

Lump Sum Cash Accumulation Scheme

Provident Personal Superannuation Plan

INFORMATION BOOKLET



This is an Information Booklet for the Provident Personal Superannuation Plan (part of the Lump Sum Cash Accumulation Scheme). The information in this Information Booklet was correct as at 12 February 2021, the date on which this Information Booklet was issued. The Lump Sum Cash Accumulation Scheme is managed by the Board of Trustees of the National Provident Fund.

The Lump Sum Cash Accumulation Scheme is not required to comply with all the requirements of the Financial Markets Conduct Act 2013, and in particular is not required to prepare a product disclosure statement. Accordingly, this Information Booklet is not a product disclosure statement for the purposes of the Financial Markets Conduct Act 2013.

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Welcome to the Provident Personal Superannuation Plan

1. What sort of investment is this?

This Provident Personal Superannuation Plan (**Plan**) is part of the Lump Sum Cash Accumulation Scheme (**Scheme**).

The Scheme is a flexible, personal retirement savings plan. The Board of Trustees of the National Provident Fund (**Board**) is responsible for managing and investing the **Contributors'** savings until they retire or they are otherwise eligible to receive them.

The Scheme is a **Superannuation Scheme** registered under the **FMC Act**. The Scheme is governed by a **Trust Deed** dated 28 March 1991 which has been amended from time to time and was last amended and restated on 20 October 2016.

The Scheme invests through the **Global Asset Trust**. The Board is also the trustee of the Global Asset Trust. The Global Asset Trust holds assets on behalf of the Scheme and other National Provident Fund Superannuation Schemes. As at the date of this **Information Booklet**, the Scheme invests in fixed interest assets through the Global Asset Trust. The Board may change the asset allocation of the Scheme from time to time. Please see the Board's website at www.npf.co.nz for the current allocation.

The Scheme was closed to new Contributors from 1 April 1991. However, you are eligible to join the Plan if you were a contributor to the Scheme or the Plan on 31 March 1991 and you are under age 65 or you were a contributor to another National Provident Fund Superannuation Scheme on 31 March 1991 and you are under the age of 60 on the date of your application to join the Plan.

Special conditions affecting eligibility to join the Plan apply to contributors to the National Provident DBP Contributors Scheme and the Aircrew Scheme. Please ask the scheme administrator, **Datacom** for details.

Your pension and any pension payable to your **Nominee** will be paid from the National Provident Pension Scheme (**Pension Scheme**). When a pension becomes payable, the liability to pay is transferred from the Scheme to the Pension Scheme, along with a transfer of an appropriate amount of assets to meet the liability transferred.

Crown guarantee

The **Minimum Earnings Rate** and the benefits payable by the Scheme and the Pension Scheme are guaranteed by the **Crown** under section 60 of the National Provident Fund Restructuring Act 1990 (**Act**). This guarantee is not secured by a mortgage or other charge. The only condition applying to the guarantee is that, upon a winding up of this Scheme, the assets will be realised and the proceeds (after deduction of reasonable costs of the winding up) will be allocated to the remaining Contributors and **Members** on a pro rata basis, taking into account their interests in the Scheme.

2. Who is involved in providing it for me?

The Plan is called the Provident Personal Superannuation Plan and is part of the National Provident Lump Sum Cash Accumulation Scheme. The **Trustee** of the Scheme is the Board.

The address of the Board (and its principal place of business in New Zealand) is:

Level 12
The Todd Building
95 Customhouse Quay
Wellington 6011

Telephone: (04) 499 6999

The members of the Board and the Board's address may change from time to time without notice to Contributors and Members. The Board's address is available online under the "Contact Us" tab at www.npf.co.nz.

Employees of Annuitas Management Limited (**Annuitas**) act as the Board's executive office. Annuitas has regular contact with investment managers and Datacom on behalf of the Scheme. The Board owns 50% of the shares in Annuitas.

Annuitas also provides executive office services to the Government Superannuation Fund Authority, which owns the other 50% of the shares in Annuitas.

Scheme administrator

The Board has appointed Datacom to administer the Scheme.

Datacom's address, at which it can be contacted in relation to the Scheme (and its principal place of business in New Zealand for the administration of the Scheme) is:

84 Abel Smith Street
Te Aro
Wellington 6011

or at: PO Box 1036
Wellington 6140

Telephone: 0800 628 776

The address of Datacom may change from time to time without notice to Contributors and Members. Datacom's address is available online under the "Contact Us" tab at www.npf.co.nz.

