

## Introduction

This brochure describes the New Zealand Fire Service Superannuation Scheme. If you are in any doubt, the exact wording of the Scheme's provisions are contained in the Trust Deed.

This brochure is not intended as a substitute for the Trust Deed. The Trust Deed is available at [www.firesuper.co.nz](http://www.firesuper.co.nz) or from the Secretary to the Trustees. Should you require a personal copy of the Trust Deed then contact the Secretary to the Trustees at the address above.

For the sake of clarity the Superannuation and the KiwiSaver sections of the Scheme are dealt with separately in terms of this brochure.

## Trustees

The Scheme is administered by seven Trustees, three of whom are appointed by the New Zealand Professional Firefighters Union, three who are appointed by the New Zealand Fire Service Commission and one who is appointed by the other six.

## Features of the Scheme

The Trustees as part of their ethos to continue to upgrade and maintain the viability of the Scheme, have amended the Trust Deed to provide that the Scheme is a Complying Superannuation Fund under the Superannuation Schemes Act 1989 and therefore is effectively able to deal with members who wish to join KiwiSaver and have the balance of their subsidised contribution placed in the Superannuation section of the Scheme.

In general terms the Scheme is a defined contribution Scheme designed to provide the employee with a lump sum benefit on ceasing employment with the New Zealand Fire Service in respect of the Superannuation section. A generous subsidy by the employer and active management by the Trustees ensures attractive benefits for both sections of the Scheme.

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Superannuation Scheme  
box 36-287 christchurch  
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web [www.firesuper.co.nz](http://www.firesuper.co.nz)

The Trustees have committed to a policy of responsible investment including environmental, social and governance considerations.

The scheme currently provides that members may elect to invest in one or a combination of two or more investment options established by the scheme. These choices are

- Cash option
- Conservative option
- Balanced option
- High growth option.

Members may alter their option on 1 October in each year. Such election must be made online.

## Who may join

Any person who is employed by the New Zealand Fire Service as National Commander, Deputy National Commander, Regional Commander, Executive Fire Officer, Officer, Firefighter, Controlroom staff, Black Watch staff, Mechanics, or Community Safety team members are eligible to join from the first day on which they become an employee.

## **Documents available**

The Scheme is subject to the Securities Act 1978 which requires it to maintain a Prospectus about the Scheme, however 'employer superannuation schemes' have been exempted from this requirement. The Scheme is still required to maintain an Investment Statement, which is available on request and at no charge from the Secretary to the Trustees at the address on the front page of this brochure.

Financial Statements, and other documents related to the Scheme are also available at the Companies Office of the Ministry of Commerce for public inspection.

Members of the Scheme are entitled to request a copy of the Scheme's Investment Objectives and policy and how changes can be made to these Objectives and that policy at any time. This information is available from the Secretary to the Trustees at the address on the front page of this brochure.

Prior to joining this Scheme you are entitled to look at or request a copy of the Trust Deed and you may request a copy of the financial statements and any Auditors report thereon from the Secretary to the Trustees at the address on the front page of this brochure.

## **Miscellaneous**

Once your application to join has been accepted you will receive a membership certificate and a copy of the most recent Annual report of the Trustees which contains financial statements for the financial year under review. The Trustees will provide you with a copy of their Annual report and the financial statements each year.

You are entitled to receive an estimate of your benefits at any time. Should you require this information you should contact the Scheme Administrator at any of the addresses listed on page 3 of this brochure. If you require a written quotation, on each occasion a fee of \$ 50.00 will be levied.

## **Financial year**

The Scheme's financial year is from 1 April to 31 March.

## **Reduction in benefits**

You should be aware that the Scheme is always likely to hold a proportion of its assets in equities and other investments where values may fluctuate. Although the Investment Managers, with the Trustees approval, make such investments in order to achieve the maximum long-term advantage, such a strategy is not without its risks.

It is conceivable that from time to time there may be a negative return. In this situation it is possible that a negative interest rate will be applied to your retirement account.

## **Interest**

Interest will be added to your total retirement account at the conclusion of each financial year. The Trustees will declare the interest rate after taking into account all tax and expenses incurred during the year.

