

Trust Deed amended

The New Zealand Fire Service Commission and Trustees amended the Trust Deed of the scheme on 21 December 2006.

The amendment, which followed agreement between the Chief Executive of the New Zealand Fire Service and the New Zealand Professional Firefighters Union at Agreement negotiations earlier in 2006, amends the time frame related to the 'vesting' of Employers contributions made to the scheme.

Until 20 December 2006 it took a total of fifteen years for all of the Employer contributions to 'vest' or become available to members who resign from the Fire Service. From 21 December 2006 the Employer contributions will 'vest' or become available to members who resign from the Fire Service from their first day of employment.

There have been no changes to any of the other benefits available from the scheme such as the Retirement, Death, and Loss of Medical or Physical Fitness benefits.

In simple terms where members had to wait for fifteen years in the past to receive the Employer subsidy this is no longer the case.

Members with any questions related to this matter should contact the scheme Secretary at any of the addresses set out on the front page of this Supernews.

The amendment to the Trust Deed and the complete Trust Deed are available at the scheme's web site at www.firesuper.co.nz

Performance to 31 December

The after tax and expenses performance for the Main Portfolio for the period from 01 April until 31 December 2006 is 2.49 per cent.

The performance of the Main Portfolio has been affected by the rise in the New Zealand Dollar against both the US Dollar and the Australian Dollar of 15.4% and 4.4% respectively since 01 April 2006. It is pleasing to report that the asset values of investments held by the Trustees have performed very well during the last nine months.

The after tax and expenses performance for the Cash Portfolio for the period from 01 April until 31 December 2006 is 3.63 per cent.

Legislation update

Members are advised that Parliament passed legislation in December 2006 related to the tax on Employer Contributions to Registered

Superannuation schemes where they have provisions related to locked-in contributions identical to KiwiSaver. Trustees are continuing discussions with the New Zealand Fire Service Commission and at the completion of these discussions members will be advised of any changes or other offers that will be made to members from 01 July 2007.

Legislation was also passed to establish a new taxation regime related to the taxation of Investment income. Initial discussions have already been held with the scheme's Taxation Advisers. Members can be assured that the scheme will continue to operate in a tax efficient manner once the legislated changes have commenced.

Investment matters

Members are advised that on 23 September 2006 all the scheme's investments in the ASIT New Zealand Equity Growth Superannuation Fund were transferred to the AMP Strategic Equity Growth Trust.

This transfer was required because AMP Capital Investors were closing down the Superannuation Scheme.

The underlying investments previously held have not changed and the Trust is still invested by AMP Capital Investors Limited.

Scheme eligible to receive funds from UK

Members are advised that since April 2006 the scheme has not been permitted to receive funds from UK Pension Funds for members who now live in New Zealand.

On 16 January 2007 HM Revenue and Customs advised that the scheme's application to become a QROPS – a Qualifying Recognised Overseas Pension Scheme – had been approved.

As a consequence of this the necessary administrative procedures have been established and any member who has permanently left the United Kingdom and still maintains a Pension Fund there should contact the scheme Secretary at any of the addresses set out on the front page of this Supernews for further information about transferring their funds to this scheme.

Changed your address lately ?

Members are reminded that with the end of the financial year fast approaching you should ensure the scheme holds your current postal address.

If your address has changed you can update to your new address by completing a New Zealand Post change of address card and posting it to the scheme or you can contact the scheme on one of the alternative addresses set out on the front page of this Supernews.

Members are thanked for their attention to this matter.

Providing bank account details

Our Administrators, Jacques Martin NZ Ltd, advise that they do not accept changes to bank account details over the phone for security reasons.

They advise this policy reduces the possibility of fraudulent benefit requests being made as any changes are able to be checked against the signature of the member held on file. Written requests also provide an audit trail of key instructions from the member.

Change to fax number

Deferred members who utilise the facsimile number at Jacques Martin NZ Ltd to make withdrawal requests are advised that the facsimile number has changed.

The new number is 0-4-381 0504.

The Withdrawal form at the scheme's web site at www.firesuper.co.nz has been amended to include the new number.

Get your Supernews quicker

If you wish to have your Supernews delivered to you individually and by e-mail please supply your e-mail address to the scheme at any of the addresses set out on the front page of this Supernews. Over the next year Supernews will be

distributed both by post to your last advised postal address and by e-mail. From 2008 Supernews will only be distributed by e-mail unless the member specifically requests postal delivery.

The current Supernews is also available at the scheme's web site at www.firesuper.co.nz. Archived copies of Supernews are also available at the web site.

Borrowing against your funds

From time to time members query whether they are able to borrow against the funds held on their behalf in the scheme.

The Trust Deed of the scheme states:

'No person being entitled to any interest in any benefit payable under the scheme shall assign, charge, alienate or borrow against the security of any such benefit.'



BARRY DENT
SCHEME SECRETARY