

Capital protected investment program  
providing investors with innovative solutions  
for investing in international financial markets

## Liontamer MSCI World Index Trust **1**

Offered by Liontamer Investment Management Pty Limited ABN 23 104 174 325  
Investment Statement for the purposes of the Securities Act 1978 (New Zealand) prepared on 14 May 2003



## IMPORTANT INFORMATION

(The information in this section is required under the Securities Act 1978)  
Investment decisions are very important. They often have long-term consequences.  
Read all documents carefully. Ask questions. Seek advice before committing yourself.

## CHOOSING AN INVESTMENT

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

- +** **What sort of investment is this?** page 3
- +** **Who is involved in providing it for me?** page 3
- +** **How much do I pay?** page 3
- +** **What are the charges?** page 4
- +** **What returns will I get?** page 4
- +** **What are my risks?** page 5
- +** **Can the investment be altered?** page 5
- +** **How do I cash in my investment?** page 6
- +** **Who do I contact with enquiries about my investment?** page 6
- +** **Is there anyone to whom I can complain if I have problems with the investment?** page 7
- +** **What other information can I obtain about this investment?** page 7

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.

## CHOOSING AN INVESTMENT ADVISER

You have the right to request from any investment adviser a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you:

- whether the adviser gives advice only about particular types of investments; and
- whether the advice is limited to the investments offered by one or more particular financial organisations; and
- whether the adviser will receive a commission or other benefit from advising you.

You are strongly encouraged to request that statement. An investment adviser commits an offence if he or she does not provide you with a written disclosure statement within five working days of your request. You must make the request at the time the advice is given or within one month of receiving the advice.

### In addition

- if an investment adviser has any conviction for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- if an investment adviser receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes.

Certain words and expressions used in this Investment Statement (denoted by initial capital letters) have defined meanings. A glossary of these terms is included on the following page of this Investment Statement.

**An investment in the Liontamer MSCI World Index Trust 1 (the Trust) is available to New Zealand resident investors. In order to preserve the taxation status of the Trust, Australian residents will not be permitted to invest in the Trust.**

The securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such securities or any index on which such securities are based. The Prospectus contains a more detailed description of the limited relationship MSCI has with Liontamer and any related securities.

The Trust is not endorsed or promoted in any way by Morgan Stanley. Morgan Stanley makes no representation in respect of, and has no liability whatsoever, to any investor regarding the Trust or the Equity Linked Notes, whether regarding the performance of the Equity Linked Notes or otherwise.



## GLOSSARY

**Annual Return** means 1 cent per unit per annum, using the 30/360 day count convention calculated from the Investment Date and payable on 30 June each year (or, if that is not a business day on the next business day) until maturity of the Capital Protection Period.

**Application Amount** means the amount a subscriber pays for units in the Trust from which the Entry Fee is deducted.

**Capital Protection Period** means the period of seven years beginning on the Investment Date, at the maturity of which your original units are able to be redeemed in full or sold and payment will be available six days after maturity of that period.

**Closing Date** means 27 June 2003 or such earlier or later date as may be selected by Lontamer, provided that the latest date is not later than four months from the date of registration of the Prospectus.

**Early Bird Interest** means the interest at a market rate earned on the Investment Amount during the Offer period after deduction of any withholding tax.

**Early Redemption Fee** means the fee charged by Lontamer which is a percentage of the value of the units to be redeemed, being 3% during the first two year period from the Investment Date, 2% thereafter and none at maturity of the Capital Protection Period.

**ELNs** means the Equity Linked Notes issued by Morgan Stanley.

**Entry Fee** means 3% of the Application Amount.

**Growth in the Index** means the increase calculated by comparing:

- the monthly average (calculated as described in this Investment Statement) of the Index Levels over the last 12 months of the Capital Protection Period; and
- the Starting Index Level.

**Index** means the MSCI World Index.

**Index Level** means the closing Index level as calculated by MSCI on the relevant day. If the relevant day is not a business day, the next business day will be used.

**Index Linked Return** means the amount equal to the Growth in the Index less the sum of the Annual Returns earned during the Capital Protection Period.

**Investment Amount** means the balance of the Application Amount after deduction of the Entry Fee (plus the amount of any rebate of the Entry Fee) that is used to purchase units in the Trust.

**Investment Date** means the date that is eight business days after the Closing Date.

**Lontamer** means Lontamer Investment Management Pty Limited.

**Minimum Investment Amount** means \$5,000 for a subscriber's initial application for units.

**Minimum Subscription Amount** means \$5,000,000.

**MSCI** means Morgan Stanley Capital International Inc.

**Offer** means the offer by Lontamer to investors of a minimum of \$5,000,000 of units in the Trust.

**Prospectus** means the prospectus in relation to the offer of units in the Trust.

**Starting Index Level** means the Index Level two business days before the Investment Date.

**Statutory Supervisor** means New Zealand Permanent Trustees Limited (a subsidiary of Public Trust).

**Trust** means the Lontamer MSCI World Index Trust 1.

**Trust Deed** means the Master Trust Deed Poll entered into by Lontamer and the Supplemental Deed entered into by Lontamer and the Statutory Supervisor.

