

An income fund with 100% capital protection at maturity*

Introducing MONEY Series 3 – this is our third income fund in this popular series. MONEY Series 3 is an international money market fund making gains from movements in currencies and interest rates in ten of the world's major markets. It has exciting potential returns and most importantly, your investment is 100% capital protected at maturity* in 5 years' time.

KEY FACTS ABOUT THE FUND

- **Two types of units:** income units, which aim to pay a target return of up to 7% each year, plus a bonus at maturity. Or, accumulation units, which aim to pay one lump sum at maturity. See opposite for the target returns
- **Protection:** fully capital protected at maturity*
- **Fund invests into:** an index designed by Deutsche Bank, known as the 'Dynamic Carry Index'. It makes gains from movements in currencies and interest rates in the international money markets
- **Term:** 5 years
- **Early maturity feature:** if an exceptional growth target is met in the first 3 years, the fund will close early with a full return of capital and lump sum payment on the income units of 30%. Accumulation units will automatically mature at the same time, with a gain of at least the same amount
- **Minimum investment:** \$5,000
- **Currency:** this is a NZ dollar investment. Only your returns (not your capital) are exposed to fluctuations in currencies
- **Breaking your investment early:** this is possible on a monthly basis by paying an exit fee. But please remember that capital protection only applies at maturity and you could get back less than your original investment

FULL CAPITAL PROTECTION*

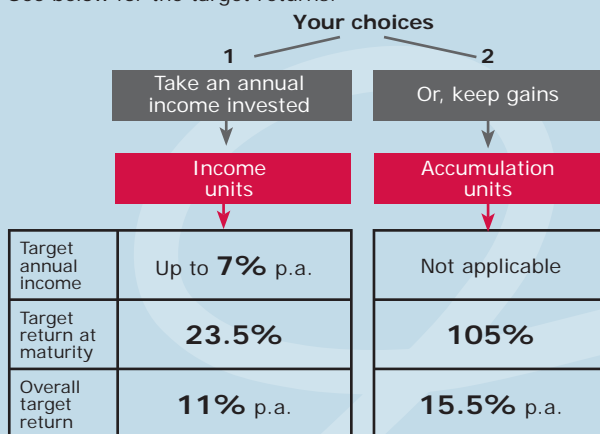
For peace of mind, your investment in MONEY Series 3 is fully capital protected at maturity. So what does this mean? It means as long as you don't break your investment early, you will receive back the original amount you put in, less any entry fee charged. It doesn't matter how the fund performs, your capital will remain protected. This is possible because the fund owns investments (called 'notes') which are fully protected at maturity by Deutsche Bank. Like any bank, Deutsche is legally responsible for repaying this type of obligation, so their financial strength is key. With a Standard & Poor's credit rating of AA- their strength is similar to some of the top 4 trading banks in New Zealand.

WHO ARE DEUTSCHE BANK?

'Deutsche Bank' is a name which not everyone is familiar with. This is understandable, because they don't provide savings accounts and mortgages in New Zealand, but they do fulfill this type of banking role internationally. Within New Zealand, they operate in the business market and are very highly regarded. They have over 65,000 employees around the world, an indication of their substantial size compared to our own local banks. A little over a year ago, they won the 'Bank of the Year' award from IFR Magazine.

TWO WAYS OF INVESTING INTO MONEY Series 3

Investing in MONEY Series 3 is very easy. You just need to decide whether you'd like to take an annual income each year or leave any gains invested until the end of the term. See below for the target returns:



Target returns calculated from past performance data from index inception: average daily return from 1 Jan 1999 to 31 Dec 2004

Taking an annual income? As you can see above, the fund aims to pay a target income of up to 7% each year. At maturity, when your capital is repaid, the fund also aims to pay a bonus. The target return for this is 23.5%. The combination of income and the bonus, gives an overall target return of 11% p.a. It's important to remember that all returns are variable. See the information below about target returns.

Keeping your gains invested? If you don't require an income each year you can choose to keep any gains invested in the strategy. There will be one lump sum paid to you at maturity, along with the return of your capital. If you choose to accumulate in this way, the target return is 105% (or 15.5% p.a.) giving the potential to double your money in 5 years. See the information below about target returns.

TARGET RETURNS

What exactly is a target return? We're always very careful to point out that a target return is simply a reflection of how the fund would have performed in the past. In the future, performance could be very different, which is why we make sure we protect your capital, to protect you from any losses. We like to show you the target returns to point out the successful track record and give you an idea of the potential which exists. It's important to remember, if no gains are made by the fund, or the gains are less than the target, the income and bonus will be lowered accordingly. The only minimum return paid out is 0.05% p.a. on both types of units. Likewise, if gains are more than the targets, your lump sum at maturity will be more.

