



# **NEW ZEALAND**

## Government Kiwi Bonds

### **Product Disclosure Statement**

*For an offer of:*

*New Zealand Government Kiwi Bonds*

*Issued by:*

*Her Majesty the Queen in right of New Zealand*

**Dated:** 5 December 2018

This document replaces the Product Disclosure Statement dated 6 December 2017.

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on <https://disclose-register.companiesoffice.govt.nz/>. The Crown has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.



# 1 Key Information Summary

## What is this?

This is an offer of New Zealand Government Kiwi Bonds which are New Zealand dollar, fixed-term, debt securities (the “Bonds”). The Bonds are issued by Her Majesty the Queen in right of New Zealand (the “Crown”). You give the Crown money, and in return the Crown promises to pay you Interest and repay the money at the end of the term. If the Crown runs into financial trouble, you might lose some or all of the money you invested.

## About the Crown

The Crown is the Head of State of New Zealand.

The Crown’s financial statements are prepared and published in accordance with Part 3 of the Public Finance Act 1989. The Crown’s financial statements are available on the Treasury website at:

[www.treasury.govt.nz/government/financialstatements](http://www.treasury.govt.nz/government/financialstatements).

## Purpose of this offer

The Crown issues the Bonds to raise money for the general financing purposes of the Crown.

You should also read section 3 of this document (*Purpose of the offer*).

## Key terms of the offer

<b>Issuer</b>	Her Majesty the Queen in right of New Zealand (the “Crown”).
<b>Description of the debt securities</b>	The Bonds are New Zealand dollar, fixed-term, debt securities.
<b>Opening Date</b>	This offer opened on 18 November 2016 and is a continuous offer.
<b>Term</b>	The Bonds are available in maturities of six months, one year, two years or four years.
<b>Principal</b>	The Principal amount of the Bonds is repaid on the Maturity Date.
<b>Interest Rate</b>	The Bonds will bear Interest at a fixed rate for the whole term of the Bonds subject to any early redemption (see below). The Interest Rate for the Bonds depends on the maturity of the Bonds. The current Interest Rate for each Maturity Date is specified in the Issue Rates Sheet which is available on <a href="https://disclose-register.companiesoffice.govt.nz/">https://disclose-register.companiesoffice.govt.nz/</a> .

	The Crown has the right to adjust the Interest Rate on the Bonds which are redeemed early. See section 4 of this document ( <i>Key features of Bonds</i> ) for further details.
<b>Interest calculation and payment</b>	Interest is calculated on the Principal amount of your Bonds at the annual Interest Rate. Interest is payable quarterly in arrears. This means you will be paid one quarter of the annual amount of Interest on each Interest Payment Date up to and including the Maturity Date. If you select compounding Interest when applying for Bonds, one quarter of the annual amount of Interest will be added to the Principal amount of your Bonds on each Interest Payment Date up to the Maturity Date and will itself bear Interest.
<b>Further payments, fees or charges</b>	You are not required to pay any fees, duty, charges, deductions or levies (except to the extent required by law) to the Crown or the Registrar for the registration, transfer, or any other aspect relating to the Bonds or for the payment of Interest or Principal.

## How you can get your money out early?

The Bonds can be redeemed prior to the Maturity Date. If you redeem your Bonds early the Crown has the right to adjust the Interest Rate payable on the Bonds. See section 4 of this document (*Key features of Bonds*) for further details.

The Crown does not intend to quote these Bonds on a market licensed in New Zealand and there is no other established market for trading them. This means that you may not be able to sell your Bonds before the end of their term.

## No security

The Bonds are not secured against any identifiable assets of the Crown. However, section 55 of the Public Finance Act 1989 provides that all money payable in relation to money borrowed by the Crown, including all money payable to Bondholders is secured by a charge upon and payable out of the revenues of the Crown.

## Key risks affecting this investment

Investments in debt securities have risks. A key risk is that the Crown does not meet its commitments to repay you or pay you interest (credit risk). Section 5 of this document (*Risks of investing*) discusses this risk. You should also read section 4 of this document (*Key features of Bonds*).

## What is the Crown's credit rating?

A credit rating is an independent opinion of the capability and willingness of an entity to repay its debts (in other words, its creditworthiness). It is not a guarantee that the financial product being offered is a safe investment. A credit rating should be considered alongside all other relevant information when making an investment decision.

