New Zealand Retirement Trust

12 July 2021

NZRT Workplace Savings - How does this investment work?

This document provides additional information on how you can manage your investment in the New Zealand Retirement Trust - Workplace Savings Section (Section) including:
- contributions;
- withdrawals;
- transfers to/from the Section;
- insurance; and
- making any changes to your account.

The information set out in this document should be read with the Product Disclosure Statement (PDS) for this Section, any quarterly fund updates given to you with the PDS and your Member Booklet.

The information in this document describes the general information on how you and your employer make contributions to this Section as well as information on how you can withdraw from this Section. Any information on contributing, withdrawing, and insurance that is specific to your Employer Plan will be set out in your Member Booklet. The information in this document only applies to the Section, and different requirements will apply to members of other sections of the New Zealand Retirement Trust.

A little help.

AMP

Contents

Contributions

Member contributions

How to contribute when you are part of an Employer Plan

Your employer will generally have rules around how much you need to contribute and your contributions will generally stop when you reach your normal retirement age unless you agree otherwise with your employer. If you would like to save more than your required contributions, you might be able to make voluntary contributions. Your Member Booklet will provide specific details for your Employer Plan.

Each employer can have up to four accounts for each employee. These accounts include:

- **Member account:** for contributions that your employer may require you to make.
- **Voluntary account:** for additional voluntary member contributions by you.
- **Employer account:** for employer contributions.
- **Salary sacrifice account:** for salary sacrifice contributions.

The table below sets out further information on the accounts used for the types of contributions that can be made for this Section.

Type of contributions	How do I make these contributions?	Which account do these contributions go to?
Minimum member contributions	Your employer deducts your contributions from your annual earnings each pay day and forwards them to us.	Member account
Voluntary member contributions via your pay (if allowed)	If you want to contribute at a higher rate than the required rate, please let your employer know. Refer to your Member Booklet to see if this is available to you.	Voluntary account or member account – check your Member Booklet for details
Regular voluntary contributions (if allowed)	Regular voluntary contributions can be made by direct debit. **How to set up a direct debit** To set up a direct debit, complete the Direct Debit Authority which is available at **amp.co.nz/forms**. **Frequency** Choose between weekly, fortnightly, four-weekly, monthly or annually. **Minimum amount** There is currently no minimum amount if you set up a direct debit with us. Refer to your Member Booklet to see if this is available to you.	Voluntary account

Type of contributions	How do I make these contributions?	Which account do these contributions go to?
Lump-sum voluntary contributions (if allowed)	**How to make a voluntary lump-sum contribution** You can make a voluntary lump-sum contribution directly to AMP by internet banking. To do this enter 'AMP NZ Retirement Trust' - we are pre-registered so our account details will load automatically. Call us if you don't have internet banking. **Frequency** As often as you like. **Minimum amount** Each payment via internet banking to AMP directly must be at least $50. Refer to your Member Booklet to see if this is available to you.	Voluntary account
Employer contributions	Generally, your employer will make contributions to your retirement savings (see below for more information). Your Member Booklet will give you further information on how much your employer contributes for you.	Employer account
Salary sacrifice (if allowed)	Your employer may agree to reduce your annual earnings and credit this reduction (after tax) to your salary sacrifice account. Refer to your Member Booklet to see if this is available to you.	Salary sacrifice account

For contribution purposes, your annual earnings figure is generally your wage or salary, and can sometimes include other things such as bonuses. Annual earnings for your Employer Plan are defined in your Member Booklet.

Employer contributions

Your employer will generally make contributions towards your retirement savings and these contributions will be made to your employer account. To find out how much your employer contributes refer to your Member Booklet.

Employer contributions will generally stop when you reach your normal retirement age (which is set out in your Member Booklet) unless your employer agrees otherwise with you. Talk to your employer or Adviser to know what happens at your particular workplace.

