p.a.
  - $500,000 to $1,000,000 = 0.40% p.a.
  - $1,000,000 and over = 0.30% p.a.
- Fund manager fees: Fees have been negotiated at lower than retail levels for most funds. These fees are charged as a wholesale fee or a rebate is paid by the fund manager and credited to the investor's cash holding account.

How to invest

Talk to your Adviser about the suitability of Select and to obtain the Investor Information booklet and relevant investment statements.

Projected performance

The after tax, after management fee expected annual return distribution over the long term below, is based on data since 1993.

A 33% tax rate is assumed and the effect of the tax rules on the various asset types is calculated. Management fees are assumed at the index fund level. The Select Service and the Adviser Service Fees are not included.

Conservative Balanced Income

Mean Annual Return	4.8%
Volatility (Standard Deviation)	4.8%
Probability of Loss in any one year	16.0%
Years where negative return expected*	6.3 years
Expected 10 year return	58.4%
Expected 20 year return	150.5%

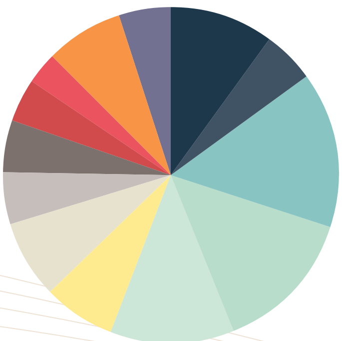
*The moderate risk income asset allocation expects to have a negative return every 6.3 years.

Portfolio mix

The investment options and the weightings are monitored by JMIS and can change at any time. For the current Portfolio refer to **selectwealth.co.nz/selected-investment-portfolios**

- See description of individual securities at **selectwealth.co.nz/custom-built-portfolios**
- Performance published monthly on the Select website at **selectwealth.co.nz/investment-performance**

Selected Conservative Balanced Income Portfolio as at June 2016



Name of individual asset	Proportion of portfolio %	Country of individual asset	Asset type
AMP Capital NZ Cash Fund	10.0	NZ	Cash and cash equivalents
Aegis Cash Account	5.0	NZ	Cash and cash equivalents
AMP Capital NZ Fixed Interest Fund	15.0	NZ	NZ fixed interest
Nikko AM NZ Bond Fund	15.0	NZ	NZ fixed interest
Harbour NZ Core Fixed Interest Fund	12.0	NZ	NZ fixed interest
New Zealand Property Trust	6.0	NZ	Listed property
Devon Alpha Fund	7.5	NZ	Other
Devon Trans-Tasman Fund	5.0	NZ	Australasian equities
Pengana Emerging Companies Fund	5.0	AU	Australasian equities
Harbour Australasian Equity Income Fund	4.0	NZ	Australasian equities
Nikko AM Concentrated Equity Fund	3.0	NZ	Australasian equities
Bankers Investment Trust	7.5	UK	International equities
RIT Capital Partners Plc	5.0	UK	International equities

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