

Introduction

The Trust Deed of your scheme permits active and deferred members to make voluntary contributions to the scheme subject to the approval of the Trustees.

Active members may contribute voluntary contributions through:

- The New Zealand Fire Service payroll system
- Automatic payments from any bank account direct to the scheme's bank account
- Direct payment by cheque to Mercer NZ Ltd.

Deferred members may contribute voluntary contributions by automatic payment or cheque as set out above.

Voluntary contributions do not attract an employer subsidy from the New Zealand Fire Service.

How to make voluntary contributions ?

Members wishing to make voluntary contributions must first contact the Trustees, at any of the addresses opposite, seeking approval to make voluntary contributions. Their letter should indicate the intended method of making the voluntary contributions.

The appropriate forms will be sent to the member for completion and return to the scheme. The necessary arrangements will then be made on behalf of the member to commence the voluntary contributions.

The amount of voluntary contributions can

be varied or they can cease for a period as decided by the member.

In all cases where a member wishes to change the arrangements related to their voluntary contributions they must seek the approval of the Trustees to do this. Again they should contact the Trustees of the scheme at any of the addresses set out opposite.

Access to voluntary contributions

Voluntary contributions made to the scheme by active members – those employed by the New Zealand Fire Service and making regular contributions through the Fire Service payroll – are not available for withdrawal by members until they are no longer employed by the New Zealand Fire Service.

Voluntary contributions made by deferred members are available for withdrawal in accordance with the policy of the Trustees related to deferred members.

What are the Investment returns ?

Voluntary contributions receive the same gross investment returns and net interest rate as all other funds held in the scheme. There is only one annual net interest rate declared by the Trustees for the scheme each year.

Are there any costs ?

The administration costs and tax payable by the scheme for each financial year to 31 March are deducted from the scheme's gross investment returns. These costs apply to all funds within the scheme.

Following that calculation the net interest rate is applied to all accounts, irrespective of their status, held within the scheme by all members.

The scheme makes no extra charge for investing voluntary contributions on behalf of members.

How to contact the Trustees ?

Members wishing to commence voluntary contributions, adjust their present voluntary contribution rate or who require further information should use the following contacts:

The Secretary to the Trustees
PO Box 36287
Merivale
CHRISTCHURCH 8146.

Telephone: 0-3-355 3499
Facsimile: 0-3-355 3499
Mobile: 021-653 499
E-mail: info@firesuper.co.nz
Web site: www.firesuper.co.nz

Why make voluntary contributions to the scheme ?

Voluntary contributions made to the scheme ensure that your total retirement savings increase at a faster rate and allow you a more comfortable retirement.

Require further information ?

For more information please refer to the scheme's current Investment Statement.

Effect of compound interest

The table below shows the effect of the compounded value of voluntary contributions placed in the scheme using various net interest rates, along with a range of fortnightly payment levels and years invested.

To use the table choose a net rate of return and a voluntary contribution rate, and simply apply those figures to the various time frames set out.

	1 year	5 years	10 years	15 years	25 years
3 % per annum net return					
\$ 10 / fortnight	\$ 264	\$ 1,404	\$ 3,032	\$ 4,919	\$ 9,642
\$ 25 / fortnight	\$ 661	\$ 3,510	\$ 7,579	\$ 12,296	\$ 24,105
\$ 50 / fortnight	\$ 1,322	\$ 7,020	\$ 15,158	\$ 24,593	\$ 48,209
5 % per annum net return					
\$ 10 / fortnight	\$ 267	\$ 1,475	\$ 3,357	\$ 5,760	\$ 12,740
\$ 25 / fortnight	\$ 667	\$ 3,687	\$ 8,394	\$ 14,400	\$ 31,849
\$ 50 / fortnight	\$ 1,335	\$ 7,375	\$ 16,787	\$ 28,800	\$ 63,699
7 % per annum net return					
\$ 10 / fortnight	\$ 269	\$ 1,549	\$ 3,722	\$ 6,769	\$ 17,038
\$ 25 / fortnight	\$ 673	\$ 3,873	\$ 9,305	\$ 16,924	\$ 42,596
\$ 50 / fortnight	\$ 1,347	\$ 7,746	\$ 18,610	\$ 33,847	\$ 85,192

VOLUNTARY CONTRIBUTIONS TO THE SCHEME

**New Zealand Fire Service
Superannuation Scheme**

December 2009