

## KiwiSaver in a nutshell

There are a range of membership benefits to encourage you KiwiSaver is a voluntary, work-based savings initiative to help you with your long-term saving for retirement. It's designed to be hassle-free so it's easy to maintain a regular savings pattern. Some people may also be eligible for help with the deposit on their first home.

KiwiSaver schemes are managed by private sector companies called KiwiSaver providers. You can choose which KiwiSaver provider to invest your money with.

KiwiSaver is not guaranteed by the Government. This means you make your investment choices in a KiwiSaver scheme at your own risk. Here at Insure New Zealand we can assist you with information on Kiwisaver schemes and also look after the administration for you, making this an easy process that will benefit you and your family in the future.

### How you make contributions

For many people, KiwiSaver will be work-based. This means you'll receive information about KiwiSaver from your employer, and your KiwiSaver contributions will come straight out of your pay.

If you are **employed** and choose to join, contributions are deducted from your pay at the rate of 3%, 4% ,6%, 8% or 10% (you choose the rate) and invested for you in a KiwiSaver scheme.

If you're **self-employed** or not working, you agree with your KiwiSaver provider how much you want to contribute and make payments directly to them. You DO NOT have to contribute if you do not wish. If you do contribute, the government will put in 50 cents for every dollar you contribute up to a maximum of \$521. (So if you put in \$1,043, the government will give you \$521)

**Children** can also join. No other contributions need to be made if you do not wish to. They will start to contribute when they start to work, but are NOT entitled to the Government Contribution (\$521) till age 18.

### When you can get your money

Your KiwiSaver savings will generally be locked in until:

- You're eligible for NZ Super (currently 65), or
- You may be able to make an early withdrawal of part (or all) of your savings if you're:
  - ✓ Buying your first home
  - ✓ Moving overseas permanently
  - ✓ Suffering significant financial hardship
  - ✓ Seriously ill.

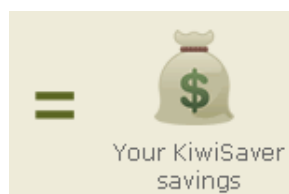
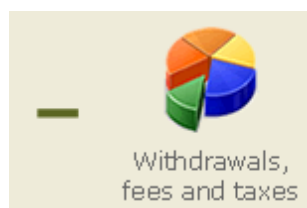
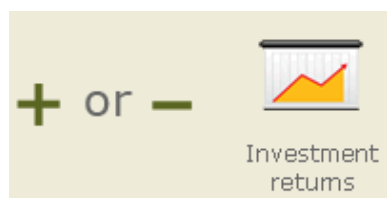
## What you will get when you retire

NZ Super provides for a basic standard of living in retirement, but it may not be enough for the kind of retirement you want. Having a KiwiSaver account doesn't affect your eligibility for NZ Super or reduce the amount of NZ Super you would be eligible for.

KiwiSaver savings will complement NZ Super to provide you with a better standard of living for your retirement.

## How does KiwiSaver work?

Your KiwiSaver savings are made up of contributions to your account, plus or minus investment returns, minus any withdrawals, fees and taxes.



## KiwiSaver benefits

KiwiSaver has a range of membership benefits including contributions from your employer and the Government, as well as help buying your first home.

- To help you save, the Government will make an annual contribution towards your KiwiSaver account as long as you are a contributing member aged 18 or over - Government Contribution – For every \$1 you contribute, the Government will contribute 50 cents (Up to \$521 per year)
- Compulsory employer contributions - If you're eligible, your employer will also contribute an amount equal to 3% of your pay to your KiwiSaver savings.
- You may be able to withdraw some of your KiwiSaver savings to put towards buying your first home.

After 3 years of contributing to KiwiSaver, you may be entitled to a first home deposit subsidy. The subsidy is administered by Housing New Zealand and will be paid to your solicitor on the day the purchase of the property is settled.