

INVESTMENT STATEMENT

Manchester Unity Credit Union

Investment statement for the purposes of the Securities Act 1978, dated 18th January 2012

Important information

(The information in this section is required under the Securities Act 1978)

Choosing an investment

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below

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In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.

The Financial Markets Authority regulates conduct in financial markets

The Financial Markets Authority regulates conduct in New Zealand's financial markets. The Financial Markets Authority's main objective is to promote and facilitate the development of fair, efficient, and transparent financial markets.

For more information about investing, go to <http://www.fma.govt.nz>

Financial advisers can help you make investment decisions

Using a financial adviser cannot prevent you from losing money, but it should be able to help you make better investment decisions.

Financial advisers are regulated by the Financial Markets Authority to varying levels, depending on the type of advisor and the nature of the services they provide. Some financial advisers are only allowed to provide advice on a limited range of products.

When seeking or receiving financial advice, you should check –

- the type of adviser you are dealing with:
- the services the adviser can provide you with:
- the products the adviser can advise you on.

A financial adviser who provides you with personalised financial adviser services may be required to give you a disclosure statement covering these and other matters. You should ask your adviser about how he or she is paid and any conflicts of interest he or she may have.

Financial advisers must have a complaints process in place and they, or the financial services provider they work for, must belong to a dispute resolution scheme if they provide services to retail clients. So if there is a dispute over an investment, you can ask someone independent to resolve it.

Most financial advisers, or the financial services provider they work for, must also be registered on the financial service providers register. You can search for information about registered financial service providers at <http://www.fspr.govt.nz>

You can also complain to the Financial Markets Authority if you have concerns about the behaviour of a financial adviser.

What sort of investment is this?

The Manchester Unity Credit Union (“the Credit Union”) is offering shares in the Credit Union to members, or dependents of members, of the Manchester Unity Friendly Society. A credit union is a member-owned co-operative financial organisation set up to provide savings and loan facilities to its members.

It is established under the Friendly Societies and Credit Unions Act 1982 (“the Act”). A credit union is owned and democratically controlled by its members. Holding shares in the Credit Union constitutes membership of the Credit Union. Within the framework of its registered rules, a credit union is managed by its Committee of Management.

All shares are of two class rankings, namely term shares and call shares both of a fixed amount of \$1.00 denomination. Shares cannot be allotted to a member until fully paid-up in cash.

Subject to the Friendly Societies and Credit Unions Act members can redeem shares from their share account, in a similar manner to a savings account. The Credit Union can require a 60 day notice period for withdrawals, but shares are usually available for withdrawal on call.

Who is involved in providing it for me?

The issuer is Manchester Unity Credit Union.
54 Clive Square East, Napier 4110, P O Box 587 Napier, 4140
Telephone; 0800 68 28 48 Facsimile (06) 8355 535
Email: admin@mucreditunion.co.nz

The Directors of the Credit Union as at the date of the Investment Statement are:

John Lowe
Blair Robinson
Maxwell Plested
Leonard Searle
Ian Fitchett
Paul Haglund
Richard Hocking

Additional information on the Credit Union’s directors is contained in the Prospectus under section 3.

The Credit Union was previously a branch of the Manchester Unity Credit Union (which was first registered on 3 May 1943, Registration No 425, as a “specially authorised Society” under the Friendly Society Act 1909). When the Friendly Societies and Credit Unions Act 1982 was passed the Manchester Unity Credit Union was required to register its branches as separate legal entities.

The Credit Union by virtue of name changes is now registered as the Manchester Unity Credit Union.

The principal activities of the Credit Union are the promotion of thrift among members by the accumulation of their savings, the lending of those savings to members from time to time, the investment of the other assets of the Credit Union and to a lesser extent the training and education of members in the wise use of money and in the management of their financial affairs. The Credit Union has been carrying on these activities since 26 July 1985.

Subject to liquidity requirements, most of the funds are made available for loans to members. Most loans are secured by mortgages and used to purchase homes, but loans for other purposes or with alternative security may be considered.

The property of the Credit Union is held by the Credit Union Trustees. The Trustees of the Credit Union are elected at the Annual General Meeting by the members. They do not guarantee the repayments of shares withdrawn or the payment of a dividend on shares held in the credit union. Their responsibilities are to watch over the interests of members and ensure the terms and conditions of the registered rules are satisfied.