All employer contributions are subject to Employer Superannuation Contribution Tax (ESCT). Your Member Booklet will tell you whether ESCT is deducted from your employer contributions or whether your employer pays ESCT on top of those contributions.

Your employer can choose to suspend or stop its contributions at any time as long as they tell you and us.

When you leave your employer

When you leave your employer, unless your Member Booklet states otherwise we'll normally transfer your membership to Your Plan (formerly known as My Super). This means that you can continue saving for your retirement in this Section.

The table below outlines how you can make contributions if you are in Your Plan.

Type of contributions	How do I make these contributions?	Which account do these contributions go to?
Regular contributions	Regular voluntary contributions can be made by direct debit. **How to set up a direct debit** To set up a direct debit, complete the Direct Debit Authority which is available at **amp.co.nz/forms.** **Frequency** Choose between weekly, fortnightly, four-weekly, monthly or annually. **Minimum amount** There is currently no minimum amount if you set up a direct debit with us.	Member account
Lump-sum contributions	**How to make a voluntary lump-sum contribution** You can make a voluntary lump-sum contribution directly to AMP by internet banking. To do this enter 'AMP NZ Retirement Trust' – we are pre-registered so our account details will load automatically. Call us if you don't have internet banking. **Frequency** As often as you like. **Minimum amount** Each payment must be at least $50.	Member account

Withdrawals

Withdrawals after normal retirement age

If you have transferred UK sourced pension funds into a NZRT Qualifying Recognised Overseas Pension Scheme (QROPS) account, additional withdrawal rules may apply to you. In addition to meeting your employer plan's withdrawal criteria you will need to meet those set by the UK regulator Her Majesty's Revenue and Customs. Please talk to your Adviser to see how this will impact you.

This Section is designed to help you save for retirement so it's intended that you don't make a withdrawal until you reach the normal retirement age specified in your Member Booklet.

Unless your Member Booklet states otherwise, when you reach your normal retirement age, you can withdraw the full balance of all your accounts (less all taxes, fees and insurance premiums owing). On retiring you can also choose to leave your savings in this Section (as outlined above) until you need them, or set up a regular withdrawal so that you have a regular income.

Withdrawal type	How to make the withdrawal
Regular withdrawals	**How to set up regular withdrawals** Complete the 'Withdrawal' form at **amp.co.nz/forms** **Frequency** Choose from fortnightly, monthly or quarterly. **Minimum amount** Each regular withdrawal must be at least $250.
Lump-sum or full withdrawal	**How to withdraw a lump-sum or full withdrawal** Complete the 'Withdrawal' form at **amp.co.nz/forms** **Frequency** As often as you like. **Minimum amount** Each lump-sum withdrawal must be a minimum of $500.

After you make a lump sum withdrawal you must generally keep a minimum balance of $1,000 or such other amount that is determined by us from time to time, in any of your accounts. If you make a withdrawal and it results in your account falling below $1,000, or such other amount as determined by us from time to time, we may treat it as a full withdrawal and your membership in this Section will end.

When you leave your employer before retirement

When you leave your employer, you can generally decide what to do with your retirement savings.

Once your employer has informed us that you're leaving your job, unless your Employer Plan says otherwise, we'll transfer your share of the employer account, voluntary account and salary sacrifice account to your member account and your membership will move to the Your Plan section.

From there, you can then either withdraw the full balance of your member account (less all taxes, fees and insurance premiums owing), or you can choose to stay in Your Plan.

Your Plan is your own personal plan within NZRT that allows you to continue to save for your retirement.

With Your Plan you'll continue to enjoy the flexibility and convenience of the NZRT even though you are no longer a member of an Employer Plan.

When you transfer to Your Plan your fees will change, please refer to the 'NZRT- Fees and other charges' document on the AMP website at **amp.co.nz/forms** for more details.

The amount transferred to your member account on leaving your employer depends on whether your employer has a vesting scale.

