

**Guardian Cash Fund\***

**30 June 2010**

Fund manager	Tyndall Investment Management New Zealand Limited	Fund launch	June 1995								
Trustee	The New Zealand Guardian Trust Company Limited	Who is this fund suitable for?	Investors requiring a secure savings vehicle for short-term goals. Interest payments are paid quarterly.								
Fund description	The Guardian Cash Fund is an unlisted cash PIE (Portfolio Investment Entity) which only holds investments which satisfy the eligibility criteria of the New Zealand 'Crown Retail Deposit Guarantee Scheme'. The Fund has the benefit of the Crown Retail Deposit Guarantee Scheme. See the Investment Statement for more information.	Investment objective	To provide investors with a Fund for short-term investment with capital stability and competitive income.								
Crown Retail Deposit Guarantee Scheme	Fund has the benefit of the Crown Guarantee which is due to expire on 12 October 2010.	Investment philosophy	To provide investors with a Fund meeting the eligibility criteria of the Crown Retail Deposit Guarantee Scheme.								
Structure and taxation	The Fund is a Group Investment Fund and a Portfolio Investment Entity (PIE). Income is calculated daily. The PIE tax paid by a Fund on a Unit Holder's behalf is at their Prescribed Investor Rate (PIR).	Benchmark asset allocation	100% invested in investments which satisfy the eligibility criteria of the Crown Retail Deposit Guarantee Scheme.								
Distributions	Quarterly – end March, June, September & December	Minimum investment amounts	<table border="0"> <tr> <td>Initial</td> <td style="text-align: right;">\$1,000</td> </tr> <tr> <td>Additional</td> <td style="text-align: right;">\$100</td> </tr> <tr> <td>Regular (monthly)</td> <td style="text-align: right;">\$100</td> </tr> </table>	Initial	\$1,000	Additional	\$100	Regular (monthly)	\$100		
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Management fees and other charges	<table border="0"> <tr> <td>Entry fee</td> <td style="text-align: right;">Nil</td> </tr> <tr> <td>Management fee</td> <td style="text-align: right;">0.60% pa</td> </tr> <tr> <td>Statutory Supervisor Fee</td> <td style="text-align: right;">0.025% pa</td> </tr> <tr> <td>Additional expenses (capped)</td> <td style="text-align: right;">0.30% pa</td> </tr> </table>	Entry fee	Nil	Management fee	0.60% pa	Statutory Supervisor Fee	0.025% pa	Additional expenses (capped)	0.30% pa	Telephone withdrawal facility	Investors may withdraw cleared funds by telephone between 8.00 am and 5.30 pm Monday to Friday (excluding Public Holidays). Proceeds will be available the following day if requests are received by 10.30 am.
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Management fee	0.60% pa										
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**Fund performance**

All returns are after fees and before tax.

1 mth	3 mths	6 mths	1 yr
<b>0.20%</b>	<b>0.60%</b>	<b>1.19%</b>	<b>2.74%</b>
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2 yrs (pa)	3 yrs (pa)	5 yrs (pa)	Inception (pa)
<b>4.61%</b>	<b>5.76%</b>	<b>6.16%</b>	<b>6.06%</b>

Past **performance** is not indicative of future performance and is not guaranteed by any party. There is no guarantee that the investment objectives of any investment fund will be achieved. The returns are based on the accrued income for the period specified, they are not the returns individual investors will receive as this will depend on the date of each individual contribution and/or withdrawal. Returns are displayed before tax and are calculated assuming the reinvestment of all distributions. On 1 October 2007 the Fund elected to become a PIE (portfolio investment entity) for tax purposes. All returns are after annual management fees.

**Fund size: \$94.6 million**

**Commentary**

The Fund only holds securities which satisfy the eligibility criteria of the Crown Retail Deposit Guarantee Scheme. Currently the holdings are made up exclusively of New Zealand registered banks.

The average annualised rate for the three months ended 30 June 2010 was 2.41%.

**Further information** about this Fund is contained in the registered prospectus and Investment Statement for the Guardian Trust Group Investment Funds. A copy of the prospectus can be viewed at the head office of Guardian Trust, Level 7, Vero Centre, 48 Shortland Street, Auckland or on the Companies Office website, [www.companies.govt.nz](http://www.companies.govt.nz). For a copy of the Investment Statement please contact your financial adviser or call Guardian Trust on 0800 801 135. A Disclosure Statement is available free of charge on request.

\* The Fund was renamed from the Guardian CashPlus Fund in December 2009

**Disclaimer**

The information contained in this Investment Update is of a general nature and has been derived from sources believed to be accurate at the date of issue 30 June 2010. However, neither Guardian Trust, any of their related companies, their directors, their employees, the underlying fund managers nor any other person guarantees the Fund, any investment in the Fund, or any returns on an investment in the Fund, or gives any warranty of reliability or accuracy nor accepts any responsibility arising in any other way for errors or omissions. This Investment Update is not a recommendation to subscribe for any of the units in this Fund, nor does it contain securities advice or is intended to provide advice to investors. In preparing this Investment Update, no individual investor's personal circumstances have been taken into account. This Investment Update should not be relied upon as the basis for an investment decision, and you should seek qualified, independent financial and taxation advice before deciding to invest. Asset allocations, performance objectives, underlying investment funds, investment managers / fund managers and other details may change from time to time without notice.