**\$** means New Zealand dollars.

## WHAT SORT OF INVESTMENT IS THIS?

**This is an investment in a unit trust called the Liontamer MSCI World Index Trust 1. The Trust is not listed. Your investment is capital protected after seven years (the Capital Protection Period). You will receive an Annual Return of 1% of your Investment Amount and after seven years you will be entitled to receive an Index Linked Return if the MSCI World Index (referred to in this Investment Statement as the Index) has risen more than 7% over the seven years, plus your Investment Amount.**

**The Index is a free float-adjusted market capitalisation index that is designed to measure global developed market equity performance. On 1 April 2003, the Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. The Index contains 1467 listed companies with a free float-adjusted market capitalisation of approximately US\$12.1 trillion. The Index is calculated without dividends reinvested and is denominated in US dollars. It has a base date of 31 December 1969.**

The securities offered in this Investment Statement are New Zealand dollar denominated units in the Liontamer MSCI World Index Trust 1, an Australian unit trust established for New Zealand residents. The manager of the Trust, Liontamer Investment Management Pty Limited (Liontamer), intends to invest in Equity Linked Notes (ELNs) issued by Morgan Stanley. The Trust returns mirror the returns payable on the ELNs. Liontamer offers a minimum of \$5,000,000 of units under this Investment Statement (the Offer). The ELNs are held in custody by BK Registries Limited, the registrar and custodian in New Zealand.

Morgan Stanley is a leading global investment bank. Key facts about Morgan Stanley as at the date of this Investment Statement include:

- assets of US\$529 billion (as at 30 November 2002);
- market capitalisation of US\$40 billion;
- assets under management of US\$400 billion;
- 54,000 employees worldwide;
- long-term credit rating of A+ (as published by Standard & Poor's) and Aa3 (as published by Moody's Investors Service);
- ranked 40th in the 2003 Fortune 500.

You can find out more about Morgan Stanley on [www.morganstanley.com](http://www.morganstanley.com).

The units have the benefit of full, unsecured capital protection after seven years and returns linked to the performance of the Index.

During this term you will also receive the Annual Return regardless of the performance of the Index. Your units are able to be redeemed in full or sold at maturity of the Capital Protection Period.

Your investment in the Trust will continue after maturity of the Capital Protection Period unless you have opted to redeem or sell your units.

At maturity of the Capital Protection Period, Liontamer has discretion to extend the Capital Protection Period in which case unitholders will be given the option to continue their investment or to redeem or sell their units. If the Capital Protection Period is not extended, the Trust will, until unitholders elect to redeem or sell their units, invest the proceeds of the ELNs for the unitholders and any interest earned by the Trust after the Capital Protection Period will be paid to the unitholders, subject to withholding tax. This is described in more detail under the heading "How do I cash in my investment?".

## WHO IS INVOLVED IN PROVIDING IT FOR ME?

The manager and trustee of the Trust is Liontamer. Its address is Level 10, 428 George Street, Sydney, NSW 2000, Australia. Liontamer can be contacted in New Zealand, c/- Liontamer Investment Services Limited, at the offices of Lock & Partners Limited, Level 1, 171 Hobson Street, Auckland, New Zealand.

Liontamer intends to enter into a contract with Liontamer Investment Services Limited to provide services to the Trust and to Liontamer in New Zealand.

The name of the Trust is the Liontamer MSCI World Index Trust 1. The Trust was established by a Master Trust Deed Poll and Supplemental Deed (together the Trust Deed) both dated 14 May 2003.

Liontamer has entered into a Master Deed of Participation (the Deed of Participation) with New Zealand Permanent Trustees Limited (the Statutory Supervisor) dated 14 May 2003. The Statutory Supervisor shall exercise reasonable diligence to ascertain whether or not any breach of the Deed of Participation, and the offer of the units, has occurred. The Statutory Supervisor's address is: 117-125 Lambton Quay, Wellington, New Zealand.

The Statutory Supervisor is not the promoter of the Liontamer MSCI World Index Trust 1 nor does it guarantee the payment of income or the repayment of capital from the Trust. The Statutory Supervisor has relied upon Liontamer for the accuracy of the contents of this Investment Statement and therefore it makes no representation as to the accuracy or truth of the contents in this Investment Statement other than those which refer directly to the Statutory Supervisor or the provisions of the Deed of Participation.