## **Members paid by 'total remuneration'**

Members who are employed on a 'total remuneration' salary package are effectively paying for the employer's contributions by way of a salary reduction.

## Administration of the Scheme

Mercer (NZ) Limited, which is based in Wellington, administers the Scheme on behalf of the Trustees. You can contact the Scheme Administrator during normal working hours for information on your personal details held, for account balances or an estimate of your benefits by free-phone on:  
0800 MY SUPER -0800 69 78737- or by email on:  
[nzfire.super@mercero.com](mailto:nzfire.super@mercero.com)

Further information is also available from the Scheme's website at:  
[www.firesuper.co.nz](http://www.firesuper.co.nz).

## Winding up of the Scheme

Should the Scheme be wound up, no part of the Superannuation assets of the Scheme will revert to the employer.

KiwiSaver savings are held in an account in the name of the employee. In respect of the Superannuation section contributions if the Scheme was to be wound up the total of the assets would be applied to those who are members of the Scheme at the time.

## Contact address

Should you wish to correspond with the Trustees, then you should write to:  
The Secretary to the Trustees  
NZ Fire Service Superannuation  
Scheme  
P O Box 36-287  
Merivale  
CHRISTCHURCH 8146  
or by e-mail on:  
[info@firesuper.co.nz](mailto:info@firesuper.co.nz)  
or by telephone on:  
Phone/fax: 0-3-355 3499  
Mobile: 021 653 499.

## Superannuation section

Provisions applying to the Superannuation section only.

## Contributions

The rate of contribution is 6 per cent of salary or wages. The employer subsidy is \$2.27 for each dollar you contribute. After the deduction of tax, a subsidy of \$1.52 is credited to member's accounts.

There is provision for you to make voluntary contributions. To do so requires you to seek the approval of the Trustees. Voluntary contributions may be paid through the Fire Service payroll system or by direct credit to the Scheme's bank account. Voluntary contributions do not attract any employer subsidy.

## Benefits

On cessation of employment with the Fire Service the following benefits are payable:

Retirement: - A capital sum equal to the total held in your retirement account is payable in the form of a lump sum. Should you specifically request, the Trustees will provide you with details of companies, which are able to provide an annuity. Arrangements for purchasing an annuity will be between you and the company concerned.

Resignation: - A capital sum equal to the total held in your retirement account is payable in the form of a lump sum. A capital sum equal to the total held in your retirement account is also payable if you are retrenched.

Loss of medical fitness: - If you are required to retire from the Fire Service in accordance with section 72 of the Fire Service Act 1975, the benefit payable will be the greater

of the total in your retirement account or two years salary or wages at current rates.

Loss of physical fitness: - If you are required to disengage from the Fire Service in accordance with section 72 C of the Fire Service Act 1975, the benefit payable will be the greater of the total in our retirement account or two years salary or wages at current rates.

Death: - the death benefit payable is an amount equal to the total held in your retirement account or two years wages or salary at current rates, whichever is the greater. Payment of the death benefit will be to your dependants or to your legal personal representative.

### **Withdrawal of contributions**

As the Scheme is designed to provide financial security in retirement to a contributing member, withdrawal of contributions before ceasing employment with the New Zealand Fire Service is not permitted.

### **Continued membership after retirement**

Members who retire from the Fire Service are permitted to continue membership of the Scheme provided they advise the Trustees of their wish to do so within one month of their retirement.

All balances within the Scheme are credited with the same interest rates as the balances of members who are still employed by the Fire Service.

There is no charge for this service. Contributions may still be made by direct bank credit, however these are not subsidised by the Fire Service. Four free withdrawals per annum are permitted with

extra withdrawals being charged at \$50.00 each.

There is no enhancement of any benefit by the Fire Service or the Scheme for members who have retired from the Fire Service and continue Scheme membership.