History of the Scheme

The Scheme was established in 1983 under the National Provident Fund Act 1950 and, until 1991, operated through a combined fund called the National Provident Fund.

The National Provident Fund was restructured under the Act on 1 April 1991 and, at that time, the terms of the Scheme then in force were set out in a trust deed under section 45 of that Act (Trust Deed). The Scheme is now governed by an amended and restated trust deed date 20 October 2016.

The Scheme is a flexible, personal retirement savings plan and is a Superannuation Scheme registered under the FMC Act. The Plan is part of the Scheme.

On 1 May 1999, all pensions then being paid under the Scheme were transferred to the Pension Scheme. All pensions becoming payable after that date are also paid from the Pension Scheme.

Responsible investing

Responsible investment, including environmental, social and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this Information Booklet. You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures:

- on the Board's website on the Internet at www.npf.co.nz (under "How We Invest", then "Investment Publications"), which is publicly accessible at all reasonable times; and
- from the Board, free of charge, upon request.

3. How much do I pay?

The payments you make to the Plan are called contributions.

Contributions

You may make contributions to the Plan of any amount and at any time you choose. However, your initial contribution must be at least the minimum amount specified by the Board from time to time (**Minimum Amount**). As at the date of this Information Booklet the initial Minimum Amount is \$5,000 (payable in a lump sum).

You may not contribute to the Plan after you reach the age of 65.

Contributions can be made directly to the Scheme by way of direct credit to the Scheme's bank account. Details of the Scheme's bank account are available from Datacom.

Please note that on receipt of a significant payment or before making a benefit payment, Datacom and/or the Board may require further information in order to verify your identity. This is to enable the Board to comply with the requirements of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

If at any time your **Total Credit** is less than the **Minimum Balance** (as at the date of this Information Booklet, the Minimum Balance is \$5,000) the Board may pay your **Benefit Credit** to you and you will cease to be a Member of the Plan. Before making such a payment the Board is required to give you at least six months' notice and may not make such a payment if you increase your Total Credit to the Minimum Balance within this period.

How to change or cease your contributions

You may elect to change or cease your contributions at any time by notifying Datacom. This gives you the flexibility to vary your commitments as your financial situation changes.

4. What are the charges?

There are no entry charges, switching or contribution fees in respect of the Plan.

Fees and expenses are paid from the Scheme to Datacom, the actuary and the auditor of the Scheme, and the Board's accountants, solicitors and other advisers.

The total fees payable to Datacom for the administration of all National Provident Fund Superannuation Schemes are set by an agreement between the Board and Datacom. Of these total fees, those paid by the Scheme are determined by membership category, membership numbers and the number of administration transactions undertaken by Datacom.

The Board pays fees to Annuitas for acting as its executive office. These fees are based on Annuitas' costs and the proportion of the total services it performs which are provided to the Board.

The Scheme invests only in the Global Asset Trust (of which the Board is also the Trustee). The Global Asset Trust holds assets on behalf of the National Provident Fund Superannuation Schemes. The Scheme may invest in a range of asset classes through the Global Asset Trust. As at the date of this Information Booklet the Scheme invests only in fixed interest assets through the Global Asset Trust. Fees and expenses are paid by the Global Asset Trust to the investment managers and custodians, and to various consultants.

The remuneration of Board members and expenses incurred in carrying out the Board's affairs are paid from the Scheme, other National Provident Fund Superannuation Schemes, and the Global Asset Trust.

The fees and expenses payable by the Scheme may be altered from time to time.

As the above fees and expenses are paid from the Scheme, or the Global Asset Trust, they affect the amount of earnings of the Scheme available to be credited to you. By way of example the total fees and expenses paid by the Scheme in the year ended 31 March 2020, after tax, were equivalent to 0.55% of the net assets of the Scheme, or \$55 on a Total Credit (see "What returns will I get?" below) of \$10,000. The percentage may vary from year to year.

At times Contributors and Members relocate and do not advise the Scheme of their new address or contact details. Each of these Contributors and Members is classified by the Scheme as a **Missing Person**. The Board may deduct from the entitlement or earnings due to a Missing Person a reasonable amount to cover the additional costs incurred by the Board in endeavouring to locate and confirm the identity of that person. The current charge to each Missing Person set by the Board is up to \$140.00.

5. What returns will I get?

Your return from the Scheme comprises earnings on your investment and may include a share of the reserves held by the Scheme. More information on earnings and reserves is provided below.

Earnings

The Scheme's investment assets are invested, along with the assets of other National Provident Fund Superannuation Schemes, through the Global Asset Trust.