As at the date of this Investment Statement, the Trust has not commenced business.

## HOW MUCH DO I PAY?

The amount of units to be offered under this Investment Statement is anticipated to be \$20,000,000. However, Liontamer reserves the right to accept over-subscriptions and may also at its discretion limit the amount of the subscriptions as it deems appropriate. The Minimum Investment Amount is \$5,000. Liontamer may, at its discretion, accept amounts that are less than the relevant Minimum Investment Amount.

An Entry Fee that is 3% of the Application Amount is deducted as described below under the heading "What are the charges?".

If you wish to make an investment, your cheque for the Application Amount made payable to "BK Registries" Limited should accompany your application.

The address is: BK Registries Limited, PO Box 384, Ashburton.

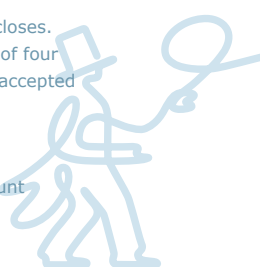
Liontamer will not accept your application unless payment in full is received in cleared funds by 4:00 pm on the date the Offer closes.

Liontamer intends to close the Offer on 27 June 2003 but it reserves the right to extend the period of the Offer (to a maximum of four months from the date of registration of the Prospectus) or to close the Offer early (the Closing Date). Late payment will not be accepted and will be returned to you immediately and without Early Bird Interest.

Liontamer reserves the right to refuse any application, or to accept an application in part only, without assigning a reason.

The Minimum Subscription Amount is \$5,000,000. No allotment will be made until units to that value have been subscribed for.

If the Minimum Subscription Amount is not achieved or the subscription monies are not invested in ELNs, your Application Amount will be returned to you, plus any Early Bird Interest.



## WHAT ARE THE CHARGES?

Liontamer will deduct an Entry Fee of 3% from your Application Amount. This will be paid in full to financial advisers on applications bearing their stamp. The Entry Fee can be rebated in full or part at the discretion of the financial adviser. If the Entry Fee is rebated, the Entry Fee (in the case of a full rebate) or the relevant portion of the Entry Fee (in the case of a partial rebate) will be added to your Investment Amount and invested in the Trust on your behalf. Liontamer will retain the Entry Fee for its benefit in its capacity as manager of the Trust should a subscriber invest without the assistance of a financial adviser.

If you withdraw your application prior to the date that is eight business days after the Closing Date (the Investment Date) your Application Amount will be refunded in full but without Early Bird Interest.

This is a hold-to-maturity investment. Hence, Liontamer recommends you hold your units until maturity of the Capital Protection Period to benefit from the capital protection. However, you are entitled to break your investment prior to maturity of the Capital Protection Period at the end of each calendar quarter after the Investment Date by requesting the redemption, but not the repurchase, of your units.

The details of requesting an early redemption of units are set out under the heading "How do I cash in my investment?". The early redemption amount will depend on market conditions at the time and may result in you receiving less than your Investment Amount.

In addition, Liontamer will charge a fee equal to 3% of the value of the units to be redeemed during the first two year period from the Investment Date, 2% thereafter and none at maturity of the Capital Protection Period (the Early Redemption Fee). Liontamer receives this fee in its capacity as manager of the Trust and retains any balance after payment of administrative costs for its benefit.

There are no management fees. In consideration of Liontamer procuring a purchaser for the ELNs, Morgan Stanley will pay Liontamer an introduction fee that is a percentage of the ELNs issued to the Trust. The introduction fee is approximately 50 basis points per annum.

The exact amount will depend on a number of factors during the Offer period including market conditions. This fee is paid to Liontamer as manager of the Trust. It will be used to fund all expenses incurred in the set-up and ongoing management of the Trust including the issue expenses, Statutory Supervisor's fees, audit fees, registry fees and licensing fee paid to MSCI and the costs incurred from holding any meetings in relation to the Trust. The balance will be retained by Liontamer for its benefit.

Under the terms of the Trust Deed, Liontamer is entitled to charge certain other fees but it has undertaken not to charge any such other fees. Liontamer does not intend to introduce any new charges during the term of the investment (see "Can the investment be altered?").

## WHAT RETURNS WILL I GET?

Investment Amounts received during the Offer period will earn Early Bird Interest at a market rate until the Investment Date. Early Bird Interest will be calculated on a daily basis from the date on which the Application Amount is received to (and inclusive of) the day preceding the Investment Date. Any Early Bird Interest earned by you during the Offer period will be applied towards purchasing additional units in the Trust.

During the Capital Protection Period you will receive an Annual Return of 1 cent per unit per annum, using the 30/360 day convention, on the nominal amount of your units payable on 30 June each year (or, if that is not a business day, on the next business day).

