

## What is a related party and what restrictions are there on related party transactions?

Related parties in terms of the Fund are:

- the Trustee in its role as the manager of the Fund
- any investment manager, administration manager, or other person to whom the Trustee has contracted some or all of its functions
- any contributor to the Fund who is not a participant (other than the Crown in respect of member tax credits)
- an associated person of any of the above.

Transactions providing for 'related party benefits' to be given from the Fund are generally prohibited under the FMCA unless the Trustee ensures (and certifies, with the consent of the Licensed Independent Trustee Director) that those benefits are given on arm's length terms. There are other limited exceptions.

A related party benefit is a benefit that:

- is given out of Fund assets or creates an exposure to loss for the Fund; and
- is given to, or received by a related party of the Fund.

It does not include fees or expenses paid or reimbursed to the Trustee in accordance with the FMCA or the Trust Deed.