The Scheme's funds are invested in fixed interest assets through the Global Asset Trust, such as New Zealand debt securities including Government stock, bank bills, company debentures, and short term deposits.

After payment of the fees, expenses and tax of the Global Asset Trust (including the fees and expenses paid to the investment managers and custodians), the earnings from these investments are credited to the National Provident Fund Superannuation Schemes which have invested in the Global Asset Trust.

At least annually (and subject to the Minimum Earnings Rate) the Board declares an earnings rate for the Scheme and determines the period to which that earnings rate is to apply. The earnings rate generally reflects the returns of the Scheme from the Global Asset Trust, less fees, expenses and tax (**Investment Return**) and after application of the Board's crediting and reserving policy.

The Scheme's Trust Deed provides that the Minimum Earnings Rate credited to your Total Credit each year must not be less than 4% per annum. This means the earnings rate you receive may be greater than 4% per annum, but will not be less than 4% per annum. No other amount of return has been promised.

Any positive Investment Return remaining after the earnings rate has been credited to each Contributor's Total Credit will be credited to the **Interest Fluctuation Reserve** (the Scheme's reserves).

At the date of this Information Booklet, the Board's policy is (when possible) to build and maintain a level of reserves which will enable it to credit the Minimum Earnings Rate to Contributors in years in which the Investment Return is less than the Minimum Earnings Rate.

The Minimum Earnings Rate is guaranteed by the Crown (see page 8).

Key factors affecting the amount of your benefits

The key factors which influence the amount of your benefits are:

- the amount of the contributions made by you to the Plan;
- the earnings rate applied by the Board following the end of each financial year up to the time you elect to receive a benefit;
- the amount of any reserves credited to your account by the Board during your membership of the Plan;
- taxes on the investment earnings of the Scheme;
- whether the Scheme has positive reserves at the time you elect to receive a benefit and whether there has been an increase in the reserves of the Scheme during your membership; and
- in the case of a pension, the actuarial assumptions used to determine the amount of the pension.

Reserves

Your benefit may also be affected by the Scheme's reserves which may, if the Board so decides, be applied to:

- increase Contributors' Total Credits; or
- pay the expenses of the Scheme.

If you are joining the Plan for the first time, and the Board subsequently decides to make a distribution from the reserves under the above provisions, you will not share in the reserves accumulated within the Scheme prior to 1 April 1993 unless the Board determines otherwise.

If you are rejoining the Plan, having previously been a Contributor, you may in some circumstances share in those reserves.

Tax

Under legislation applying as at the date of this Information Booklet, if you are a New Zealand tax resident:

- your contributions to the Plan are made from your after-tax income, and are not tax deductible;
- the taxable income of the Scheme is taxed at 28%;
- the taxable income of the Global Asset Trust is taxed at 28%; and
- you do not pay tax on a benefit received from the Plan (so it is not required to be shown in any income tax return).

If you are not a New Zealand tax resident, we recommend you seek independent tax advice.

Benefit payments

Pensions are paid by the Pension Scheme at 4-weekly intervals, or at other intervals as the Board may direct.

Transfers out of the Scheme may be delayed for liquidity reasons, i.e. where insufficient cash is held or can be realised by the Scheme to meet requests for payment.

The Board, in its capacity as Trustee of both the Scheme and the Pension Scheme, is the body legally liable to pay benefits under the Scheme or the Pension Scheme, as the case may be.

Crown guarantee

The Minimum Earnings Rate and the benefits payable under the Scheme and the Pension Scheme are guaranteed by the Crown by virtue of section 60 of the Act. This guarantee is not secured by a mortgage or other charge. The only condition applying to the guarantee is that upon a winding up of the Scheme, the assets will be realised and the proceeds (after deduction of reasonable costs of the winding up) will be allocated to the remaining Contributors and Members on a pro rata basis, taking into account their interests in the Scheme.

6. What are my risks?

The benefits payable under the Scheme and the Pension Scheme are guaranteed by the Crown under section 60 of the Act.

It is possible that, if you elect to transfer out of the Plan, or if the Scheme is wound up, you will receive less than the amount of your contributions to the Plan.

After the initial contribution of at least the Minimum Amount, there is no obligation on you to contribute any money to the Plan, provided your account balance is at least equal to the Minimum Balance.

Your returns from the Scheme may fluctuate depending on the performance of the assets of the Scheme, but your returns will always be subject to the Minimum Earnings Rate.