The vesting scale determines the percentage of your entitlement to the employer account and is based on your years of service with your employer. Check your Member Booklet to see if a vesting scale applies to you.

There may be circumstances in which your employer can decide that you're not entitled to receive any share of the employer account – see your Member Booklet for details.

Withdrawals from Your Plan

In Your Plan you can withdraw some or all of your savings at any time. The table above under the 'Withdrawal after normal retirement age' section setting out how to make withdrawals also applies to withdrawals from Your Plan.

Following a withdrawal you generally need to keep a minimum overall balance of $1,000 or such other amount that is determined by us from time to time in your account. If a withdrawal will result in your Your Plan account balance falling below $1,000 we may treat it as a full withdrawal and your membership in this Section will end.

Withdrawal before normal retirement age

In certain circumstances you may be able to make an early withdrawal.

The table below sets out the withdrawal types that may be available to you, and if you have insurance cover, the withdrawal may include an insurance payment.

Please check your Member Booklet for the withdrawal conditions and insurance cover that your employer is offering you under its plan. All withdrawals are paid less any tax, fees and insurance premiums that are owing.

Early withdrawal type	What savings will you be able to withdraw	What insurance cover you will receive
Full or partial access	Some employers allow you to withdraw some or all of your savings while you are still in employment. Check your Member Booklet to see if this applies to you.	N/A
Early retirement	Your employer may allow you to retire before your normal retirement age. This includes retiring early due to ill-health. Check your Member Booklet to see if you have this option. For early retirement you can withdraw the full balance of all your accounts subject to any requirements set out in your Member Booklet.	N/A

First home withdrawal	You may withdraw from the Employer Plan part or all of your accounts (subject to the minimum withdrawal requirements) less all taxes, fees and insurance premiums (if any) owing if the Manager is satisfied that (based on whatever evidence it may reasonably have required) you intend to purchase an estate in land in a circumstance where, if you were a member of a KiwiSaver scheme, the withdrawal would be permitted under the KiwiSaver first home withdrawals rules.
	
	Under the current KiwiSaver first home withdrawals rules, this means you may make a withdrawal to purchase your first home in New Zealand, or an interest in a dwelling house on Maori land, if you have never held an estate in land (e.g. owned a property or land before), and 3 years or more have passed since you joined NZRT, or if you transferred to NZRT from another scheme, 3 or more years have passed since you joined that scheme.
	
	For the purposes of determining whether you have held an estate in land before, holding or having held land in any of the following circumstances will be disregarded:
	– as a bare trustee:
	– where it is a leasehold estate:
	– where it is an interest in Maori land:
	– as a trustee who:
	  – is a discretionary, contingent, or vested beneficiary under the relevant trust; but
	  – has no reasonable expectation of being entitled to occupy the land as the principal place of residence for the person or the person's family until the death of the person who currently occupies the land (the occupier) or the death of the occupier's survivor.
	
	If you have held an estate in land before, you may still be able to make a withdrawal if you obtain written confirmation from Kāinga Ora (previously known as Housing New Zealand) that it is satisfied your financial position is what would be expected of someone who has never held an estate in land (see **kaingaora.govt.nz**). Please be aware that you may not be able to source this confirmation unless you are also completing a KiwiSaver second chance first home withdrawal.
	
	If you qualify for withdrawal, you can put some or all of your savings towards a deposit or payment for final settlement. However, you must leave at least $1,000 in your NZRT account after the withdrawal is made.
	
	If you would like to purchase land on which to build your first home, you must apply the amount withdrawn towards the purchase of the land and not towards the building of the home. A condition of the withdrawal is that the property must be (or be intended to be) the principal place of residence for you, or you and your family. You may only make one withdrawal of this type.
	