Securities Trustee
Perpetual Trust Limited
Level 6, AMP Chambers,
187 Featherston Street,
Wellington

is the Securities Trustee of the shares appointed by the Credit Union under the Securities Act 1978.

Perpetual Trust Limited does not guarantee the repayment of any securities offered by the Credit Union or the payment of any dividend (interest) thereon.

How much do I pay?

This is a discretionary decision for each member. Under the requirements of the Friendly Societies and Credit Union Act there is a common bond required for membership of a Credit Union. If you are not already a member, or dependant of a member of the Manchester Unity Friendly Society, you will be required to take out membership. The cost will vary depending on the benefits that you subscribe to. You can ascertain the cost of this from your investment adviser, Manchester Unity Friendly Society or by contacting the Credit Union.

A person will not become a member of the Credit Union until he or she holds one fully paid up share. Each share costs \$1. A member must hold a minimum of one fully paid share, and may hold up to a maximum of \$250,000.00 fully paid shares. The Committee of Management may vary the maximum amount at any one time, up to any maximum amount determined by Order in Council in accordance with Section 106 of the Act. A member will cease to be a member if and when he or she ceases to hold at least one fully paid-up share in the Credit Union.

Regular deposits can be made by automatic payment, cash or cheque, to your individual member's account.

Payment for shares not in whole dollars are credited to the member's account and are deemed to be an advance payment for subscription for shares.

Payments should be made to the Credit Union at 54 Clive Square East, Napier or any other Manchester Unity Credit Union, by way of cash, cheque or other electronic means. Under the Financial Transactions Reporting Act 1996 all new investors with the Credit Union are required to provide evidence of identity.

What are the charges?

At the date of this investment statement, there are no other transaction fees or charges payable on withdrawals or deposits, other than the break rate described below for term shares. The Credit Union may introduce a charge by amending its rules by special resolution at a general meeting of which notice has been given to members.

In the event of early withdrawal of all or part of a Term share account, a break rate on the term share accounts; a reduction in interest paid of 3.00% per annum applies.

Operating costs and transfers to reserves are deducted from the income of the Credit Union before any dividend on the shares is declared. This may affect the return on your investment.

These amounts vary from time to time and they can be ascertained from the latest financial statements of the Credit Union at the time of and following subscription. The level of these charges is determined or agreed by the Committee of Management and, in the case of the Securities Trustee charges, in accordance with the

Trust Deed; there are no minimum or maximum amounts specified for these charges. You are entitled to a copy of the financial statements on request from the Credit Union.

What returns will I get?

Returns on the shares take the form of dividends (if any). The potential returns are based on the performance of the Credit Union's investments, including loans the Credit Union makes to its members.

The key factors determining the level of dividend payable to members (if any) will be the level of return earned by the Credit Union. This will be influenced by general economic conditions, inflation, and interest rates and the effect of these on the Credit Union's investments (including the loans the Credit Union makes) during the term of your investment. The length of time you hold the shares and the time you withdraw will also affect your return. Additional information regarding the risks are detailed in the section "What are my Risks"

Current dividend rates on share accounts (on call and term) are available on request from the Credit Union Office or on our website www.mucreditunion.co.nz

On Call accounts

Shares in an on call account will, subject to the Credit Union's right to vary the rate of return, receive an annual dividend from the revenue profits of the Credit Union.

The maintenance of the rate of dividend paid on member accounts is largely dependent on the annual surpluses earned by the ongoing profitability of the Credit Union. The amount of the surplus available for distribution to members is also subject to the statutory obligation of the Credit Union to maintain a general reserve. The current obligation in this regard is to maintain the General Reserve at 5% of the total assets of the Credit Union. The reserve is not able to be utilised for payment of interest or dividends. As any dividend return is dependent on the terms of the share account, the duration of the investment and the annual profit revenue of the Credit Union, the return attributable to each share account cannot be quantified in this Investment Statement. No amount of returns quantifiable as at the date of this investment statement has been promised to subscribers.

At the conclusion of each financial year, being 31 March, the surplus, if any, earned by the Credit Union, after deducting administration fees, management fees, overhead and reserve fund contributions and taxation will be divided among the members by calculation on the daily balances of their accounts during that period and credited as a dividend on their shares.

If you cease to be a member and withdraw all of your shares during the year the Committee of Management will set an interim dividend which will be used to calculate your dividend entitlement.

