

Aon KiwiSaver Scheme

Joining and contributing

This document provides additional information about joining and contributing to the Aon KiwiSaver Scheme. Contributions and eligibility criteria for joining a KiwiSaver scheme are governed by the KiwiSaver Act and may change in the future.

This document should be read in conjunction with the Aon KiwiSaver Scheme ('Scheme') product disclosure statement dated 1 February 2021 ('PDS'). This document and other material information documents regarding the Aon KiwiSaver Scheme, including a glossary of terms used can be found at aonkiwisaver.co.nz or on the Disclose Register at disclose-register.companiesoffice.govt.nz.

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Joining the Scheme

You can apply to join the Scheme online or by completing the application form at the end of our product disclosure statement.

Automatic enrolment

If you are between 18 and 65 and have just started work with a new employer, you will generally be enrolled in KiwiSaver automatically. You can then:

- choose the Scheme as your preferred KiwiSaver scheme; or
- do nothing and you will be allocated to your employer's preferred KiwiSaver scheme, if they have one; or
- be allocated by Inland Revenue to a default KiwiSaver scheme.

Children joining

Requirements for children joining the Aon KiwiSaver Scheme are slightly different than for adults.

Children under 16

Both parents/guardians must sign the application form for a child under 16 joining KiwiSaver for the first time (unless there is only one legal guardian).

If the child is already a member of a KiwiSaver scheme and wishes to join the Aon KiwiSaver Scheme, only one parent or guardian needs to sign the application form. He or she will need to complete the declaration on the application form that they have consulted and are acting with the agreement of the other legal parent/guardian(s).

Children aged 16 or 17

Both the applicant and one parent or guardian must sign the application form if the child is joining KiwiSaver for the first time. If the applicant is already a member of a KiwiSaver scheme and wishes to transfer to the Aon KiwiSaver Scheme, either the applicant or one parent/guardian alone may sign the application form. If the parent/guardian is signing, he or she must acknowledge that they have consulted and are acting with the agreement of the other legal parent/guardian(s) on the application form.

How do I opt-out?

You can opt-out of KiwiSaver if you are automatically enrolled when you start a new job. However, you can only opt-out between days 14 and 56 after starting work.

To opt-out of KiwiSaver, complete the Opt-out request (KS10) included in the Inland Revenue information pack provided by your employer. Give the completed notice to your employer or forward it to Inland Revenue.

When you opt-out, your employer will stop deducting contributions from your salary or wages on the next payday after the later of:

- day 14 of starting the new job where you were automatically enrolled
- the date on which your opt-out notice is:
 - received by your employer; or
 - notified to your employer, if you send your notice to Inland Revenue.

Any contributions that have already been deducted from your salary or wages will be refunded to you by either Inland Revenue or your employer.

What happens if the Aon KiwiSaver Scheme is my employer's preferred KiwiSaver scheme?

You have a number of options if the Aon KiwiSaver Scheme is your employer's preferred KiwiSaver scheme. You can:

1. Join by completing the application form in the Aon KiwiSaver Scheme product disclosure statement and sending the completed form to the address on the form.
2. Tell your employer you have joined the Aon KiwiSaver Scheme. Your employer will then start making deductions from your pay.
3. Do nothing, and you will be automatically enrolled into the Aon KiwiSaver Scheme.

Please read the letter on the following page if your employer has chosen the Aon KiwiSaver Scheme as their preferred KiwiSaver scheme.

Dear Employee,

Aon KiwiSaver Scheme

We have selected the Aon KiwiSaver Scheme as our preferred KiwiSaver scheme. This means all employees joining KiwiSaver will become members of the Aon KiwiSaver Scheme, unless you actively choose another KiwiSaver scheme and advise Inland Revenue.

The scheme provides a range of funds in which your savings can be invested. The Aon KiwiSaver Scheme product disclosure statement (PDS) outlines the rules which govern how the scheme operates and the choices you have regarding where your savings are invested.

Please read the PDS and complete the application form contained within. If you do not select a fund, your savings will be invested in the default fund selected by the Manager.

For more information, you can contact the Manager via the administrator on 0800 266 463 or visit aonkiwisaver.co.nz.