	Please check your Member Booklet to see if you can apply for a first home withdrawal.
		N/A

Significant financial hardship	If we are reasonably satisfied that you're suffering, have suffered, or are likely to suffer from significant financial hardship, then you can withdraw some or all of your savings.	N/A

Early withdrawal type	What savings will you be able to withdraw	What insurance cover you will receive
Total and permanent disablement	If we are satisfied that you are suffering from total and permanent disablement we'll approve a withdrawal and then you can withdraw the full balance of your accounts.	If you have life and total and permanent disablement cover, we'll add your insurance benefit to your member account. Once we've paid this, we'll cancel any insurance cover you have through this Section.
Terminal illness	If we are satisfied that you have been diagnosed with a terminal illness we'll approve the request and then you can withdraw the full balance of your accounts (as well as any insurance payment received from the insurer).	If you have life cover or life and total and permanent disablement cover, we'll add your insurance benefit to your member account. Once we've paid this, we'll cancel any insurance cover you have through this Section.
Death	The full balance of all your accounts will be paid to: – your personal representative (i.e. the executors or administrators of your estate); or – a permitted recipient (i.e. the beneficiary of your estate) if the recipient meets the requirements of the Administration Act 1969 and the amount of the savings is less than $15,000. If you have any insurance then the amount paid will include any insurance payment received from the insurer.	If you have life cover or life and total and permanent disablement cover, your personal representative will receive your insurance payment received from the insurer.
Release of funds required under other enactments	We must comply with the provisions of any enactment that requires us to release funds from this Section in accordance with that enactment. Such a requirement to release funds from this Section under any enactment includes a requirement by order of a court, including a property sharing order made under the Property (Relationships) Act 1976.	N/A

There may be restrictions, exclusions or special conditions on your insurance cover. See below for more information. Except for withdrawals on the grounds of early retirement, significant financial hardship, terminal illness, or total and permanent disablement, you will need to maintain the minimum balance referred to under 'Withdrawal after normal retirement age' above.

How long does it normally take to receive my withdrawal?

Once we have all the information we need and your withdrawal has been approved, you'll normally receive your money into your nominated bank account within eight working days (although withdrawals can be deferred in some circumstances in accordance with the Trust Deed). Withdrawal fees may apply for the Declared Rate Fund. For more information refer to the 'NZRT- Fees and Other Charges' document on the AMP website at **amp.co.nz/forms.**

Transfers to this Section

You may be able to transfer from other retirement schemes, whether they are personal superannuation schemes or a workplace savings plan that you've had with an old employer. These schemes may have restrictions on transfers.

For more information, contact your current scheme provider, talk to your Adviser or call us on **0800 800 267**.

Transfer from this Section

Transferring ownership of your savings in this Section

Units in the NZRT cannot be assigned, charged, or borrowed against, unless we agree.

Transfers to another retirement scheme

If you leave your current employer and start work with another employer offering membership to a workplace savings scheme, you may be able to transfer your savings to that scheme. You may also be able to transfer to another Employer Plan within this Section, or to another retirement scheme. We will need to agree to this.

If you are eligible to make a full withdrawal of your contributions from this Section, you may also be able to transfer your savings to an equivalent overseas retirement scheme, KiwiSaver scheme, workplace savings scheme, or superannuation scheme.

An **equivalent overseas retirement scheme** means any trust or other arrangement established in a country other than New Zealand that:

- has the purpose of providing retirement benefits directly or indirectly to individuals; or
- has the purposes of providing:
  - retirement benefits directly or indirectly to individuals; and
  - benefits to eligible individuals on ceasing employment or engagement with a contributor or a related body corporate of a contributor (whether immediately on ceasing that employment or engagement, or subsequently).

For the purposes of that definition, a scheme may be considered to be for the purpose of providing retirement benefits even if it permits redemptions, withdrawals, or the provision of benefits in limited circumstances (provided that those permitted redemptions, withdrawals, and benefits are incidental or secondary to the purpose of providing retirement benefits).

To find out more about transferring your savings, contact your Adviser or call us on **0800 800 267**.