Investment risks

The Board is responsible for establishing and maintaining the investment policy of the Global Asset Trust. The Board's objective is to optimise returns at an acceptable level of risk.

Active management risk

The Board has appointed professional investment managers to manage the assets of the Global Asset Trust. A list of these managers is available under the "How We Invest" tab and a breakdown of the asset allocation is available under the "Scheme Information" tab online at www.npf.co.nz. The Board's Statement of Investment Policies, Standards and Procedures is also available on this website. Investment mandates are set and each investment manager's performance is monitored against its mandate on a regular basis.

Poor performance by investment managers may result in the Scheme not reaching expected Investment Return benchmarks and the assets of the Scheme being less than the liabilities of the Scheme. When this happens, the solvency position (funding level) of the Scheme will be less than 100%. The Board mitigates this risk by having a comprehensive reporting regime for investment managers.

The Crown guarantee means you will receive no less than the Minimum Earnings Rate (except on wind up of the Scheme, when your entitlement is to receive a pro rata share of the assets after the deduction of reasonable costs). This provides some protection from poor investment performance.

Currency risk

Currency risk may affect any investments the Scheme may have in offshore assets which are not hedged or are only partially hedged. Currency risk is the risk of exchange rate fluctuations between the New Zealand dollar and foreign currencies. If some of the assets of the Scheme are invested overseas, returns may be affected by movements between the New Zealand dollar and other currencies.

Valuation risk

The Scheme's assets are invested in the Global Asset Trust. Pricing of the units the Scheme holds in the Global Asset Trust is based on the latest market information. For securities or stocks that are illiquid or trade infrequently this pricing may not fully reflect the price available to either buyers or sellers. Accordingly there is a risk that the quoted unit price may change when these assets are revalued by the market following a transaction.

Risks associated with derivatives

Financial instruments, known as derivatives, may be used to manage risks (particularly market and currency risk) and for investment purposes. A derivative is a contract with a return that depends on or derives from one or more underlying assets or reference items. The most common underlying assets or reference items include shares, bonds, currencies, cash, interest rates, events, entities and market indices. Specific risks with derivatives are:

- Losses because of changes in the value of the underlying assets, indices or rates.
- Losses if the other party to the derivatives contract fails to meet its contract obligations.
- Exaggerations in the effect of any increase or decrease in the value of the underlying assets, indices or rates.

The Board seeks to mitigate these risks by taking into account the financial strength of any counterparties to derivative contracts and by monitoring to make sure we are using derivatives in accordance with our Statement of Investment Policies, Standards and Procedures.

Liquidity risk

During normal operational circumstances, benefits will be met out of cash held by the Scheme. The Scheme's Trust Deed provides that transfers out of the Scheme may be delayed for liquidity reasons, i.e. where insufficient cash is held or can be realised by the Scheme to meet requests for payment.

Operational risk

The Board may be exposed to operational risks that result from external events or failure of internal processes, people and systems. These risks include technology risk (including business system failure), human error or failure, fraud, non-compliance with legal and regulatory obligations, counterparty performance under outsourcing arrangements, legal risk, data integrity risk, security risk and external events. These risks may impact on the overall management and operations of the Scheme.

Losing contact with the Scheme

If you do not keep the Board informed of your current address for more than 5 years, you will be classified as a Missing Person and the Board may (after using reasonable efforts to find your current address) decide to cancel the liabilities of the Scheme to you (that is, the entitlements due to you or your Nominee). However, those entitlements will be reinstated if, within 15 years following the date of cancellation, you establish, to the Board's satisfaction, that you are the person to whom those entitlements were owed. A fee may apply in respect of any reinstatement of entitlements.

The Scheme can be wound up

There is a risk that if the Scheme is wound up, the amount you receive will be less than the amount of your contributions to the Scheme plus earnings. This could only happen where the total liabilities of the Scheme exceed the total assets of the Scheme.

The Scheme may be wound up in whole or in part only at the direction of the Minister of Finance after consultation with the Board. In certain circumstances the Court may, on application of the Financial Markets Authority, direct that the Scheme be wound up under section 211 of the FMC Act.

Subject to any tax or other obligations personal to you that you may owe to Inland Revenue or a taxing authority in another country or that you may be required to make as a result of any Court order served on the Board, you will not be liable to pay money to any person if the Scheme is wound up.

On winding up, the net assets of the Scheme (or a proportionate part if only part of the Scheme is wound up), less the reasonable costs of the winding up, will be realised and then allocated, on a pro rata basis to each remaining Contributor, subject to any restriction on entitlement to reserves.

