

Member Investment Choice – 2010

When Member Investment Choice 'MIC' was introduced in October 2008 all Members, including Deferred Members, were able to change their election annually, during September.

Change investment option/s once a year but at any time

From 01 August 2010 Members will have the opportunity to make that election annually **but at any time**.

Accordingly the online switching function on www.firesuper.co.nz is now available to take your latest election.

How will this work?

Given this continuous process, Members are advised that confirmed elections received at www.firesuper.co.nz at any time up to midnight on the 20th day of each month will be processed and take effect on the first day of the following month. As an example if you completed an election on the 5th day of September, the change would take effect from the 1st day of October and if you completed an election on the 22nd day of September the change would take effect from the 1st day of November.

New MIC Guide now available

Because MIC elections no longer have to be made in September, the MIC Guide, which was previously mailed to all Members annually, will instead be posted on the MIC section of www.firesuper.co.nz.

The latest Guide is now there.

If, after you have read the Guide, you are still unsure of the most suitable option/s for your circumstances call 0800 MY SUPER – 0800 69 78737, or consult a financial adviser prior to completing your election at www.firesuper.co.nz

The Guide also explains how to change your options online.

Changing options online

To change your options online follow these instructions:

- go to 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.

Important – note your confirmation number

Members are advised that a confirmation page, containing a confirmation number, will be displayed at this time if your election has been successful. You should either note this number or print the page to ensure you have a record. Unfortunately the Trustees are not able to accept claims the process was successfully completed without the confirmation number.

In order to keep costs to a minimum, this election process is only carried out at the scheme's web site and changes using any other method cannot be accepted by Trustees.

Changes to the offer and process

There are a few changes to the offer and process developed last year.

There will still be four options. They are the:

- **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 you do not wish to change your current MIC options – do nothing

– your current Accumulations and new contributions will continue to be invested in your current investment option/s as selected by you.

Once you make your 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, from the effective date until such time as you change your options or leave the employment of the Fire Service.

Allocation of interim interest rates

Presently the Trustees establish interim interest rates for each MIC option every month.

If you change investment option/s, the interim interest rate and its value will be 'locked into' your total Accumulations for the period up to the date the change took effect – the last day of the month after the confirmed election was received by the scheme. The rate applicable to your new investment option/s will apply from the first day of the month after the confirmed election was received by the scheme. Further information related to the setting of interim interest rates was contained in Supernews 92.

For example, if you change from the **Balanced** option to the **Conservative** option on 01 October 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 total Accumulations as at 30

September and the rate applicable to the **Conservative** option would apply to your Accumulations from 01 October until a further election was processed or you left the employment of the Fire Service.

With regard to the actual application of interim interest rates to Member Accumulations on the web site, the following timetable is expected to apply:

- Interim interest rates to the 14th day of each month are applied by the 21st day of the month.
- Finalised interim interest rates for each month are applied by the 18th day of the following month with the final administrative transfer and application of interim interest rates by the 20th day of the following month.

Members should appreciate that although their funds will have been transferred from their current to their new MIC option, it will take until the 20th day of the following month to finalise the interim interest rates on the web site.

Further questions?

Any questions related to MIC should be directed to 0800 MY SUPER – 0800 69 78737. This HelpLine can provide information about the options but is not able to provide personal financial information.

Updates

Ring-fenced Cash option:

Those members who are in the Ring-fenced Cash option are advised this option still exists and will do so as long as there

are Property assets in the Cash option.

You continue to be able to review your interim interest rates for this Option as well as the total of your Accumulations within the scheme at the web site.

Also at the web site your investments are shown as being in the 'Cash Fund' with 'Your Investment Mix' correctly showing that 100% of your Accumulations are invested in cash assets.

Benefit payments made to ASB Accounts

Members are advised that all amounts over \$ 10 000 deposited to ASB Accounts are delayed and not available to be accessed for up to three working days after receipt. ASB have advised this ensures the funds are cleared and there is no risk of the paying bank recalling the funds.

Benefit payments made by the scheme are transferred as cleared funds and available at other banks immediately.



BARRY DENT

SCHEME SECRETARY