Insurance offerings

If insurance is a feature of your Employer Plan, you may be eligible for either life insurance, or life and total and permanent disablement insurance through your membership in this Section. For details of any insurance that may be on offer to you, refer to your Member Booklet.

If your employer isn't offering insurance through its Employer Plan, insurance through this Section isn't available to you.

When you apply for insurance through your membership in this Section we may ask you to complete a questionnaire, called a Personal Statement, on the state of your health. As a result of the Personal Statement, the insurer might include restrictions, exclusions or special conditions on your insurance cover.

If you have life insurance or life and total and permanent disablement insurance cover under your Employer Plan, we'll give you a temporary cover called 'Accidental Death' as soon as you become a member of this Section. This cover is a restricted version of the full cover. Cover is provided free of charge for up to 90 days. We'll let you know when your full cover starts.

How much cover will I get and what are the premiums?

Depending on how your insurance is set up in your Employer Plan, the level of cover you will receive and the monthly premium you pay will vary. The level of cover and monthly premium is determined when you join this Section and updated each Employer Plan Year at your Employer Plan review date.

There are options for insurance cover which are set by your employer. Your Member Booklet will provide details of the insurance cover (if any) for your Employer Plan.

In your Employer Plan or Your Plan (see below), when you turn 60, your insurance cover may decrease as you get older and will end when you turn 65.

To check the current levels of cover and premiums, download the NZRT insurance premiums document from **amp.co.nz/forms**, call us on **0800 800 267** or simply check your annual statement.

When does the insurance end?

Your insurance cover in your Employer Plan or Your Plan will end if you:

- or your employer (as applicable) don't pay a premium (and it remains unpaid for one calendar month);
- leave this Section unless you want to continue cover in another AMP product (see below);
- turn 65; or
- receive an insurance payment from your cover.

What happens when I leave my employer?

When you leave your employer, we'll generally transfer you to Your Plan. If you are transferred to Your Plan, you are unable to continue any total and permanent disablement cover you had in place under your Employer Plan.

In Your Plan, any life insurance cover you had as part of your Employer Plan can be continued at the same monthly premium (or a lesser monthly premium if you previously held both life cover and total and permanent disablement cover). However, after joining Your Plan the level of life cover will change based on your age. Your insurance continues without you having to provide any further evidence of health. You'll pay your premiums out of your Your Plan account. You can cancel your cover at any time.

What happens when I leave this Section?

If you have life insurance, your life insurance through this Section ends. If you are under 65, you can apply for the same level of life insurance cover in another AMP product within two months of leaving this Section. You can do this without having to provide any further evidence of health.

Changes to your investment

What changes you can make

What do you want to change?	How to do this?
Changes to your contribution rate or make extra payments	If you want to increase your contributions above the required minimum, talk to your employer to find out if this is permissible. While you're a member of your Employer Plan you generally can't reduce your contribution rate to less than your required rate set out in your Member Booklet. If you're a member of Your Plan or of an Employer Plan that allows additional contributions, remember that you can also make extra payments via direct debit or lump-sum payments (refer to the member contributions section above).
Changes to direct debit payments	If you're making direct debit payments, you can change the frequency and/or amount of your direct debits at any time. You can also set up a new direct debit at any time if you're a member of Your Plan or voluntary member payments are allowed in your Employer Plan. To change the amount or frequency, just email or call us on **0800 800 267**. To change the bank account, please fill out a new Direct Debit Authority available at **amp.co.nz/forms**.
Changes to your choice of funds	You can easily switch your savings between funds that are available to you. You can also change funds by leaving your existing balance (and earnings on that balance) in your current fund and redirecting future contributions to another fund available to you. You can do this on My AMP, which you can access on **online.amp.co.nz.** A switch fee may apply, see the 'NZRT fees and other charges' document available on the AMP website at **amp.co.nz/forms** for more information. Switches can be deferred in the same way as withdrawals (as outlined above).
Updates to your personal details	Please make sure you tell us when your personal details change, such as your address or prescribed investor rate. You can do this on My AMP, which you can access on **online.amp.co.nz.**

Changes we can make

Changes to benefits

We can provide extra or different benefits as long as we agree them with you.