The Crown has been rated by S&P Global Ratings, Moody's Investor Services and Fitch Ratings. S&P Global Ratings and Fitch Ratings give ratings from AAA through to C, and Moody's Investor Services gives ratings from Aaa through to Ca.

As at the date of this Product Disclosure Statement, the Crown's long-term local currency credit ratings are AA+ (stable outlook) by S&P Global Ratings, Aaa (stable outlook) by Moody's Investor Services and AA+ (stable outlook) by Fitch Ratings.

Summary description of the long-term credit ratings* from <b>S&amp;P Global Ratings</b> .	Capacity to meet its financial commitments				Vulnerability to non-payment				
	Extremely Strong	Very Strong	Strong	Adequate	Less Vulnerable	More Vulnerable	Currently Vulnerable		In Default
Range of long-term credit ratings for <b>S&amp;P Global Ratings**</b>	AAA	<b>AA</b> Credit rating for the Crown is AA+ (stable)	A	BBB	BB	B	CCC	CC to C	D
Range of long-term credit ratings for <b>Moody's Investor Services**</b>	<b>Aaa</b> Credit rating for the Crown is Aaa (stable)	Aa	A	Baa	Ba	B	Caa	Ca to C***	-
Range of long-term credit ratings for <b>Fitch Ratings**</b>	AAA	<b>AA</b> Credit rating for the Crown is AA+ (stable)	A	BBB	BB	B	CCC	CC to C	RD & D
Approx. probability of default over 5 years****	1 in 600	1 in 300	1 in 150	1 in 30	1 in 10	1 in 5	1 in 2		-

### Note:

\* The credit ratings set out in the table are the Crown's long-term local currency credit ratings.

\*\* S&P Global Ratings' and Fitch Ratings' ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Moody's Investor Services applies numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

\*\*\* If a rating of "C" is given by Moody's Investor Services, the issuer is typically in default.

\*\*\*\* The approximate, median likelihood that an investor will not receive repayment on a five-year investment on time and in full based upon historical default rates published by S&P Global Ratings, Moody's Investors Service and Fitch Ratings (source: Reserve Bank of New Zealand publication "Explaining Credit Ratings", dated November 2008).

## Contents

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1	Key Information Summary	1
2	Terms of the offer	4
3	Purpose of the offer	5
4	Key features of Bonds	5
5	Risks of investing	7
6	Tax	7
7	How to complain	8
8	Where you can find more information	8
9	How to apply	8
10	Contact information	9
11	Glossary	9

## 2 Terms of the offer

<b>Issuer</b>	Her Majesty the Queen in right of New Zealand (the "Crown").
<b>Description of the debt securities</b>	The Bonds are New Zealand dollar, fixed-term, debt securities.
<b>Opening Date</b>	This offer opened on 18 November 2016 and is a continuous offer.
<b>Term</b>	The Bonds are available in maturities of six months, one year, two years or four years.
<b>Principal</b>	The Principal amount of the Bonds is repaid on the Maturity Date.
<b>Interest Rate</b>	<p>The Bonds will bear Interest at a fixed rate for the whole term of the Bonds subject to any early redemption (see below).</p> <p>The Interest Rate for the Bonds depends on the maturity of the Bonds.</p> <p>The current Interest Rate for each Maturity Date is specified in the Issue Rates Sheet which is available on <a href="https://disclose-register.companiesoffice.govt.nz/">https://disclose-register.companiesoffice.govt.nz/</a>.</p> <p>The Crown has the right to adjust the Interest Rate on the Bonds which are redeemed early. See section 4 of this document (<i>Key features of Bonds</i>) for further details.</p>
<b>Interest calculation and payment</b>	<p>Interest is calculated on the Principal amount of your Bonds at the annual Interest Rate.</p> <p>Interest is payable quarterly in arrears. This means you will be paid one quarter of the annual amount of Interest on each Interest Payment Date up to and including the Maturity Date.</p> <p>If you select compounding Interest when applying for Bonds, one quarter of the annual amount of Interest will be added to the Principal amount of your Bonds on each Interest Payment Date up to the Maturity Date and will itself bear Interest.</p>
<b>Terms of the Bonds</b>	The terms of the Bonds are set out in section 4 of this document ( <i>Key features of Bonds</i> ).