### **Reduction or suspension of contributions**

When you join this Scheme you undertake to make regular contributions at an agreed rate. The Trustees recognise that there will be occasions when it will not be possible to maintain contributions at the agreed rate. The Trustees will consider, upon receipt of an application from you, any request to vary your contribution rate. Some circumstances are:

Leave without Pay: Whilst on Leave without Pay your contributions are deemed to be zero and no subsidy is payable by the Fire Service. For the purposes of calculating Service, time spent on Leave without Pay is considered to be continuous.

Sick Leave without Pay: - For the purposes of calculating two years salary or wages, the last complete pay received by you prior to being placed on Sick Leave without Pay will be recognised. For the purposes of calculating Service, time spent on Sick Leave without Pay is considered to be continuous.

Accident leave without Pay – The same provisions apply to Accident Leave without Pay as apply to Sick Leave without Pay.

There may be other reasons for which you feel it is necessary to seek the approval of the Trustees to reduce your agreed rate of contribution. In such circumstance write to

the Secretary to the Trustees at the address on the front page of this brochure.

You should be aware that where contributions are reduced below six per cent of salary or wages (which includes the KiwiSaver component) for other than Sick or Accident Leave without Pay, there will be a corresponding reduction in any benefit paid in the event of loss of medical fitness, loss of physical fitness or death.

Cessation of contributions: - Should you cease contributions whilst still remaining an employee of the Fire Service, a benefit will be determined which is equal to your resignation benefit at the date you cease contributions. This benefit will be held in the Scheme and attract interest at the declared earning rate each year. The benefit will not be payable until such time as you leave Fire Service employment.

### **KiwiSaver section**

Provisions applying to the KiwiSaver section only.

Members are entitled to elect to join the KiwiSaver section, the provisions of which are governed by the Fifth Schedule to the Trust Deed.

The Fifth Schedule to the Trust Deed makes the Scheme a Complying Superannuation Fund in terms of the Superannuation Schemes Act 1989. The 4% obligatory payment will be deducted from contributions which would otherwise be made to the Superannuation section. Employer subsidisation of one for one shall apply to KiwiSaver contributions and the additional subsidisation under the standard Superannuation section of 0.52 for each member's dollar contributed pursuant to the

Superannuation section shall be added to the contributions paid to the Scheme by way of Superannuation section contributions.

In terms of calculating benefits due under the Superannuation section, payments made to the KiwiSaver section count towards the maximum contributions permitted.

All contributions to the KiwiSaver section vest in the employee. The contributions to the KiwiSaver section are not assignable and cannot be charged or passed to any other person, whether by way of security, operation of law or any other means, except by enactment.

Each member who elects to make contributions to the KiwiSaver section must continue to be a member of the Complying Superannuation Fund, and in particular, in the event that a member applies for a contributions holiday by way of application to the Commissioner of Inland Revenue, they must also seek the consent of the Trustees pursuant to the provisions of the Trust Deed to any reduction of contributions,

The Trustees have determined that no early withdrawals will be allowed, except for the statutory exceptions created by death or by way of Court Order. This excludes the right of withdrawal for hardship or illness and permanent emigration. It does mean however that the KiwiSaver section is available to meet any Order pursuant to the Property (Relationships) Act 1976.

Members may however request a transfer out to another Complying Superannuation Fund or to a KiwiSaver Scheme.

It is mandatory to transfer to a KiwiSaver Scheme or another Complying Superannuation Fund if the employee ceases to be eligible to be a member of this Scheme or cannot remain a member for any reason and in the circumstances where the Government Actuary revokes approval of the Scheme as a Complying Superannuation Fund.

Every member who elects to make contributions in accordance with the KiwiSaver schedule must commit to be a continuing member of the Complying Superannuation Fund.

For the purpose of calculating the benefits in the cases of loss of medical and physical fitness and death all contributions made to the KiwiSaver and the Superannuation sections will be aggregated.

Benefits of the KiwiSaver section are available to members at the date of New Zealand retirement age or five years after joining the KiwiSaver section of the scheme (whichever is the latter).

For and on behalf of the Trustees

A handwritten signature in black ink, appearing to read 'Barry Dent', with a long horizontal flourish extending to the right.

Barry Dent  
Secretary to the Trustees

25 September 2008