At maturity of the Capital Protection Period, you will also be entitled to an Index Linked Return that is equal to the growth in the Index over the Capital Protection Period less the sum of the Annual Returns.

The growth in the Index will be calculated by comparing the monthly average of the Index Levels over the last 12 months of the Capital Protection Period (which is the average of 13 Index Levels starting from six years, less two days, after the Investment Date) with the Starting Index Level. You will receive 100% of this growth made up of the sum of the Annual Returns and the Index Linked Return. The Index Linked Return will be positive provided the monthly average of the Index Levels (as described above) is not less than 7% above the Starting Index Level. The Index Linked Return can be zero but not negative. The Index Linked Return (if any) will be paid in the form of bonus units at maturity of the Capital Protection Period. Bonus units will be issued on the basis of \$1.00 per unit.

In addition, your original units will be able to be redeemed or sold for the Investment Amount at maturity of the Capital Protection Period. Liontamer Investment Management Pty Limited is the entity legally liable to pay the returns which comprise the Early Bird Interest (if any), the Annual Returns, the Index Linked Return (if any) and the repayment of your Investment Amount provided you have not requested early redemption.

None of Liontamer, Morgan Stanley, MSCI, the Statutory Supervisor, nor any other entity guarantees payment of the Early Bird Interest, the Annual Returns, the Index Linked Return or the repayment of your Investment Amount.

The total amount of your returns cannot be quantified at the date of this Investment Statement, and therefore, cannot be promised by Liontamer in this Investment Statement. Key factors that will determine your returns will be the performance of the Index during the Capital Protection Period, your Investment Amount and any tax deductions. There is no cap on your return and it is not exposed to currency risk between the New Zealand dollar and the US dollar.

## HOW WILL THIS INVESTMENT BE TAXED?

**Please note that the information included in this section does not constitute taxation advice to individual investors and is indicative of the likely tax treatment only.**

Resident withholding tax at the appropriate rate will be deducted from the gross Early Bird Interest paid during the Offer period unless you hold a current certificate of exemption and have provided a copy of this to Liontamer.

Because the Trust is an Australian unit trust it should be treated as a "foreign company" for New Zealand tax purposes. Liontamer will distribute any net income of the Trust either in the form of cash or bonus units. Unitholders should not be assessed for income tax purposes on distributions of bonus units (where the bonus issue is a non-taxable bonus issue). New Zealand unitholders (who are non-corporates) will be required to include the Annual Returns as gross income. Corporate investors may be required to pay a dividend withholding payment in relation to these distributions.

Although the Trust is a foreign company, this should not cause the unitholders to be required to attribute any foreign income or to calculate any foreign investment fund income from it because it is resident in Australia.

If your units are redeemed at any time (whether before or after maturity of the Capital Protection Period) any amount received by you in excess of the Investment Amount will be taxable (for unitholders other than companies) or subject to a dividend withholding payment (for companies). Any amount received in the form of bonus units will be taxed as dividends.

If your units are sold to third parties or to the manager (the latter of which is only possible after maturity of the Capital Protection Period) any gain may (depending on the unitholder's own circumstances) be a capital gain, not subject to New Zealand tax.

It is not expected that there will be any Australian withholding tax on payments made by the Trust. This is based on the circumstances of the Trust, its non-Australian sourced income and a current ruling by the ATO in respect of withholding tax. This is a general ruling and not one that has been obtained by Liontamer. The ruling is not specific to Liontamer or the Trust. If Liontamer is obliged to make any deduction or withholding on account of taxes which should have been made by the Trustee, this amount will be deducted from amounts payable to unitholders and under the terms of the Trust Deed unitholders indemnify Liontamer in respect of any such deduction or withholding.

If you change residency while being an investor in the Trust, you must notify Liontamer as this could change your taxation treatment in regard to this investment. If you are intending to change your residency status while you are an investor in the Trust, Liontamer advises that you obtain independent financial and tax advice as to your potential taxation liabilities.

Liontamer cannot accept applications from Australian residents. Investors in the Trust who subsequently become Australian residents are required to have their units redeemed or sold. Liontamer will redeem your units once Liontamer becomes aware you are a resident of Australia.