The payment of a dividend (if any), at any level or rate, is not guaranteed or promised by the Securities Trustee, the Credit Union, Manchester Unity Friendly Society or any of their officers, directors or trustees.

Current dividend rates on share accounts are available on request from the Credit Union office but are subject to variation and are not fixed.

Term Shares

Shares in a Term Share Account will earn a dividend or interest at the fixed rate specified at the time of application. As any return is dependent on the terms of the share account and the duration of the investment, at the time of application, the return cannot be quantified in this Investment Statement. Term shares can be withdrawn at the expiration of the fixed term. Interest on term shares is payable quarterly from the investment start date.

Maturity

If a member has given instructions for the monies held in a term share account to be automatically reinvested at the end of the term, the reinvestment will be at the interest rate applicable at the time of reinvestment to the share account nominated, and the member will be forwarded a reinvestment certificate.

Withholding Tax

Unless you hold a current Certificate of Exemption, Resident Withholding Tax will be deducted from your dividend at the rate prescribed by law. If you are not resident in New Zealand, Non-Resident Withholding Tax will be deducted at the rate prescribed by law.

What are my risks?

The principal risks of investing in shares in the Credit Union are:

(1) Credit Risk - Loans

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Credit Union incurring a financial loss. This usually occurs when borrowers fail to repay their loans.

Loans can be made only to Credit Union members. Loan interest rates range from 6.15% to 20.25% (2010 6.65% to 15.25% p.a.). The Credit Union has a lending policy that requires various levels and types of security for loans and includes that a portion of loans may be secured over the borrowing member's shares.

The Credit Union has established policies and procedures for

- Credit assessment and approval of loans covering, acceptable risk assessment and security requirements
- Limits of exposure over the value to individual borrowers, non-mortgage secured loans, concentrations to geographic or industry groups considered at high risk of default
- Reassessing and review of the credit exposures on loans and facilities
- Establishing appropriate provisions to recognise the impairment of loans
- Debt recovery procedures
- Review of compliance with the above policies

The Credit Union manages credit risk by:

- Limiting the amount which may be advanced to any one member to \$310,000 for secured lending
- Limiting the amount which may be advanced to any one member for unsecured lending to \$10,000.
- Requiring a minimum equity of 20% from the borrower for residential properties.
- Limiting loans on commercial properties to 60% of valuation.
- Taking adequate security for the loans, usually by registered mortgage.
- Regular monitoring and review of loans in arrears.
- Establishing appropriate provisions where applicable to recognise the impairment of loans

(2) Credit Risk – Debt Securities and cash and cash equivalents

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Credit Union incurring a financial loss. This usually occurs when debtors fail to settle their obligations to the Credit Union.

The Board policy is to place the investments with New Zealand Registered Banks or in debt securities recommended by an Authorised Financial Adviser.

Credit Risk – Credit Rating

The credit rating has identified the following areas of weakness due to the size of the Credit Union and the nature of operations

- Key person Risk
- Limited Governance Capability
- Weak business position
- Weak risk positions
- Below average funding

Strengths of the Credit Union highlighted in the report are

- strong capital and earnings and
- adequate liquidity

The full credit rating report is available on our website – www.mucreditunion.co.nz

(3) Geographic Risk

The majority of savings and loans held by the credit union are held by members in Hawkes Bay. There is a risk that economic events may adversely affect Hawkes Bay. The nature of the Credit Union activities is such that transactional banking services, such as debit cards, cheque books and online internet activities are not offered to members. Services are primarily savings and loans.

As at the 30th of September 2011 the % of loans and members funds held by area is

	Hawkes Bay	Rest of New Zealand
Loans to members	70%	30%
Members Funds	61%	39%

4) Taxation

An investment in shares in the Credit Union will have taxation implications. The effect of taxation will vary according to each member's personal circumstances. Prospective existing members are encouraged to obtain independent professional advice on their personal circumstances.

(5) Insolvency

The main risk to members in investing in shares in the Credit Union is if the Credit Union was to become insolvent. The Credit Union could become insolvent and/or be wound up where a significant amount of the loans due for repayment remain unpaid for an extended period of time, or where as a result of the risks stated or otherwise, the Credit Union is for any reason unable to pay its debts as they fall due. It is the policy of the Board of Directors that the Credit Union maintains adequate cash reserves and committed credit facilities so as to meet the member withdrawal demands when requested.

