

1 April 2019

Joining and Contributing mysuper Superannuation Scheme

This document provides additional information about joining and contributing to **mysuper** Superannuation Scheme (**mysuper**). It should be read in conjunction with the Product Disclosure Statement for **mysuper** which is available at mysuper.co.nz/disclose

Interests in **mysuper** are issued by the Trustee of **mysuper**, Shamrock Superannuation Limited.

mysuper is governed by the **mysuper** Trust Deed and the KiwiSaver Act 2006 (KSA) (amongst other laws). The provisions in the **mysuper** Trust Deed and the KSA prevail over anything to the contrary in any other document. The provisions of the **mysuper** Trust Deed and the KSA may change in the future.

Some terms used in this document are defined in the **mysuper** Trust Deed or the KSA.

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1. Admission of members

As a restricted scheme, only ACC employees who do not already have alternative employer subsidised superannuation arrangements or who are not receiving some separate benefit equivalent to superannuation may be invited to join **mysuper**. **mysuper** is a complying superannuation fund. This means if you can make locked or unlocked contributions. If you choose to make locked contributions, you'll be eligible for many of the same benefits as KiwiSaver.

There are some conditions of entry, and these are as follows.

	Unlocked contributions	Locked contributions
Eligibility	Any age	If you are younger than the qualifying age for New Zealand (NZ) superannuation (age 65), living in NZ and a NZ citizen, or entitled to live in NZ indefinitely
Age		

2. Insurance

You can add on an optional life and income protection insured benefit, with premiums paid from your **mysuper** account. Insurance cover is subject to underwriting. More information about the optional insurance cover is in the 'Insurance' document at mysuper.co.nz/disclose

3. Member accounts

mysuper will establish and maintain for each member up to four accounts for each member. The accounts will generally comprise of member accounts and employer accounts as follows.

	Member Account #1	Employer Account #2	Member Account #3	Employer Account #4
Description	Principally comprising unlocked employee contributions and investment returns (positive or negative).	Principally comprising unlocked employer contributions and investment returns (positive or negative).	Principally comprising locked employee contributions and any Member Tax Credits (MTC) and investment returns (positive or negative).	Principally comprising locked employer contributions and investment returns (positive or negative).

For further details on member accounts, refer to the 'member account' section in the **mysuper** Trust Deed available at mysuper.co.nz/disclose

4. Contributions

Member contributions

Your contributions are calculated as a percentage of your gross (before-tax) salary and deducted from your net (after-tax) salary. Your salary means:

Members who have been nominated by their employer as an executive	All other members
The amount determined by your employer being your total remuneration. Your employment agreement will specify if you are an executive.	Unless your employer determines otherwise, your salary means your annual base taxable wages or salary, but excluding commission, overtime, bonuses, expense allowances, or other allowances of a similar nature.

You need to make a minimum contribution of:

	Unlocked contributions	Locked contributions
Minimum investment	2% of your gross (before-tax) salary	3% of your gross (before-tax) salary
Increase contributions	You can choose to contribute at an amount greater than 2%, but this must be in multiples of 1% of your salary	Not applicable

To change your contribution rate you will need to notify your employer and provide 20-working days' notice. The new rate will only apply from your next salary payment after the 20-working days.

You can only make two contribution rate changes each year (1 July to 30 June), unless your employer agrees otherwise.

Employers are responsible for collecting contributions from members and passing them to **mysuper** together with any employer contributions. If an employer fails to pass contributions on to **mysuper** or makes an error in the calculation of the member deductions, it could adversely affect some or all of the members employed by that employer. Shamrock actively monitors deductions from employers' 4

payrolls and regularly tests samples. An audit is performed on an annual or more frequent basis. Shamrock also regularly liaises with employers' payroll teams to ensure compliance with deductions outlined in the trust Deed.

Your employer may defer, alter or suspend its contributions to **mysuper**. ACC is entitled to cease contributions altogether, on notice to Shamrock. If an employer decides to cease contributing, your ultimate benefit will be lower than if it had continued.

Member voluntary contributions

	Unlocked contributions	Locked contributions
Lump-sum contributions		
Voluntary contributions		You can't make voluntary contributions to mysuper

Transfers to **mysuper**

You can also transfer money from some other retirement schemes to **mysuper**.