<b>Issue price and purchase/sale price</b>	<p>The issue price of the Bonds is equal to their Principal amount.</p> <p>If you buy Bonds from another Bondholder rather than from the Crown, the price which you pay for the Bonds may be equal to, above or below their Principal amount.</p>
<b>Redemption</b>	<p>Unless redeemed earlier, the outstanding Principal amount of the Bonds and any accrued Interest will, subject to any deductions on account of Tax, be payable at maturity.</p> <p>The Bonds can be redeemed prior to their Maturity Date. If you redeem your Bonds early the Crown has the right to adjust the Interest Rate on the Bonds. See section 4 of this document (<i>Key features of Bonds</i>).</p>
<b>Application restriction</b>	Applications will only be accepted from persons resident in New Zealand.
<b>Minimum application amount</b>	For the initial Principal investment, the minimum application amount is \$1,000 and multiples of \$1,000 thereafter. If you are reinvesting an existing investment, the reinvestment may be for any Principal amount over \$1,000, up to the maximum application amount.
<b>Maximum application amount</b>	The maximum Principal amount of Bonds a Bondholder can apply for within a single maturity or Issue is \$500,000.
<b>Transfer restrictions</b>	Transfers must be in multiples of \$1,000 and (unless the transfer of the Bonds results in a nil holding by the transferor) no transfer can be made where the result would be that the Principal amount of the Bonds Registered in the name of the transferor or the transferee would be less than \$1,000.
<b>Further payments, fees or charges</b>	You are not required to pay any fees, duty, charges, deductions or levies (except to the extent required by law) to the Crown or the Registrar for the registration, transfer, or any other aspect relating to the Bonds or for the payment of Interest or Principal.

Other possible fees or charges	Taxes may be deducted from Interest payments on the Bonds. See section 6 of this document ( <i>Tax</i> ) for further details.  If you buy Bonds from another Bondholder, rather than the Crown, in the secondary market you may have to pay transaction (or other) fees or charges to the Bondholder who is selling you the Bonds. You should ask for details of any such fees and charges, including how those fees or charges will be calculated and how they can be altered.
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Registrar, Issuing Agent, Paying Agent and Calculation Agent	Computershare Investor Services Limited.
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### 3 Purpose of the offer

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The purpose of this offer is to raise money for the general financing purposes of the Crown.

### 4 Key features of Bonds

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The return on your Bonds will be made up of (a) Interest payments, and (b) the repayment of the Principal amount of your Bonds (as described below).

#### Interest

Interest payments will be paid to the Bondholder Registered on the Record Date immediately before the relevant Interest Payment Date by crediting the New Zealand bank account that the Bondholder nominates, or by adding the Interest to the Principal amount of the Bonds where the Bondholder has selected compounding Interest.

If a bank account has not been provided, payment of Interest will be withheld until account details have been provided. No Interest will be paid on any amounts withheld.

If the Interest Payment Date is not a Banking Day, payment will be made on the next Banking Day (no additional Interest will be paid).

No Interest will accrue on the Bonds after the Maturity Date.

#### Principal

Bondholders will be notified by post to their last notified address, as recorded on the Register, of the pending maturity of their Bond approximately four weeks prior to the Maturity Date, and offered reinvestment at the terms and conditions current at that time. Reinvestment of the Bonds will be made in accordance with the written application of the Bondholder and pursuant to the Product Disclosure Statement for the Bonds current at that time.

If no application for reinvestment is received by the Registrar, the Principal amount of the Bonds will be paid to the Bondholder Registered on the Record Date immediately prior to the Maturity Date.

If a bank account has not been provided, payment of Principal will be withheld until account details have been provided. No Interest will be paid on any amounts withheld.

If the Maturity Date is not a Banking Day payment will be made on the next Banking Day (without payment of any additional Interest).

#### New Issues

The Crown may close an Issue to applications and open a new Issue for applications at any time. A new Issue may have lower or higher Interest Rates than the previous Issue.

For new applications for Bonds, if the Interest Rate for the Bonds is lowered between the date of your application for Bonds and the Date of Commencement for the Bonds, the Registrar will contact you to advise you of the new Interest Rate and seek your confirmation as to whether you wish to proceed with your application, notwithstanding the lower Interest Rate. Unless you advise the Registrar that you no longer wish to invest in the Bonds within 14 days after receiving the advice of the lower Interest Rate from the Registrar, the Bonds will be issued to you at the lower rate.

For applications for reinvestment, if the Interest Rate for the Bonds is lowered between the date of your application for reinvestment of the Bonds and the Date of Commencement for the Bonds, the Bonds will be issued to you without prior notification at the Interest Rate that was offered to you on the reinvestment application form.