**The tax position set out in this Investment Statement may change during the term of the investment and such changes may materially affect your tax position with respect to an investment in the Trust. Liontamer is not responsible for any changes in tax law or interpretation which might adversely affect the returns for unitholders. You should consult your tax adviser on the tax implications of investing with regards to your specific circumstances as this is not specific tax advice to individuals and Liontamer takes no responsibility for providing taxation advice to individual investors.**

## WHAT ARE MY RISKS?

It is intended that the Trust invests in ELNs issued by Morgan Stanley. The ELNs are unsecured debt securities of Morgan Stanley, which has a current long-term credit rating of A+ (as published by Standard & Poor's) and Aa3 (as published by Moody's Investors Service). You are exposed to the potential risk that Morgan Stanley is put into liquidation or is unable to meet its obligations under the conditions of the ELNs. The principal risks involved with an investment in the Trust relate to:

- credit risk as described above;
- general market risks relating to the Index Linked Return which is related to the performance of shares from various markets around the world;
- early redemption as described below;
- early termination if Liontamer is required to terminate and redeem the ELNs prior to maturity of the Capital Protection Period as described under the heading "Can the investment be altered?" in which case you may receive less than the amount you paid for your units;
- early termination or redemption of the ELNs by Morgan Stanley which would cause Liontamer to exercise its right to terminate the Trust as described under the heading "Can the investment be altered?" in which case you may receive less than the amount you paid for your units due to market conditions and fees charged by Morgan Stanley;
- currency risk as the Index is exposed to fluctuations between the various local currencies and the US dollar. (Your capital and returns are not subject to fluctuations between the New Zealand dollar and the US dollar);
- liquidity risk due to the long-term nature of the investment;
- changing residency which could change your taxation treatment and in which case Liontamer will redeem your units early; and
- risks relating to the ELNs such as the unsecured nature of Morgan Stanley's obligation which relates to credit risk and factors relating to the calculation and maintenance of the Index and the value of the ELNs which, provided Morgan Stanley can meet its payment obligations, will only potentially affect the value of the Index Linked Return and the return on units in the case of early redemption.

The above risks are described in more detail in the Prospectus which you can obtain a copy of (as described under the heading "What other information can I obtain about this investment?").

If you would like more information about the risks relating to the underlying securities, you can request a copy of the ELN Pricing Supplement (when available) from Liontamer by contacting Liontamer Investor Relations as described under the heading "Who do I contact with enquiries about my investment?".

In the event of an early redemption, depending on market conditions at the time you wish to redeem units, it is possible that you will receive an amount less than the price you paid for your units. In addition, an Early Redemption Fee applies before maturity of the Capital Protection Period. Your capital is only protected at maturity of the Capital Protection Period.

The Trust Deed limits your liability to any unpaid amount in relation to the units you hold. You will not, by reason of being a unitholder alone, be personally liable to indemnify Liontamer or the Statutory Supervisor or any creditor of any one or more of them in the event that the liabilities of the Trust exceed the assets of the Trust.

In the unlikely event of the Trust being terminated or being put into liquidation or wound up, the claims of the creditors of the Trust, including insolvency claims by Liontamer, the Statutory Supervisor and creditors (both secured and unsecured), as well as any preferential creditors such as the Inland Revenue Department, will rank ahead of unitholders' claims in the Trust. Any insolvency payments would also be subject to any relevant legislation. Unitholders' claims will rank equally as between themselves. Unitholders will not be liable to pay money as a result of the insolvency of the Trust.

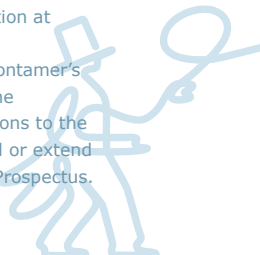
## CAN THE INVESTMENT BE ALTERED?

Liontamer has the right to make certain alterations to the terms of the Trust including the following:

- the Minimum Investment Amount, the minimum number of units for which a redemption request may be given, and the minimum number of units which a unitholder must retain following a redemption;
- the Entry Fee, management fees and Early Redemption Fee payable by a unitholder (within the maximum levels set out in the Trust Deed);
- the distribution periods, and consequently the distribution dates that apply to the Trust (by giving not less than one month's prior written notice to unitholders);
- the Investment Policy at any time (subject to restrictions set out in the Trust Deed);
- the terms of any units, by way of Liontamer amending the Trust Deed as provided for in the Trust Deed and the Corporations Act and Regulations of Australia. For certain amendments to the Trust Deed, Liontamer must obtain approval by extraordinary resolution at a meeting of unitholders.

Liontamer may alter the terms in certain other circumstances such as to correct manifest error or if the change is necessary (in Liontamer's opinion) for the more convenient working of the Trust and it is not (or not likely to become) prejudicial to the general interest of the unitholders. However, as at the date of this Investment Statement, Liontamer does not intend to make any of the above alterations to the terms of the Trust. Liontamer can close the Offer early once the Minimum Subscription Amount of \$5,000,000 has been reached or extend the Offer period at its discretion. The Offer period cannot be extended beyond four months from the date of registration of the Prospectus.