Terminating your employer's plan

We can terminate your Employer Plan on three months written notice to you and your employer if:

- your employer doesn't comply with any information requests we make that allow us to administer this Section properly, comply with legislation or comply with the Trust Deed; or
- we consider that terminating the plan would be necessary or expedient for the proper administration of this Section.

If there is no money left in the Employer Plan, we can terminate it by writing to your employer.

See the 'NZRT – Who is involved?' document available on the AMP website at **amp.co.nz/forms** for more information on other changes we can make to NZRT.

Changes your employer can make

Changes to your Employer Plan

Your employer can agree with us to make changes to your Employer Plan at any time. Any changes to the rules of your employer's plan needs to comply with the Financial Markets Conduct Act 2013 (FMCA) which limits the type of changes that can be made without your consent.

Discontinuing your Employer Plan

Your employer can end its participation in this Section at any time. This would mean that the Employer Plan that you belong to may be discontinued. If your Employer Plan is discontinued, we'll add your employer account, your salary sacrifice account and your voluntary account to your member account and you will be transferred to Your Plan. If there is extra cash in your Employer Plan, you may get a share of this which will also be transferred to your member account.

Glossary

AMP, we, our, us and **the Manager** means AMP Wealth Management New Zealand Limited, the manager of the New Zealand Retirement Trust.

Current or **currently** means that legislation, policy or a practice is current as at the date of this document but may change at any time without notice.

Employer means the employer who employs or sponsors a member under this Section

Employer Plan means the employer's plan under the NZRT – Workplace Savings Section. The rules and features of your Employer Plan are set out in your Member Booklet.

Employer Plan Year is the year ending on the date of your Employer Plan's anniversary. If you retain insurance through NZRT while in Your Plan, the plan year is the year to 31 August.

Fund means an investment fund established in the New Zealand Retirement Trust.

Normal retirement age means the age at which you can withdraw your savings if you are a member of the NZRT – Workplace Savings Section upon retirement. It is usually 65, but check your Member Booklet for the normal retirement age that applies to you while you remain a member of your Employer Plan.

PDS means the Product Disclosure Statement for offer of membership in the NZRT Workplace Savings Section.

Quarterly fund update means a quarterly fund update prepared for an investment option within the Scheme.

Scheme or **NZRT** means the New Zealand Retirement Trust.

Section means the New Zealand Retirement Trust – Workplace Savings Section.

Supervisor means The New Zealand Guardian Trust Company Limited, the supervisor of the Scheme.

Terminal illness means any condition caused by illness or injury which, in our opinion after consideration of unequivocal medical evidence provided to us by a suitably qualified physician or the member's own doctor and such other evidence as we may require, will result in the death of the member within twelve (12) months regardless of the treatment that might be undertaken.

Total and permanent disablement has the same meaning given to that expression by the insurer in respect of any life insurance for your Employer Plan or as determined by us.

Trust Deed means the document governing the New Zealand Retirement Trust, as amended from time to time.

You, your or **member** means the person who is a member of the New Zealand Retirement Trust – Workplace Savings Section.

Your Plan means the section of the NZRT – Workplace Savings Section where your membership continues once your membership is no longer governed by your Employer Plan.

Phone 0800 800 267
Email workplaceadmin@amp.co.nz
Web **amp.co.nz**
Follow Us On

Want to know more?

For more information about the New Zealand Retirement Trust, please see the relevant New Zealand Retirement Trust Product Disclosure Statement at **amp.co.nz/nzrt** contact us on **0800 800 267** or talk to your Adviser today.

A little help.

AMP