Important: This document is for information purposes only, full details are contained in the Investment Statement and Prospectus, which can be obtained from your financial adviser or Liontamer Investor Relations on 0800 210 450. Although Deutsche Bank are legally liable to repay the investments owned by the trust and all returns on those investments, neither Deutsche or any other entity guarantee the repayment of units or any returns on the units, or accept any other liabilities to unitholders. Please be aware that capital protection only applies at maturity, or if the early maturity feature is triggered. It is intended that this investment is held for the full term and you should be prepared to tie up your money for a fixed period of 5 years. Should you withdraw early, you may get back less than you invested, as well as incurring an exit fee. Past performance is not necessarily a guide to future performance.

***Capital protection at maturity** means you will receive back 100% of the amount invested, less the 3% entry fee (unless rebated) plus any net early bird interest earned during the offer period.



BENEFITS OF INVESTING IN MONEY Series 3

- 1. Full capital protection***: knowing you will get your original investment back at maturity
- 2. Choice**: select income units or keep gains invested with accumulation units
- 3. Diversification**: spreading your investments more widely than the traditional income solutions of debentures and property

HOW DO I INVEST?

5 easy steps:

Step 1: make sure you fully understand this investment, by reading the Investment Statement in full. Always seek advice from your financial adviser.

Step 2: have the following to hand: your IRD number, bank account number and your cheque book.

Step 3: fill in our application form at the back of the Investment Statement. In section 5 you need to decide if you'd like to invest in income units or keep gains invested with accumulation units. For those with accumulation units, you are able to donate the small 0.05% p.a. income to the charity 'Cure Kids', by ticking the box. Don't forget your signature and the date in section 8 on the back.

Step 4: make your cheque payable to "BK Registries Limited" (our Registrar) for a minimum of \$5,000. If you are not using a personal cheque, you will need identification.

Step 5: give your completed application form and cheque to your financial adviser for checking. They will send it to our Registrar for you.

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TARGET RETURNS

11% P.A.

INCOME UNITS

15% P.A.

ACCUMULATION UNITS

The Investment Strategy Explained

For many years financial experts have acknowledged that 'money chases yields around the world' (investing where interest rates are highest). Large flows of investment into a country have the added effect of pushing up the value of the currency (giving an additional gain). In times of market crisis, this money moves back to safe havens for protection. But very few of us could ever make gains in the same way, as we can't move money quickly between international markets on a daily basis. MONEY Series 3 now gives you the ability to generate returns from the international money markets, making gains from movements in both interest rates and currencies. It does this by investing in an index set up by Deutsche Bank; the 'Dynamic Carry Index'.

Summary of strategy

1. Invest in regions where interest rates are high
2. Borrow from regions where interest rates are low
3. Reverse this strategy when market conditions are too risky
4. Ensure original investment is fully protected at maturity

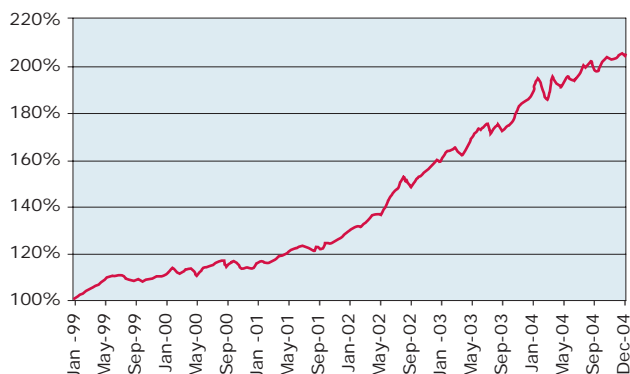
The index follows a set formula, investing in 3 countries with the highest interest rates (from a possible 10) and borrowing from 3 countries with the lowest rates. Investments are monitored and adjusted on a daily basis. Daily gains remain invested in the Dynamic Carry Index (any losses have the opposite effect). To increase its success, Deutsche Bank put together a 'risk barometer'. When risk levels become too high, the index reverses its strategy in order to protect investors' returns.

10 regions with highest & lowest interest rates

Top 3	Middle	Bottom 3
Australia	Sweden	Norway
New Zealand	Canada	Switzerland
UK	Europe	Japan
	US	

As at January 2005 (rankings change regularly)

The Dynamic Carry Index



Source: Deutsche Bank; index in NZ dollars from 1 Jan 1999 to 31 Dec 2004

The chart above shows the performance of the Dynamic Carry Index since inception 6 years ago. As you can see, the index has made good progress over this time period. Performance tends to be in 'spurts' i.e. flat periods, followed by strong growth periods. This reinforces the need for you to invest in the fund for the full term, in order to capture these good periods. It's important to note that the chart shows the raw index with no capital protection. It does not show the performance of MONEY Series 3. When you invest in MONEY Series 3, you are not fully invested in the index. As gains are made, the fund increases its exposure (or decreases its exposure if there are losses) to the Dynamic Carry Index.