



LEMMI GOAL PLAN

EXPLAINER NOTES AND DISCLAIMERS

LEMMI LICENCE AND SCOPE OF ADVICE

The Lemmi Goal plan is prepared by Lemmi Limited (FSP1007014 trading as Lemmi) which is licensed to operate its financial advice services through a full class 3 Financial Advice Provider (FAP) licence issued by the Financial Markets Authority.

The advice contained in the Lemmi Goal Plan is based on your decisions, financial goal, and a limited amount of financial information, it is not comprehensively tailored to your individual circumstances and needs. For a more detailed review of your financial situation or to ask specific questions regarding your circumstances, you will need to contact a Lemmi Adviser.

YOUR INVESTOR PERSONALITY

We've designed the Lemmi Goal Plan process to be an interactive experience that measures individuals' estimated risk preferences and goal needs through hypothetical trade-off scenarios and similar exercises.

Based on your answers, we've matched you with an investment style to help you understand your risk tolerance and potential investment choices. Remember, this is just a guide, and it's important to consider your individual circumstances.

Your choice of portfolios may have been limited in relation to your investment timeframe to help protect against potential losses from volatility in the shorter term. The minimum investment timeframe is 3 years.

Investing carries inherent risks, including potential loss of capital. You should carefully consider these risks before making any investment decisions.

UNDERSTANDING YOUR INVESTMENT PROJECTIONS

We project your future balance using a Monte Carlo simulation, which estimates possible outcomes, but cannot predict the future with certainty.

While past performance can be insightful, it's not a guarantee of future results. Investment markets are dynamic, and what happened in the past doesn't always predict what will happen tomorrow. Remember, your future returns depend on various factors, including market conditions, investment strategy, and your individual actions and circumstances.



The Goal Plan does not consider inflation for non-retirement goals and uses a 2% inflation rate for the retirement goal.

Our projections assume you stay invested for the full time you specified and don't make any withdrawals.

Our achievability bands are estimates based on Monte Carlo simulations.

- Very low (red) means you have a goal achievability of 0% - 24%
- Low (red) means you have a goal achievability of 25% - 49%
- Moderate (yellow) means you have a goal achievability of 50% - 64%
- High (green) means you have a goal achievability of 65% - 85%
- Very high (green) means you have a goal achievability of over 85%

Retirement projections assume withdrawals within the chosen portfolio are at the nominated retirement date, and do not reflect actual retirement expenses. They also assume a flat withdrawal rate in real terms (i.e. constant withdrawals but adjusting upwards with inflation each year) from the chosen retirement date until age 100.

Retirement projections assume you receive NZ Super each year. NZ Super rates are based on the current government rates for individuals and households, with the assumption they keep pace with inflation of 2% over time.

If you set a retirement or house deposit goal and included money from KiwiSaver, this KiwiSaver amount is taken as fixed (i.e. it does not contribute to your goal achievability projections for the Lemmi investment). If you included a contribution amount when calculating your expected KiwiSaver balance, then the following assumptions set by the government apply:

- Your pay will increase by 3.5% each year and your contributions will increase in line with your pay (including voluntary contributions)
- Any contributions you have defined including your Employee and Employer contributions remain at the rate selected until retirement.
- When your income is from salary and wages, Employee and Employer contributions will default to 3% each, you should update with your actual contribution rates.
- If you make any one-off payments during the year, you'll continue to do this every year until you reach 65 (these will be capped at \$1,500 in total per year – this ensures any large one-off payments you've made that might not be repeated don't overstate your projection).
- You take no contribution holidays (i.e. no gaps in regular savings)
- If the goal is retirement, then no amounts are withdrawn for first home purchase or financial hardship.
- The Government contribution you earned in the past year (the current statement period) will continue to be paid each year until you reach age 65 (note this is fixed to 65, not clients retirement age).
- You stay in the same fund or fund mix until you are 65.



- Rate of KiwiSaver returns per the table set by government:

Type of KiwiSaver fund	Mix % in growth assets (govt)	Growth asset %	Assumed rate of return (govt)
Defensive	0 – 9.9%	5%	1.5%
Conservative	10 – 34.9%	25%	2.5%
Balanced	35 – 62.9%	50%	3.5%
Growth	63 – 89.9%	75%	4.5%
Aggressive	89 – 100%	95%	5.5%

- After 65, your balance will earn a 2.5% rate of return each year (after fees and tax).
- The projections (including our retirement drawdown) are adjusted for inflation, to enable you to assess the buying power of your money at the time you would receive it. The inflation assumption is currently 2% per annum.
- KiwiSaver rules and benefits may be subject to change. We will update the assumptions to reflect any changes that are made.

This Lemmi Goal Plan reflects your current situation and financial goals based on the information you provided on the day. However, your circumstances may change over time. We recommend reviewing this plan at least annually, or more frequently if you experience significant life events, to ensure it remains consistent with your evolving needs and goals.