Transfer from	Details
KiwiSaver scheme	You can't transfer money from a KiwiSaver scheme.
<ul style="list-style-type: none"> NZ superannuation scheme Workplace savings scheme Equivalent overseas retirement scheme 	<p>If you are a member of a registered workplace savings scheme or a superannuation scheme and you are eligible to make a withdrawal, you may be entitled to transfer your money to mysuper.</p> <p>You will need to meet your provider's transfer requirements.</p> <p>You will need to contact the provider of your scheme for details of how to make the transfer.</p>
NZ complying superannuation fund	You can't transfer money from a NZ complying superannuation fund in to mysuper .
Australian complying superannuation fund	You can't transfer money from an Australian complying superannuation fund in to mysuper .

Employer contributions

If you are contributing to **mysuper**, your employer will make a contribution of \$1.50 for every \$1 you contribute up to a maximum of 9% of your gross (before-tax) salary (or any other percentage amount set out in your employment agreement). Employer Superannuation Contribution Tax will be deducted from your employer's contributions.

Contributions from the Government – member tax credits

This section only applies if you are making locked contributions to **mysuper**.

To encourage you to save for your retirement, the Government may also make contributions to your locked **mysuper** account.

If you qualify, the Government will make a MTC contribution to your locked account of \$0.50 for every \$1.00 you make in locked employee contributions to **mysuper**, up to a maximum MTC of \$521.43 a year (from 1 July to 30 June). This means that if you contribute \$1,042.86 or more in locked employee contributions each year, you will get the maximum MTC.

You're eligible for an MTC if you:

- are aged between 18 and your KiwiSaver qualifying date (currently age 65); and
- reside mainly in NZ, unless you're living overseas as a Government employee, or you're volunteering overseas, or working for token payment for specified charitable organisations.

You'll receive an MTC based on the number of days in the year you were eligible and a member of **mysuper** making locked contributions.

mysuper will claim a MTC annually on your behalf. If you make a withdrawal from **mysuper**, you'll be able to claim an MTC directly from Inland Revenue for the current year that you were a member of **mysuper** and eligible to receive MTCs.

When **mysuper** receives the MTC paid to **mysuper** for your benefit, **mysuper** will:

- add the MTC to your Members Account #3 and invest it in the **mysuper** investment fund or funds that you have chosen in the same proportions as other contributions; or
- add it to your benefit if you are withdrawing your full entitlements from **mysuper**.

If you have withdrawn from **mysuper** without transferring to a KiwiSaver scheme (or have died or suffered serious illness), Inland Revenue may pay the MTC for the relevant year directly to you (or to your estate or another permitted recipient in the case of death).

The Product Disclosure Statement for **mysuper** and the 'Withdrawing document' are available at mysuper.co.nz/disclose that set out when you can withdraw your MTC as a permitted withdrawal.

Employee contributions that qualified for the MTC when paid to **mysuper** will continue qualifying for the relevant year even if they have been withdrawn.

5. Savings Suspension

You can suspend your contributions (**savings suspension**). The timing will depend on the type of contributions you are making. These contributions are as follows.

	Unlocked contributions	Locked contributions
Savings suspension (up to 1-year)	<p>Anytime (on giving 20-working days' prior written notice).</p> <p>When the savings suspension expires, you can apply for another savings suspension, up to 4 times per year.</p>	<p>You may apply to Shamrock Superannuation Limited (Shamrock), Trustee of mysuper, for a savings suspension if:</p> <ul style="list-style-type: none">• you are suffering (or likely to suffer) financial hardship at any time after mysuper receives your first locked contribution. If a savings suspension is granted, the duration of that suspension will be 3-months (or a longer period up to 1-year if Shamrock agrees); or• 12 months or more have passed since the date when:<ul style="list-style-type: none">○ mysuper receives your/your employer's first locked contribution; or○ the date (if earlier) when a KiwiSaver scheme or another NZ complying superannuation fund received your/your employer's first locked contribution. <p>If the savings suspension is granted, the duration of the holiday will be a minimum of 3 months and a maximum of 1-year.</p> <p>When the savings suspension expires, you can apply for another savings suspension, up to 4-times per year.</p>