(6) Interest Rate Risk

Interest rate risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

The Credit Union manages interest rate risk by:

- Regularly reviewing the interest rate paid on members' call and term shares. Term shares have been available since September 2010.
- Monitoring the interest rates available from short-term deposits and utilising the best rates available after assessing the forecast requirements.
- Regularly reviewing the interest rate charged on loans to members.

There is exposure to fair value interest rate risk, which is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Credit Union performs sensitivity analysis to measure market risk exposures. The method used in determining the sensitivity is to evaluate the profit based on the timing of the interest repricing on the lending book of the Credit Union for the next year. In doing the calculation the assumptions applied are that:

- The interest rate change would be applied in accordance with the repricing profile
- The rate change would be as at the beginning of the period and no other rate changes would be effective during the period.
- All loans would be repaid in accordance with the contractual repayment terms and replaced with loans of a similar rate and term.
- The term deposits would all reprice to the new interest rate at the term maturity, or be replaced by deposits with similar terms and rates applicable.
- The value and mix of call savings to term deposits will be unchanged.
- The value and mix of personal loans to mortgage loans will be unchanged.
- No change in basis risk.

7) Members' returns

The rate of return on members' shares is dependent on annual surpluses being earned through the ongoing profitability of the Credit Union. The rate of return on the members' shares is therefore dependent on the ability of the board and senior management of the Credit Union to prudently manage the Credit Union and generate an operating surplus for its members. Should the Credit Union's profitability be threatened then the Credit Union may reduce the rate of return on member's shares or may even pay no return on member's shares. Current returns to members for on call and term shares are available by contacting the credit union on 0800 68 28 48 or www.mucreditunion.co.nz

(8) General market risk

Like all businesses, the financial performance of the Credit Union may be affected by the state of the New Zealand and international economies. Economic slowdowns will generally have a negative impact on demand for goods and services and thus, income, which may in turn adversely affect a member's ability to invest in shares in the Credit Union and to meet his or her loan payment obligations to the Credit Union. This in turn may affect the profitability of the Credit Union and returns paid to members.

(9) Risk of Non Compliance with Prudential Requirements of Non-Bank Deposit Takers

Manchester Unity Credit Union is subject to the following prudential requirements of the non-bank deposit taker legislation

I. Credit Rating

The Credit Union is required to have a credit rating from a rating agency approved by the Reserve Bank of New Zealand under section 157J of the Reserve Bank of New Zealand Act 1989.

International credit ratings agency Standard & Poor's (Australia Pty) Limited reaffirmed Manchester Unity Credit Union with B+/B Ratings; Outlook Stable on the 13th December 2011. Securities rated in this category are not investment grade. An obligor rated 'B' is more vulnerable than other obligors rated higher, but the obligor currently has the capacity to meet financial commitments. Adverse business, financial or economic conditions will likely impair the obligor's capacity or willingness to meet financial commitments.

A more comprehensive report of the current rating is available www.standardandpoors.com or www.mucreditunion.co.nz

The general meaning of the Standard and Poor's Long-Term Credit Rating system is set out below:

AAA – An obligor rated 'AAA' has extremely strong capacity to meet its financial commitments, this is the highest issuer rating assigned by Standard and Poor's.

AA- An obligor rated 'AA' has very strong capacity to meet its financial commitments.

A – An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher rates categories

BBB – An obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet financial commitments.

BB – An obligor rated 'BB' is less vulnerable in the near term than other lower rates obligors. However it faces major on-going uncertainties and exposure to adverse business, financial or economic conditions which should lead to the obligor's inadequate capacity to meet its financial commitments.

B – An obligor rated ‘B’ is more vulnerable than the obligors rated ‘BB’ but the obligor currently has the capacity to meet its financial commitments. Adverse business, financial, or economic conditions will likely impair the obligor’s capacity or willingness to meet its financial commitments.

CCC- An obligor rated ‘CCC’ is currently highly vulnerable.

R- An obligor rated ‘R’ is under regulatory supervision

SD- assigned when Standard and Poor’s believes that the obligor has selectively defaulted on a specific issue or class of obligations.

NR – an issuer is not rated.

Credit ratings issued by Standard & Poor’s Rating services are solely statements of opinion and not statements of fact or recommendations to purchase, hold or sell any securities or make any other investment decisions. Accordingly any user of credit ratings issued by Standard & Poor’s Ratings Services should not rely on any such ratings or other opinions issued by Standard & Poor’s Ratings Services in making any investment decision. Credit ratings may be changed, withdrawn or suspended at any time.