Yours sincerely

Your employer

Invalid enrolments

If we receive an invalid enrolment we will:

- pay the current market value of your investment less any amount transferred to the Scheme from an Australian complying superannuation scheme to Inland Revenue;
- pay any amount at current market value that has been transferred to the Scheme from an Australian complying superannuation scheme, or to another Australian complying superannuation scheme chosen by you (or chosen by Inland Revenue if it is not appropriate to transfer the amount back to the original scheme); and
- treat any amount that has been transferred to the Scheme from a UK pension scheme on a case by case basis and in accordance with applicable law.

Inland Revenue will then refund back to you together with interest:

- the amount of your contributions (less any amount transferred from an Australian complying superannuation scheme) less any permitted withdrawals; and
- any contributions from you held by Inland Revenue.

Contributing

When you first become a KiwiSaver member, Inland Revenue will hold all contributions deducted from your salary or wages for two months.

After two months, all contributions Inland Revenue has received on your behalf plus interest on those contributions will be forwarded by Inland Revenue to the Scheme. On-going contributions will generally be forwarded by Inland Revenue to the Scheme as soon as practicable.

We will advise you when we receive your initial contributions from Inland Revenue.

Changing your contribution rate

If you are an employee, you may change your contribution rate to the Scheme. You can choose to contribute 3%, 4%, 6%, 8% or 10% of your gross salary or wages.

You may also elect to take a savings break (also called savings suspension) as described below.

To change your contribution rate you must complete a KiwiSaver deduction form (KS2) and hand this to your employer for processing. You are able to download a copy of this form from ird.govt.nz/kiwisaver. You can only change your contribution rate once every three months, unless your employer agrees to a shorter time period.

One-off lump sum contributions

You may make one-off lump sum contributions of at least \$100 per payment (this minimum amount is set by us and may be changed from time to time without notice). There are a number of ways you can make one-off contributions:

- Directly to the Scheme via internet banking using the bill payment facility. Just search for Aon KiwiSaver Scheme under bill payments and fill in all the requested fields within the internet banking bill payment facility.
- To Inland Revenue by internet banking, by using the “Pay tax” or “Pay IRD” function offered by most New Zealand banks.
- By cheque. Complete a Member voluntary lump sum contribution form and forward it to the administrator along with a cheque made payable to Aon KiwiSaver Nominees Limited. This form is also available from the administrator or you can download it from our website aonkiwisaver.co.nz. Cheques must be from an account in your name. Payments made by cheque will be allocated to your account after funds have been cleared by the bank. **Please note that cheques will not be accepted from July 2021.**

Contributions by internet banking are best made from an account in your name. If they are made from a company, trust or partnership account, Anti-Money Laundering identity verification documentation will be required.

You will be required to complete a Member voluntary lump sum contribution form (and possibly provide other information) for Anti-Money Laundering/Countering Financing of Terrorism purposes:

- For contributions of \$30,000 or more made directly to the Scheme.
- For contributions of \$25,000 or more made via Inland Revenue to the Scheme.
- For two or more contributions of a lower amount, only in certain circumstances – we will contact you if this is the case.

Please contact the administrator for further assistance.

Regular contributions

If you're self-employed or not working and you want to make regular contributions, or if you're an employee and want to make regular contributions in addition to any deductions from your pay, they can be made:

- Directly to the Scheme via internet banking using the bill payment facility, in the same way as set out in the above section.
- By direct debit from your bank account. The minimum direct debit is \$20 per payment. Complete the Direct debit authority form available from the administrator (or at the back of the PDS) or you can download it from our website – aonkiwisaver.co.nz. Please note that we make direct debit deductions on Fridays or, for monthly deductions, on the first working day of the month. You can stop making contributions at any time by letting the administrator know in writing (remember to include your member number in your correspondence).

As with one-off contributions, regular contributions are best made from an account in your name. If they are made from a company, trust or partnership account, Anti-Money Laundering identity verification documentation will be required.

One-off or regular contributions paid by someone on your behalf

It is possible for someone else to make one-off or regular contributions for you.

One-off contributions can be made directly to the Scheme or to Inland Revenue, in the same way as set out above.

Regular contributions are best made by direct debit in the same way as set out above. The person making the contributions should ensure that the Direct debit authority form includes:

- the IRD number of the member of the Scheme that the lump sum contribution is being made for; and
- the member's name and address.