If the Interest Rate has been increased between the date of your application for Bonds, or the date of your application for reinvestment of Bonds, and the Date of Commencement for the Bonds, the Bonds will be issued, without prior notification to you, at the increased Interest Rate.

## Redemption

Bonds may be redeemed at any time after one month from the Date of Commencement on receipt by the Registrar of at least seven Banking Days' notice in writing from the Bondholder. The notice of redemption may be given in respect of either the total amount of the Bonds or for a minimum of \$1,000. The balance of any Bonds of any Issue held in the name of the Bondholder following the redemption must not be less than \$1,000.

If any of your Bonds are redeemed early, you will incur an Early Redemption Charge. The Early Redemption Charge will be deducted from your final Interest payment and if there is insufficient Interest due in the current Interest period to meet the Early Redemption Charge, an adjustment to the Principal being repaid will be made to meet the Early Redemption Charge.

The Early Redemption Charge is calculated as a reduction in the Interest Rate on your Bonds from the Date of Commencement to the date of early redemption. The adjusted Interest Rate on your Bonds will be either (a) the actual Interest Rate for your Bonds minus 2% per annum (Example 1) or (b) 0% per annum (Example 2), whichever is greater.

If a period for which Interest is to be calculated is less than three months, Interest will be calculated at the applicable rate on the basis of a 365 day year and the actual number of days elapsed since the previous Interest Payment Date (E in Example 1 and Example 2).

Below are two working examples setting out the calculation and application of the Early Redemption Charge. The examples are used for illustrative purposes only. The figures in the example do not indicate or guarantee any Interest Rate that may be paid on the Bonds.

### Example 1 – where the original Interest Rate is more than 2 per cent per annum

On 1 January 2014 you invested \$10,000 for 4 years at an Interest Rate of 4% per annum and selected Interest to be paid to you and not compounded.

You select an early redemption date of 1 February 2016 for all of the Bonds you have invested in.

(A) Principal	10,000.00
Original Interest Rate	4%
(B) Interest Paid (8 Quarters)	800.00
(C) Adjusted Interest (8 Quarters at 2%)	400.00
(D) Early Redemption Charge (B-C)	400.00
(E) Interest due (31 days at 2%)	16.97
Final Payment = (A + E) - D	10,000.00
	16.97
	<u>(400.00)</u>
	9,616.97

### Example 2 – where the original Interest Rate is less than 2 per cent per annum

On 1 January 2014 you invested \$10,000 for 4 years at an Interest Rate of 1.5% per annum and selected Interest to be paid to you and not compounded.

You select an early redemption date of 1 February 2016 for all of the Bonds you have invested in.

(A) Principal	10,000.00
Original Interest Rate	1.5%
(B) Interest Paid (8 Quarters)	300.00
(C) Adjusted Interest (8 Quarters at 0%)	0
(D) Early Redemption Charge (B-C)	300.00
(E) Interest due (31 days at 0%)	0
Final Payment = (A + E) - D	10,000.00
	0
	<u>(300.00)</u>
	9,700.00

If the Bonds are held jointly by more than one Bondholder, the notice of redemption must be signed by all Bondholders. Corporate bodies should execute the notice of redemption in accordance with any statutory requirements.



## Transfers

Bondholders may sell or transfer any or all of their Bonds to any person, at any time before the Record Date immediately prior to the Maturity Date by completing a transfer form (as required by the Registrar), which can be found at <https://www-au.computershare.com/Investor/help/PrintableForms>.

If you fail to provide the required information on any transfer form, the Registrar may request further information from you resulting in a delay in processing the transfer.

Sale/transfer charges may apply – see “Other possible fees or charges” in section 2 of this document (*Terms of the offer*) above.

## Selling restrictions

The Bonds may only be sold in conformity with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. No product disclosure statement, advertisement or other offer material in respect of the Bonds may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws.

The Crown has not taken and will not take any action which would permit a public offering of the Bonds, or possession or distribution of any offering material in respect of the Bonds in any country or jurisdiction where action for that purpose is required (other than New Zealand).

## 5 Risks of investing

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### General Risks

Your investment in the Bonds is subject to the following general risks:

#### Credit risk

If the Crown defaults on, or is otherwise unable to comply with, its payment obligations under the Bonds you may not recover the money you pay for the Bonds or receive the expected returns.