- II. Minimum capital ratio is to be maintained at not less than 8%
- III. Exposure to related parties is to not aggregate more than 15% of capital
- IV. Quantitative Liquidity Requirements, Eligible liquid assets are to be not less than 15% of Share Monies held by Members
- V. Comply with a Risk Management Programme that meets the Requirements of the Reserve Bank Act 1989

The risk of noncompliance is that the Securities Trustee may require remedial action to be taken or for application to be made to the Registrar of Friendly Societies and Credit Union for the winding up of the Credit Union.

The Credit Union is required to provide to the Securities Trustee 6 monthly unaudited financial accounts and annual audited financial statements prepared in accordance with generally accepted accounting standards. The Trust Deed also requires that the Directors provide a monthly certificate to the Securities Trustee detailing the Credit Union’s compliance with the ratios set out in the Trust Deed. The Trust Deed gives the Securities Trustee wide ranging powers to enforce the Credit Union’s obligations under the Trust Deed. Member’s requiring additional information on the covenants and enforcement powers of the Securities Trustee are referred to the Trust Deed, a copy of which is lodged with the Companies office, whose website is www.business.govt.nz/companies or by contacting the Credit Union during office hours.

(10) Liquidity Risk

Liquidity risk is the risk that the Credit Union may encounter difficulties raising funds to meet commitments associated with financial instruments, e.g. borrowing repayments. It is the policy of the Board of Directors that the Credit Union maintains adequate cash reserves so as to meet member withdrawal demands when requested. The majority of member’s funds are held on call and as such are able to be withdrawn without notice.

The Credit Union manages liquidity risk by:

- Continuously monitoring forecast and actual daily cash flows.
- Reviewing the maturity profiles of financial assets and liabilities.
- Maintaining adequate cash reserves.
- Regularly monitoring loan repayments and comparing to forecast cash flows.

The Credit Union’s policy is to maintain at least 20% of total assets as liquid assets capable of being converted to cash within 7 days. (Statutory minimum requirement is 15% of Eligible Liquid Assets) The ratio is checked daily. Should the liquidity ratio fall below this level, the management and board are to address the matter and ensure that the liquid funds are obtained from new deposits or borrowing facilities available.

The Credit Union also has the right at any time to require a sixty day notice period for repayment of members shares.

(11) Operational Risk

Relates to those risks arising from a number of sources including legal compliance, business continuity, data infrastructure and outsourced service failures, and employee errors and fraud. These risks are managed through the implementation of policies and systems to monitor the likelihood of the events and minimise the impact.

(12) Security pricing risk

Before making a loan the Credit Union assesses the debt servicing ability of the members and any security offered by him or her for a loan advance. Where security is taken for a loan advance, the value of the securities taken may fluctuate due to market prices for the same. If the market price of a security has decreased then it is possible that the Credit Union will not recover all moneys owed to it by a member in a default situation where it seeks to realise that security. The Credit Union manages this risk by limiting the maximum amount a member can borrow against the value of the security offered.

(13) Risk and return

Before making an investment in shares, members and prospective members should consider the special trade factors and risks for that investment against the returns offered. Investors should be aware that there is a direct relationship between the risks of the investment and the return offered.

Can the investment be altered?

You can choose the amount of the at call shares in your member's account, by making deposits or withdrawals in accordance with the rules of the Credit Union.

The Committee of Management of the Credit Union may alter the policies and discretions they adopt or exercise within the rules of the Credit Union. Any alternation to the rate of return will not apply to shares already placed in term share accounts.

The Credit Union can alter its rules as provided for in the rules of the Credit Union, but only within the bounds of the Act. The Credit Union may introduce a charge by amending its rules.

The Act or Securities Regulations 2009 can be reviewed under normal parliamentary process, which could result in an alteration to the investment

How do I cash-in my investment?

Subject to the provisions of the Act, members operate their share accounts in a similar manner to savings and withdrawals in a call account. While shares are usually available to be withdrawn at call, the Credit Union's Rules provide that a 60-day notice period for withdrawal may be required. Generally withdrawals would not be available where such withdrawal of shares would reduce a member's paid-up share holding in the Credit Union to less than the member's total liability (including any contingent liability) to the Credit Union. The Credit Union is not entitled at law to consent to any withdrawals from members share accounts where the Credit Union is unable to meet its debts as they fall due.