OFFER PERIOD



The Trust is a closed end fund and no applications for units will be accepted after the Offer is closed except at the discretion of Liontamer. Unit holders may determine to terminate the Trust by extraordinary resolution. Liontamer may terminate the Trust at its discretion, at any time, by giving unitholders not less than 30 days' written notice of termination. Liontamer anticipates that it will only exercise this right if, for example, Morgan Stanley exercises its right to terminate or redeem early, or in the unlikely event that there are changes in the law or generally that significantly and adversely affect unitholders. On termination of the Trust, unitholders are entitled to receive a share of the net proceeds of realisation of the Trust's property into cash (after Liontamer has discharged the Trust's liabilities) pro rata to the number of units held by them. In these circumstances, Liontamer will sell and realise the Trust investments as soon as reasonably practicable. The calculation of the Index Linked Return in the unlikely event that the Index ceases to exist, is not calculated, or its current calculation materially changes, will be covered in the ELN Pricing Supplement which you can obtain a copy of on request (when available) as described in the "What other information can I obtain about this investment?" section of this Investment Statement. Your rights may also be affected by changes to the Corporations Act (Australia), New Zealand Securities Act 1978, or decisions made by the courts in Australia or New Zealand.

## HOW DO I CASH IN MY INVESTMENT?

Your investment can be withdrawn any time before the Investment Date. In this event, Liontamer will refund your Application Amount but without any Early Bird Interest.

Your investment in the Trust is a hold-to-maturity investment designed to be held at least until maturity of the Capital Protection Period at which time you are able to sell or redeem your units. Your original units will be purchased or redeemed at the Investment Amount for those units. Your bonus units will be purchased or redeemed at the issue price of \$1.00 per unit. If Liontamer is unable or unwilling to purchase units because of unacceptable (to Liontamer) costs, including tax, which it may have to bear from purchasing and redeeming units, it may instead redeem the units, in accordance with the Trust Deed.

You are entitled to request an early redemption of all or part of your investment prior to maturity of the Capital Protection Period.

The minimum redemption request must be for 4,850 units and must result in a unitholder holding at least 4,850 units, unless otherwise approved by Liontamer.

Early redemption requests must be sent to Liontamer Investment Services Limited, the contact details of which are set out under the heading "Who do I contact with enquiries about my investment?" and will be processed at the end of each calendar quarter. Early redemption requests need to be received 30 days prior to the end of each calendar quarter. If you have requested an early redemption, Liontamer will provide an indicative early redemption price at least 20 days prior to the end of the relevant calendar quarter. Liontamer will then request that you confirm your early redemption instructions in writing at least 10 days prior to the end of the relevant calendar quarter. Liontamer will not proceed with your early redemption request unless you have provided this written confirmation at least 10 days prior to the end of the relevant calendar quarter. The early redemption proceeds will be paid to you within one week of the end of the relevant calendar quarter by direct credit to your nominated bank account.

The early redemption proceeds may be significantly below the price you paid for your units due to changes in market conditions and the Early Redemption Fee. The actual early redemption price may also differ from the indicative early redemption price due to changes in market conditions at the end of the relevant calendar quarter and the date the indicative price was provided.

The early redemption price will be calculated based on the then market value of the ELNs as provided by Morgan Stanley and the Early Redemption Fee set out under "What are the charges?". Morgan Stanley has agreed to redeem the ELNs for minimum parcels of the equivalent of 4,850 units at the end of each calendar quarter.

As there is no capital protection until maturity of the Capital Protection Period and an Early Redemption Fee applies to early redemption of units, the early redemption price may be below the hold-to-maturity value as updated monthly on Liontamer's website

**[www.liontamerprotectedinvestments.com](http://www.liontamerprotectedinvestments.com)** and/or the price you paid for your units.

If Liontamer receives early redemption requests that relate in aggregate to more than 5% of the units on issue, Liontamer may elect to redeem only 5% of the units on a pro rata basis. The percentage figures may be altered by Liontamer upon notification to unitholders.

Any units that are not redeemed will be carried forward to the next redemption date and will receive first priority.

30 days before maturity of the Capital Protection Period, Liontamer will send you a letter advising you if it has decided to extend the Capital Protection Period, and providing the term of the new capital protection period. The letter will also ask you to advise in writing, at least 10 days prior to maturity of the Capital Protection Period, if you wish to retain your units or to instruct Liontamer to redeem or repurchase your investment at maturity of the Capital Protection Period. If no such advice has been received by this date, Liontamer will repurchase your units notwithstanding the extension of the Capital Protection Period.

Within a fortnight after maturity of the Capital Protection Period, Liontamer will send you a letter advising you the value of your investment as at that date and the number of bonus units (if any) issued, and if you have decided to redeem or sell your units at that date, the amount paid to your nominated bank account. If Liontamer has decided not to extend the Capital Protection Period you will receive a letter within a fortnight after maturity of the Capital Protection Period advising you of maturity and detailing your returns. If you have not instructed Liontamer in terms of the redemption or repurchase of your units, your funds will be invested in an interest bearing deposit account until you request redemption or repurchase of your units. Any interest earned by the Trust after maturity of the Capital Protection Period will be paid to unitholders, subject to withholding tax.