#### Consequences of Crown defaulting

Although the Crown could, in theory, default on its obligations under the Bonds it cannot be put into liquidation or wound up. Accordingly, the provisions of New Zealand law that give priority to certain creditors over others in the liquidation or winding up of a debtor do

not apply to the Crown. Claims of all creditors of the Crown would be brought under, and governed by, the Crown Proceedings Act 1950. You would not be liable to pay any money to any person as a result of the Crown's insolvency solely because you are a Bondholder.

#### Secondary market risk

If you want to sell your Bonds prior to their maturity you will have to sell them on the secondary market. You may not be able to sell your Bonds easily or at prices that will provide you with a return comparable to similar investments and you may receive less on a sale of your Bonds than the amount you paid for them. This is because the Bonds will not have an established trading market when issued, and one may never develop.

## 6 Tax

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If you are a New Zealand tax Resident or otherwise receive payments of Interest on the Bonds that are subject to the resident withholding tax rules, resident withholding tax will be deducted from the Interest that is payable under the Bonds, unless you produce to the Registrar a valid certificate of exemption on or before the Record Date for the relevant payment.

If the Registrar is satisfied that you are not a tax Resident in New Zealand and the Interest you receive is subject to the non-resident withholding tax rules, the Crown will pay

Approved Issuer Levy on its own account in lieu of deducting non-resident withholding tax (except where you elect otherwise or it is not possible under any law, in which case non-resident withholding tax will be deducted).

There may be other tax consequences from acquiring or disposing of the Bonds.

If you have any queries relating to the tax consequences of an investment in the Bonds, you should obtain professional advice on those consequences.

## 7 How to complain

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For complaints in relation to the Bonds, you may contact the Crown, at:

**Address:** New Zealand Debt Management  
Capital Markets  
The Treasury  
1 The Terrace  
Wellington 6011  
  
Or  
PO Box 3724  
Wellington 6140

**Telephone:** +64 4 472 2733

**Fax:** +64 4 473 0982

**Email:** [debtmanagement@treasury.govt.nz](mailto:debtmanagement@treasury.govt.nz)

If you have any queries about the administration of the Bonds (including in relation to payments in respect of the Bonds) you should contact the Registrar in first instance at the contact details below:

**Address:** Computershare Investor Services Limited  
Level 2  
159 Hurstmere Road  
Takapuna  
Auckland 0622

Or

Private Bag 92119  
Auckland 1142

**Email:** [nzdm@computershare.co.nz](mailto:nzdm@computershare.co.nz)

**Freephone:** 0800 655 494

**Telephone:** +64 9 488 8777

Please assist the Registrar by quoting your common shareholder number (CSN).

The Crown is not a member of an approved dispute resolution scheme under the Financial Service Providers (Registration and Dispute Resolution) Act 2008, meaning that complaints about the Bonds cannot be made to such a scheme.

Complaints may also be directed to the Financial Markets Authority through its website at [www.fma.govt.nz](http://www.fma.govt.nz).

## 8 Where you can find more information

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Further information relating to the Crown and the Bonds is available on the offer register at <https://disclose-register.companiesoffice.govt.nz/>. A copy of information on the offer register is available on request to the Registrar of Financial Service Providers.

Further information about the Crown is detailed in the Crown's financial statements which contain key financial information relating to the Crown. A copy of the Crown's

financial statements and additional information can be obtained free of charge from the Treasury website [www.treasury.govt.nz/government/financialstatements](http://www.treasury.govt.nz/government/financialstatements).

You can request, free of charge, a holding statement from the Register which confirms the details of your investment. To do so contact the Registrar at the address or on the telephone number set out in section 10 of this document (*Contact information*) below.

## 9 How to apply

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You can apply for the Bonds from the Registrar or any other Approved Agent by completing the current application form for the Bonds. The minimum Principal amount of Bonds you are required to buy is \$1,000 – any additional Bonds must be purchased in multiples of \$1,000.

### Privacy

The Registrar, as agent for the Crown and NZDM, collects and holds personal information about you for the purposes of administering this investment. This information may be

disclosed to the Crown and NZDM. You may request access to any personal information held about you by contacting the Registrar at the contact details set out in section 10 of this document (*Contact information*) below. You may also request correction of any personal information held about you. Depending on the nature of your request, the Registrar may impose a charge for providing access to, or correcting, any personal information.