Shares in the Credit Union are not transferable and the Credit Union may not issue to a member a certificate denoting ownership of a share. The Credit Union reserves the right to decline applications for share subscription without giving any reason.

If you cease to qualify as a member of the Credit Union (i.e. being a member of or the immediate family of a member of the Manchester Unity Friendly Society), the Credit Union may require you to withdraw your shares.

You will cease to be a member of the Credit Union if and when you cease to hold at least one fully paid-up share.

If you should die while a member, the trustees will pay the balance in your member's account to your legal representative or, if there is no legal representative, to your estate.

Subject to and in accordance with section 140 of the Act, the Credit Union may be wound up and dissolved:

- Upon the happening of any event declared by the rules to lead to termination of the Credit union; or

- By the consent of not less than 75 percent of the members of the Credit Union testified by their signatures to the instrument of dissolution (as provided by the Act); or
- By an award of dissolution of the Registrar of Friendly Societies under the Act.

After payment of all debts and liabilities the share capital at the date of the dissolution shall be paid to members in proportion to the funds held in their account only after the Committee of Management is satisfied as to the solvency of the Credit Union.

Early Repayment

In the case of Term Shares the policy of the Credit Union is to not make repayments prior to maturity. In the event of financial hardship or extraordinary circumstances, written application may be made to the Credit Union, which may exercise its discretion to repay the funds in whole or in part. In such case the dividend payable will be subject to adjustment in accordance with the terms of the share account.

Who do I contact with enquiries about my investment?

If you have any enquiries about your investment you should contact:

The Credit Union Secretary
 Manchester Unity Credit Union
 54 Clive Square East,
 P O Box 587, NAPIER 4140
 Phone 0800 68 28 48 or 06 835 5515

Office Hours are 9 am to 4.30pm Monday to Friday

Manchester Unity Credit Union on the Internet;

www.mucreditunion.co.nz
admin@mucreditunion.co.nz

Is there anyone to whom I can complain if I have problems with the investment?

You may make a complaint in the first instance to any Manchester Unity Credit Union Representative at any of our branches. They should be able to resolve the majority of problems.

If the issue remains unresolved, you should refer your complaint to:

The Complaints Officer
 Manchester Unity Credit Union
 54 Clive Square East
 P O Box 587, NAPIER 4140
 Phone 0800 68 28 48

If after raising the matter with Manchester Unity you are still not satisfied you may contact the:

Financial Services Complaints Limited
 PO Box 5967
 Lambton Quay
 Wellington 6145
 Phone 0800 347 257
 Email: info@fscl.org.nz

Or the

The Securities Trustee
Corporate Services Manager
Perpetual Trust Limited
Level 6, AMP Chambers, 187 Featherston Street
WELLINGTON
Phone (04) 901 4400

Or the;

Registrar of Friendly Societies & Credit Unions
Companies Office, Northern Business Centre
Ministry of Economic Development
Level 18, ASB Bank Centre, 135 Albert Street
Private Bag 92061, Victoria Street West
AUCKLAND
Phone 0508 266 726

There is no Ombudsman to whom complaints about the securities can be made.

What other information can I obtain about this investment?

Prospectus and financial statements

Other information about the Credit Union and the shares is contained or referred to in the Credit Union's prospectus (which contains an offer of the securities referred to in this investment statement) and the latest financial statements of the Credit Union.

These documents may be obtained free of charge, from the offices of the Credit Union during usual office hours or from our website, www.mucreditunion.co.nz, and are also filed on a public register at the Companies office of the Ministry of Economic Development, Level 5, District Court Building, 3 Kingston Street, Auckland. They are available for public inspection, upon payment of the prescribed fee.

Annual Information

The Credit Union is required to and will send at least once every six months a written statement of your account balance and transactions together with a statement evidencing the amount, nature and ownership of shares allotted by the Credit union and held by you.

On-request information

At any time you may request and obtain free of charge the following information either by phone, personal visit, letter or email to the Credit Union;

A copy of:

- the current prospectus (and associated documents) issued by the Credit Union;
- the current rules of the Credit Union;
- a current statement of your account;
- a statement evidencing the amount, nature and ownership of the shares allotted by the Credit Union and held by you;
- the most recent financial statements of the Credit Union;
- the most recent investment statement issued by the Credit Union (including any associated documentation);
- the most recent annual report of the Credit Union together with a copy of the auditors report on the financial statements contained in the most recent annual return.