Your units in the Trust can be sold or transferred to another person prior to maturity of the Capital Protection Period with the prior written approval of Liontamer. This approval is at the absolute discretion of Liontamer. There is not an established market for these sales in Liontamer's opinion, and Liontamer does not intend to establish such a market.

## WHO DO I CONTACT WITH ENQUIRIES ABOUT MY INVESTMENT?

Enquiries about the Liontamer MSCI World Index Trust 1 may be made by contacting your financial adviser or Liontamer Investor Relations.

Contact details for Liontamer Investor Relations are as follows:

Email: [info@liontamerprotectedinvestments.com](mailto:info@liontamerprotectedinvestments.com)

Postal address: Liontamer Investment Services Limited, PO Box 2002, Shortland Street, Auckland

Physical address: c/- Lock & Partners Limited, Level 1, 171 Hobson Street, Auckland

Toll free: 0800 210 450

Fax: 09 353 1617

**THE LIONTAMER MSCI WORLD INDEX TRUST 1 APPLICATION FORM**

This Application Form constitutes an offer to acquire units in the Liontamer MSCI World Index Trust 1 offered to the public by Liontamer Investment Management Pty Limited ABN 23 104 174 325 in an Investment Statement dated 14 May 2003.

References to "Liontamer" are references to Liontamer Investment Management Pty Limited, Liontamer Investment Services Limited, or the Liontamer MSCI World Index Trust 1, as the case may be.

Completed Application Forms, together with payments of the application money, must be sent to BK Registries Limited, PO Box 384, Ashburton.

Do not use this Application Form unless it is attached to the Investment Statement dated 14 May 2003.

**APPLICATION DETAILS** Please print in block letters and mark appropriate answer boxes with a cross (X)

**1a. INDIVIDUAL OR APPLICANT A OF JOINT APPLICANTS**

Title:

Mr		Mrs		Miss		Ms		Other						
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Given Name(s)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Surname

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Work Phone Number                      Home Phone Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Fax Number                                      Mobile Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Date of Birth                                      Occupation

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**1b. JOINT APPLICATIONS ONLY - APPLICANT B**

Title:

Mr		Mrs		Miss		Ms		Other						
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Given Name(s)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Surname

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Work Phone Number                      Home Phone Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Fax Number                                      Mobile Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Date of Birth                                      Occupation

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**1c. COMPANY, INCORPORATED ASSOCIATION OR BODY**

Name of Company, Incorporated Association, or Incorporated Body

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Name of Contact Person

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Phone Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**1d. TRUST OR OTHER ENTITY**

Name of Superannuation Fund, Trust Beneficiaries, Deceased Estate or Unincorporated Association

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**2. CONTACT DETAILS**

Mailing Address

Street Number and Name or PO Box

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Suburb

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

City

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

E-mail Address

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**3. BANK ACCOUNT DETAILS**

Please give details of the account you would like any distributions and other payments paid into. This must be held in your name, either singularly or jointly

Name of Financial Institution

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Branch Name

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Bank/branch Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Account Name

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**4. INVESTMENT DETAILS**

How much is your application amount?

\$ 

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Minimum of \$5,000 (from which a 3% Application Fee will be deducted unless rebated by a financial adviser as described in the Investment Statement)

Please make cheques payable to: "BK Registries Limited".

**5. IRD NUMBER**

Please write your IRD number (only one IRD number is required if joint application)

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Resident Withholding Tax Rate (mark one)

19.5%       33%       39%

If you hold a current Withholding Tax Exemption please mark this box and attach a copy of the certificate and supply the expiry date

**6. BK REGISTRIES NUMBER**

If you currently have a BK Registries number please insert here

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LIONTAMER INVESTMENT MANAGEMENT PTY LIMITED



## IS THERE ANYONE TO WHOM I CAN COMPLAIN IF I HAVE PROBLEMS WITH THE INVESTMENT?

In the first instance, you should raise your concern with your financial adviser. He or she should be able to resolve the majority of problems and will listen to and investigate your concern. If your financial adviser is unable to resolve your problem, you can contact the Complaints Officer at Liontamer Investment Services Limited. The contact details for the Complaints Officer are as follows:

Postal address: PO Box 2002, Shortland Street, Auckland

Physical address: c/- Lock & Partners Limited, Level 1, 171 Hobson Street, Auckland

Phone: 09 360 8055

Fax: 09 360 8057

If you need to take the issue further, you could contact the Statutory Supervisor in New Zealand:

Postal address: PO Box 5067, Wellington

Physical address: 117–125 Lambton Quay, Wellington

Phone: 04 474 3753

Fax: 04 474 3839

There is currently no ombudsman for this type of investment to whom complaints can be made.