## 10 Contact information

<b>Issuer:</b>	Her Majesty the Queen in right of New Zealand C/o New Zealand Debt Management Capital Markets The Treasury 1 The Terrace Wellington 6011 Or PO Box 3724 Wellington 6140	<b>Registrar:</b>	Computershare Investor Services Limited Level 2 159 Hurstmere Road Takapuna Auckland 0622 Or Private Bag 92119 Auckland 1142
<b>Telephone:</b>	+64 4 472 2733	<b>Email:</b>	nzdm@computershare.co.nz
<b>Fax:</b>	+64 4 473 0982	<b>Freephone:</b>	0800 655 494
<b>Email:</b>	debtmanagement@treasury.govt.nz	<b>Telephone:</b>	+64 9 488 8777

## 11 Glossary

For the purposes of this Product Disclosure Statement, the following definitions apply:

Approved Agent	Means a person authorised by the Crown to act as an agent for the sale of the Bonds which may include Registered Banks, chartered accountants, financial advisors and NZX firms.
Approved Issuer Levy	Has the meaning given to that term in Part 6B of the Stamp and Cheque Duties Act 1971.
Banking Day	Means a day not being a Saturday or Sunday on which Registered Banks are open for general banking business in Wellington, New Zealand.
Bondholder or you	Means, in respect of any Bond, the person whose name from time to time is entered in the Register as the holder of that Bond.
Bonds	Means the New Zealand Government Kiwi Bonds issued by the Crown pursuant to this Product Disclosure Statement.
Crown	Means Her Majesty the Queen in right of New Zealand.
Date of Commencement	Means, in respect of any Bonds, the day on which the application monies are lodged to the account of NZDM.
Dollars and \$	Means the lawful currency of New Zealand.
Early Redemption Charge	Means the amount payable by Bondholders when they elect to redeem their Bonds early.
Interest	Means the amount paid or due to be paid on a Bond on the Interest Payment Date.
Interest Payment Dates	Means the date three months after the Date of Commencement and each three months thereafter until the Maturity Date. If in respect of any Interest Payment Date there is no numerical equivalent of the Date of Commencement, the Interest Payment Date will be the last day in the relevant month in which that Interest Payment Date would otherwise fall if there was such a numerical equivalent.
Interest Rate	Means the current applicable Interest Rate as specified on the most recent Issue Rates Sheet for the Bonds available on <a href="https://disclose-register.companiesoffice.govt.nz/">https://disclose-register.companiesoffice.govt.nz/</a> .

Issue	Means all Bonds issued under the same Interest Rate options and Maturity Date options as specified on the application form for the Bonds which contains the same issue number.
Issue Rates Sheet	Means the sheet showing the current Interest Rates for the Bonds which is available on <a href="https://disclose-register.companiesoffice.govt.nz/">https://disclose-register.companiesoffice.govt.nz/</a> .
Issuer	Means the Crown.
Maturity Date	Means the date which is either six months, one year, two years or four years (depending on the term selected on the application form for the Bonds) after the Date of Commencement. If in respect of any Maturity Date there is no numerical equivalent of the Date of Commencement, the Maturity Date will be the last day in the relevant month in which that Maturity Date would otherwise fall if there was such a numerical equivalent.
NZDM	Means New Zealand Debt Management, Capital Markets, The Treasury.
person	Includes an individual, firm, company, corporation or any state or government or any agency thereof (in each case, whether or not having separate legal personality).
Principal	Means the face, or nominal, amount of a Bond on which Interest is calculated.
Product Disclosure Statement	Means this document.
Record Date	Means close of business on the 10th day before the relevant Interest Payment Date or the Maturity Date or, if this is not a Banking Day or is Auckland Anniversary Day, the previous Banking Day.
Register	Means the Register of Bonds maintained by the Registrar and "Registered" has a corresponding meaning.
registered bank	Has the meaning given to that term in the Reserve Bank of New Zealand Act 1989.
Registrar	Means Computershare Investor Services Limited acting as agent for the Crown and NZDM or any other party nominated by the Crown or NZDM to act as issuing and paying agent.
resident	Means a person defined as 'New Zealand resident' pursuant to the Income Tax Act 2007.
Tax	Means any tax, levy, duty, rate or tariff of any nature, including withholding taxes, which is imposed or collected by a government agency.

In this Product Disclosure Statement, any reference to legislation includes, where appropriate, a modification or re-enactment of that legislation or legislation passed in substitution for it. Any legislation referred to in this Product Disclosure Statement can be found at [www.legislation.govt.nz](http://www.legislation.govt.nz).