



Local Government Has Its Own KiwiSaver Scheme SuperEasy KiwiSaver Superannuation Scheme

KiwiSaver: Overview from 1 March 2017

- The SuperEasy KiwiSaver Superannuation Scheme is registered under the Financial Markets Conduct Act 2013 as a restricted KiwiSaver scheme. Only those that work within the Local Government sector in New Zealand or for other selected companies or organisations, and their immediate family may join.
- KiwiSaver offers a savings initiative that is open to any resident New Zealander under age 65. Contributions for KiwiSaver are collected by the IRD, usually through PAYE deductions.
- You may be eligible for a matching contribution from your employer of 3% of salary, plus a member tax credit of up to \$521 each year.
- Compulsory for most new employees, but can opt out after two to eight weeks.
- Fully portable. Each KiwiSaver account is linked to your IRD number, so a person may only be a member of one KiwiSaver scheme at any given time. Because each KiwiSaver account is linked to an IRD number it cannot be lost or forgotten.
- Investments managed by a range of private companies. On joining KiwiSaver, you will be asked to choose a KiwiSaver provider, but if you do not, you will be enrolled with your employer's preferred provider (if it has one), else one will be chosen for you by the IRD. Note: someone else selecting a KiwiSaver provider for you because you chose not to do this yourself does not by statute constitute receiving financial advice.
- It is your decision, no one else's, to decide which KiwiSaver scheme to join. Even if your employer has selected a preferred provider you are still free to join any KiwiSaver scheme you wish.
- Any KiwiSaver member can transfer to a different KiwiSaver scheme whenever they want to and as often as they want. Thus as long as you are eligible to join our scheme you can transfer your funds from another KiwiSaver provider to the SuperEasy KiwiSaver Superannuation Scheme at any time.
- Savings locked in until age 65 or five years after joining KiwiSaver, whichever is the later. Early withdrawals include severe financial hardship, serious illness, emigration, death and first home purchase. Withdrawals after the locked-in period are fully flexible.
- On certain conditions, a grant of up to \$10,000 from the government per couple towards the purchase of your first home, or \$20,000 if it's a new home.
- Contribution holidays from three months to five years available after one year. Contributions do not have to be paid if you are not working.
- The SuperEasy KiwiSaver Superannuation Scheme is registered as a "PIE" (Portfolio Investment Entity). This allows a member to select a rate of tax of 28% or lower based on income to be charged on their KiwiSaver investment earnings.
- Our scheme has password protected account balances available on www.supereasy.co.nz.

Mix and Match

As soon as your own personal contributions are at a level of \$1042 per annum and you are aged between 18 and the age of eligibility for withdrawal you may qualify for the full Member Tax Credit (MTC) of \$521 each year. The Government will pay into your KiwiSaver scheme a MTC at a rate of \$0.50 cents for each dollar you pay in up to a maximum of \$521. Any savings on top of that can be directed to our non-KiwiSaver scheme. Suppose you wish to contribute 5% of your salary to superannuation you could pay 3% into the SuperEasy KiwiSaver Superannuation Scheme (and pick up the employer's 3%) and then pay 2% to our non-KiwiSaver scheme all in the one package. You will also be able to check both account balances on www.supereasy.co.nz.

Civic Financial Services Ltd Recommends Its Scheme To Local Government Staff

SuperEasy KiwiSaver Superannuation Scheme has been designed for the staff of local government. The advantages to you of choosing it are:

- Civic Financial Services Ltd ("Civic") exists purely for the benefit of local government, not overseas shareholders looking after their own interests. Civic is dedicated to providing local government (and its staff) with the best financial solutions.
- Our scheme's Automatic Fund solves the inherent problem that exists in all other investment and superannuation funds, which is when to switch from growth (higher risk) assets to income (lower risk) assets.
- Our annual fund charges ranging from 0.53% – 0.56% pa of your account balance and our administration fee of \$4.50 per month are the ONLY charges made by Civic: we have no set-up charge, no switching fee and unlike many other KiwiSaver schemes will not pay commission or join-up fees to so-called 'independent advisers'. The annual management fee covers the management of the Scheme and underlying fund manager fees and in-fund costs.
- The Automatic Fund is designed to last for life, not just until a member changes jobs or retires. In particular, the Automatic Fund will be there to manage in retirement a member's retirement savings. Note that when one of our members is in retirement they can still expect to benefit from our low, wholesale charges.
- As both our schemes are "PIE-compliant", both allow tax flow-through to members. This means that depending on the level of a member's taxable income they can have their earnings in the scheme taxed at 28%, 17.5% or 10.5%. Less tax on the earnings leaves more in the member's account balance.
- Unlike many KiwiSaver providers, Civic is not tied or linked to any investment manager or in-house investment team.
- The scheme trustee applies independent governance overseeing the management and propriety of the scheme.
- You can mix and match contributions with the SuperEasy KiwiSaver Superannuation Scheme and our non-KiwiSaver scheme all within the one package for extra flexibility with your retirement savings.
- Once you join, irrespective of your circumstance you can remain a member for as long as you choose of one or both schemes and continue to benefit from our low, wholesale charges.
- If you are a KiwiSaver member and belong to a scheme other than our SuperEasy KiwiSaver Superannuation Scheme it is an easy process to transfer from your existing scheme to our SuperEasy KiwiSaver Superannuation Scheme.

It's Easy to Join – Download the Forms from www.supereasy.co.nz

Complete our Application Form and for employees a KS 2 Form (from our website or the IRD Employee Information Pack) and submit them to your Human Resources Department who will forward the information to us.

For a Product Disclosure Statement see www.supereasy.co.nz. For more information see the scheme's register entry at www.companiesoffice.govt.nz/disclose. Other useful websites are www.kiwisaver.govt.nz and from the Office of the Commission for Financial Capability: www.sorted.org.nz. The latter offers all sorts of advice on how to manage your finances, with special sections for kids, students and over 60s.

Who is Civic Financial Services Ltd?

- Set up and owned by local authorities to exclusively serve local government
- Has been in business for more than fifty years
- A specialist superannuation provider for local government
- Its SuperEasy KiwiSaver Superannuation Scheme was the first restricted KiwiSaver scheme to register under the financial Markets Conduct Act 2013
- Administration Manager for LAPP (Local Authority Protection Programme Disaster Fund)
- Civic Financial Services Ltd and its savings schemes are audited by the Office of the Auditor General.

Local Government Superannuation Trustee Limited is the issuer of the Local Government Superannuation Scheme and the SuperEasy KiwiSaver Superannuation Scheme. A product disclosure statement is available for each Scheme, which can be obtained by contacting Civic Financial Services Limited, or on the register entry for each Scheme at www.companiesoffice.govt.nz/disclose.