Regular contributions can also be made directly to the Scheme via internet banking.

We may request identity verification documentation to identify the person making the contributions.

Employer contributions

Generally, your employer must contribute to your Scheme account while you are contributing from your salary or wages, provided you:

- are 18 years of age or older; and
- are not yet entitled to make retirement withdrawals from your KiwiSaver account.

After you have become entitled to make retirement withdrawals (currently from age 65 or older) you can keep contributing, however your employer will not be required to continue to contribute, although they may choose to do so.

In certain circumstances, you may not be entitled to compulsory KiwiSaver employer contributions if your employer is already contributing to a registered superannuation scheme for you.

Government contributions

The government may pay into your account a contribution of 50c for each \$1 you contribute, up to \$521.43 per year, each year. (This government contribution is often called a member tax credit.) After each 30 June, your government contribution will be paid directly into your KiwiSaver account. If you join KiwiSaver part way through a year, you will receive a government contribution based on the number of days you have been a member. Each year you will have the ability to top up your account if your contributions are less than \$1,042.86. This should be done before the end of June each year.

Members aged under 18 and any members who are entitled to make retirement withdrawals from their account (i.e. currently, age 65 or older) do not qualify for government contributions.

Note that you are only eligible for government contributions while you are living in New Zealand so we will need to confirm your country of residence before any government contributions can be paid to you.

The government contributions could change in the future.

Savings suspension

Twelve months after you first become a KiwiSaver member, you may apply to Inland Revenue to suspend your contributions to the Scheme. You may apply for an earlier savings suspension if you have made at least one contribution and you are suffering from, or likely to suffer from, financial hardship.

The minimum period for which you can suspend your contributions is 3 months and the maximum period is 1 year.

You can find out how to apply for a savings suspension at ird.govt.nz/kiwisaver.

Inland Revenue will provide you with a savings suspension notice. They will also notify your employer. You should retain your savings suspension notice as you may need to show it to a new employer if you change jobs.

On the expiry of a savings suspension, you can apply for another savings suspension, effectively extending it indefinitely.

Your account

An account will be established in your name in the Scheme. This account will be credited or debited with:

- Your contributions
- Contributions from your employer if you have one
- The government contributions (if you are eligible)
- Any amount transferred from another scheme
- Investment earnings
- Tax
- Fees and expenses
- Permitted withdrawals, for instance, a first home withdrawal.

Contributions to your account are used to buy units. The number of units bought depends on the unit price on the date of the transaction.

The unit price of each investment fund is calculated by dividing the total value of the investment fund by the number of units issued. Unit prices can increase, remain the same or reduce on a daily basis as a result of changes to the market value of the investments.

Where insufficient amounts are contributed to meet the minimum requirements of any underlying investment manager, then money will be held as cash until such time as funds can be placed into or withdrawn from the relevant fund. This is only likely to occur in some of the small funds where transactions on a given day may be small.

Transferring benefits into the Scheme

You can transfer an amount into the Scheme from another scheme. You can only be a member of one KiwiSaver scheme at any one time, so becoming a member of this Scheme will result in a transfer of your existing benefits to the Scheme from your other KiwiSaver scheme. Any amount received from another scheme will be credited to your account and will be governed by the terms and conditions of this Scheme.

If you wish to find out more about this option please contact the administrator.

Members of a managed investment scheme or another KiwiSaver scheme may be invited to transfer their benefits in that scheme into the Scheme. This transfer of members and benefits will not affect you or any existing members of the Scheme.

Moving your Australian superannuation to New Zealand

You are able to transfer your Australian superannuation to the Aon KiwiSaver Scheme provided certain requirements are met. For more information, contact the administrator or visit aonkiwisaver.co.nz.

Using a Power of Attorney

If you are signing forms under a Power of Attorney for an applicant, we are required to verify the identity of the holder of the Power of Attorney as well as that of the applicant. We also need to check that the person signing the application has Power of Attorney. You will need to send us certified copies of each of the following:

1. proof of identity both for you and the applicant
2. address verification for you and the applicant
3. a copy of the Power of Attorney; and
4. a certificate of Non-revocation of Power of Attorney.

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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