

# Supernews

## Member Investment Choice

**T**he Trustees have resolved to introduce Member Investment Choice 'MIC' with effect from 01 October 2008.

MIC will be available to all Members including Deferred Members.

MIC is being introduced to give you more control over how your retirement savings are invested.

The administration systems used until June last year did not permit the introduction of full MIC, so since the scheme's inception the Trustees have generally decided how your retirement savings would be invested, with the opportunity for some members to invest in the Cash Portfolio since 2004.

The Trustees have now decided to introduce four choices. They are:

- **Cash** option
- **Conservative** option
- **Balanced** option, and a
- **High** Growth option.

You may elect to invest in one or a combination of two or more of the options.

If your savings are currently invested either in full or in part in the Cash Portfolio you will need to choose one or a combination of the options above. Your previous Cash Portfolio election will expire on 01 October 2008.

If you do not choose an option or wish to do nothing your savings will be automatically invested in the **Balanced** option.

Once you make your investment choice all your current Accumulations and all your, and the Fire Service Commission's future contributions, including all contributions to the Complying Superannuation Fund, will be invested in that option, or options, until such time as you change the options or leave the employment of the Fire Service.

The Trustees understand that you may need to change your option/s as your circumstances change. Initially they have decided to allow you to change options as at 01 October each year. The Trustees will review this policy once MIC has been operating for a year.

The asset allocation, investment objective and risk profile for each of the four options are set out in a guide which is enclosed with this Supernews. The guide is intended to help educate and inform you about the options. If, after you have read it carefully, you are still unsure of the most suitable option/s for your circumstances and preferences call 0800 MY SUPER – 0800 69 78737 – or consult a financial adviser.

The guide also explains how to select your options online so that they are correctly received by the Administrator on behalf of the Trustees.

You will only be able to make your MIC election at the scheme's web site at [www.firesuper.co.nz](http://www.firesuper.co.nz) from 03 September until midnight on 30 September 2008.

To select your options online follow these instructions:

- go to [www.firesuper.co.nz](http://www.firesuper.co.nz)
- click on the '**access account details**' link which will take you to the SuperFacts web-site
- enter your member number and security details, which will take you to 'My Super Value', and
- select 'Your investments' from the top menu bar and then 'Change Investment options' from below your account balance.

Options can only be selected online and paper elections will not be accepted. If you have not selected your options online before 01 October 2008 your savings will be automatically invested in the **Balanced** option.

Presently the Trustees establish an interim interest rate for both the Cash and Main Portfolios each month. In the future an interim interest rate will be established for each of the four options.

If you change options, the interim interest rate and its value will be 'locked into' your Accumulations for the period up to the date the change took effect – 01 October. The rate applicable to your new

investment option/s will be applied to your Member's Accumulations going forward.

For example, if you changed from the **Balanced** option to the **Conservative** option and the cumulative interim interest rate for the **Balanced** option to 30 September – the first six months of the scheme's financial year – was 3%, the 3% rate would be applied to your Accumulations as at 30 September 2008 and the rate applicable to the **Conservative** option would apply to your Accumulations until you changed or left the employment of the Fire Service.

Any questions related to MIC should be directed to 0800 MY SUPER – 0800 69 78737. This help line can provide information about the options but cannot provide personal financial advice.

## New Trustee appointed

The New Zealand Fire Service Commission has advised that they have appointed Janine Hearn, of Wellington, to replace Brett Warwick as a Trustee of the scheme with effect from 22 July 2008.

On behalf of all Trustees and Members thanks have been extended to Brett for his input into Trustee deliberations during his time as a Trustee. Thank you!

## Investment matters

Members are advised that the Trustees have agreed to invest

a maximum of 5% of the scheme's assets in International Property through the ING International Properties Securities Fund. An initial allocation of 3.9% of the scheme's assets was made on 10 July 2008.

Trustees have also agreed to invest a maximum of 5% of the scheme's assets in an International Hedge Fund through the JP Morgan Alternative Asset Management Hedge Fund. No funding has yet been provided to this Fund.

Trustees have also agreed to transfer their Offshore Bond assets from the present Tower Asset Management and ING (NZ) Limited Funds to a Russell Investment Management International Bond Fund. This transfer has yet to be completed.

## Scheme eligible to receive funds from UK

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.

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.

## Contributors to the Complying Fund

Members are advised that the Fire Service cannot show Member contributions made to the Complying Superannuation Fund separately from their other contributions to the scheme on pay slips currently.

Members can call the scheme on 0800 MY SUPER – 0800 69 78737 – to check their requested contributions are being made to the Complying Superannuation Fund.

Alternatively you can go the scheme's web-site at [www.firesuper.co.nz](http://www.firesuper.co.nz) and then click on the 'access account details' link to your Account details to see a breakdown of your contributions.

## 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**