## WHAT OTHER INFORMATION CAN I OBTAIN ABOUT THIS INVESTMENT?

If you would like more detailed information about the Liontamer MSCI World Index Trust 1, please ask your financial adviser or contact Liontamer Investor Relations. The details for Liontamer Investor Relations are set out under the heading "Who can I contact with enquiries about this investment?".

Other information about the Liontamer MSCI World Index Trust 1 is contained in the Prospectus, Trust Deed, Deed of Participation, the ELN Pricing Supplement (when available), and in the financial statements (when available) relating to the Trust. A copy of these documents (when available) will be provided to you free of charge within five business days of your request to Liontamer Investor Relations.

In addition, a Licensing Agreement between Liontamer and MSCI will be entered into in conjunction with the opening of the Offer.

This agreement relates to Liontamer's use of the MSCI World Index trademark and the Index for the Trust. You can request a copy of the Licensing Agreement by contacting Liontamer Investor Relations.

A copy of the Prospectus, the financial statements (upon completion of the Trust's first accounting period) and other documents of, or relating to, the Trust are filed on a public register of the Companies Office of the Ministry of Economic Development and are available for public inspection after payment of the required fee, at Level 5, 3 Kingston Street, Auckland.

Within a fortnight of the Investment Date, a certificate will be sent to you including the following details:

- your Application Amount;
- amount of Entry Fee deducted from your Application Amount (if applicable);
- amount of Early Bird Interest earned during the Offer period;
- amount invested in the Liontamer MSCI World Index Trust 1 inclusive of Early Bird Interest;
- number of units issued to you;
- Starting Index Level; and
- maturity of the Capital Protection Period.

Information about the Trust can also be found on Liontamer's website [www.liontamerprotectedinvestments.com](http://www.liontamerprotectedinvestments.com), including this Investment Statement and the hold-to-maturity value of a unit (which will be updated monthly starting from one month after the Investment Date). Liontamer's annual financial statements (when available) will also be posted on its website. The Index performance is updated daily on MSCI's website [www.msci.com](http://www.msci.com). Liontamer intends to hold a meeting approximately one year after the Investment Date and meetings will be held at Liontamer's discretion thereafter.

Every unitholder is entitled to free copies of the Prospectus (and associated documents), annual financial statements (upon completion of each of the Trust's accounting periods), Trust Deed, Deed of Participation, a comparison of the actual results of the Trust against the statement of prospective cash flows contained in the Prospectus, any annual report in respect of the Trust, if one is required to be prepared, and further copies of this Investment Statement. If you would like to receive this information please contact Liontamer Investor Relations by telephone or in writing. Liontamer Investor Relations' contact details are stated in the "Who do I contact with enquiries about my investment?" section of this Investment Statement.

## DIRECTORY

### Manager and Trustee in New Zealand

c/- Liontamer Investment Services Limited  
(at the offices of Lock & Partners Limited)  
Level 1, 171 Hobson Street  
Auckland  
NEW ZEALAND

### Legal and Tax Adviser in New Zealand

Bell Gully  
Royal & SunAlliance Centre  
48 Shortland Street  
Auckland  
NEW ZEALAND

### Auditor in New Zealand

PricewaterhouseCoopers  
188 Quay Street  
Auckland  
NEW ZEALAND

### Statutory Supervisor in New Zealand

New Zealand Permanent Trustees Limited  
117-125 Lambton Quay  
Wellington  
NEW ZEALAND

### Registrar and Custodian in New Zealand

BK Registries Limited  
PO Box 384  
Ashburton  
NEW ZEALAND

### Manager and Trustee in Australia

Liontamer Investment Management Pty Limited  
Level 10  
428 George Street  
Sydney NSW 2000  
AUSTRALIA

### Legal and Tax Adviser in Australia

Blake Dawson Waldron  
Level 37  
Grosvenor Place  
225 George Street  
Sydney NSW 2000  
AUSTRALIA

### Registrar in Australia

Blake & Riggall Pty Limited  
ACN 004 552 363  
Level 37  
101 Collins Street  
Melbourne VIC 3000  
AUSTRALIA



You should direct all enquiries to either your financial adviser or Liontamer Investor Relations by phoning 0800 210 450 or writing to Liontamer Investment Services Limited, PO Box 2002, Shortland Street, Auckland or emailing [info@liontamerprotectedinvestments.com](mailto:info@liontamerprotectedinvestments.com).

**LIONTAMER**  **PROTECTED INVESTMENTS**

Capital protected investment program providing investors with innovative solutions for investing in international financial markets  
[www.liontamerprotectedinvestments.com](http://www.liontamerprotectedinvestments.com)