The payment of any creditors and the reasonable costs of the winding up will rank ahead of the claims of Contributors and beneficiaries. The claims of all Contributors and other beneficiaries will rank equally in the winding up.

7. Can the investment be altered?

The Trust Deed

The Trust Deed of the Scheme contains a clause allowing amendment of the deed by the Board. There are certain conditions set out in the Trust Deed that must be met before the Trust Deed can be amended.

An Act of Parliament may authorise amendment of the Scheme's Trust Deed without the need to obtain the consent of Contributors and Members.

You can change your contributions

Subject to maintaining the Minimum Balance, you can alter the amount of contributions you make to the Plan, or cease or suspend contributions at any time.

You can transfer

You can transfer between some National Provident Fund schemes or to another Superannuation Scheme or KiwiSaver scheme at any time on certain conditions.

Changes to the law

The Scheme complies with the Act and other relevant legislation and may change if the law changes.

8. How do I cash in my investment?

Your returns from the Scheme will be in the form of one of the following benefits:

- Retirement benefit.
- Permanent incapacity benefit.
- Death benefit.

Each of these benefits is based on your Benefit Credit in the Plan. Your Benefit Credit is made up of your Total Credit (which is your contributions, plus earnings and any reserve distributions during your membership of the Plan) plus an equitable share of any positive reserves in the Scheme at the time you elect to receive a benefit.

Your share of any reserves is determined at the time your benefit becomes payable and will not include amounts accumulated within the Scheme before you joined it. See page 7 for more information on how reserves may be built up.

Please note that before making a benefit payment, Datacom and/or the Board may require further information in order to verify your identity. This is required by the Board to meet its obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

Retirement benefit

The normal retirement age for the Plan is any age after 50. However, if you have been contributing to the Plan (or to any other National Provident Fund scheme) for at least 3 years, you may take your retirement benefit before turning 50.

When you retire from the Plan you may choose one of the following, subject to any pension elected being more than the **Minimum Pension** (as determined by the Board from time to time) of \$1,042.86 per annum:

- take your Benefit Credit as a lump sum;
- convert your Benefit Credit to a pension payable for life;
- take up to 25% of your Benefit Credit as a lump sum and convert the rest to a pension;
- use up to half of your Benefit Credit (after deduction of any lump sum) to purchase a pension for your Nominee and convert the rest to a pension for yourself;
- use your Benefit Credit (after deduction of any lump sum) to purchase a joint pension for yourself and your Nominee; or
- take your Total Credit in the Plan in instalments of an amount and frequency determined by the Board, provided that the Total Credit remaining in the Plan after the payment of an instalment may not be less than the Minimum Amount. (No withdrawal may be made from the Plan which would result in a Total Credit remaining in the Plan of less than the Minimum Amount of \$5,000.) Currently Board policy allows four withdrawals per financial year, each of at least \$1,000.

Permanent incapacity benefit

Before otherwise electing a benefit under the Plan, if the Board accepts you are permanently incapacitated before you reach age 60, you may elect to receive a retirement benefit as outlined above.

Death benefit

If you elect to receive a pension (not being a joint pension) and you die within 5 years from the date your pension commences, the Board's current policy is to pay to your Nominee, or if you do not have a nominee, your estate an amount equal to the present value of the total of the pension instalments that would have been payable from the date of death to the end of that 5 year period. This amount will be paid from the Pension Scheme.

If you die before receiving a benefit under the Scheme, your Nominee may elect to receive all or part of your Benefit Credit in cash and (if the resulting pension would be more than the Minimum Pension referred to above) the balance (if any) in the form of a pension.

Any pension will be paid from the Pension Scheme. If you have not nominated a Nominee, your Benefit Credit will be paid in cash to the administrator of your estate or to your legal representative.

A **Nomination Form** is enclosed with this Information Booklet.

Transfer to another Scheme

You may elect to transfer from the Scheme to another Superannuation Scheme on certain conditions.

On transfer, the Board will transfer your Total Credit in the Scheme to the new Superannuation Scheme plus (or minus, if the reserves are then negative) an equitable share of the Scheme's reserves at that time determined by the Board.

This means that if the reserves are negative the amount transferred may be less than your Total Credit.

Your share of reserves will not include reserves accumulated in the Scheme before you joined it. In some circumstances, you may be able to cash in your Total Credit in the Scheme by transferring to another Superannuation Scheme and then withdrawing from that scheme.

There is a risk the transfer amount you receive will be less than the amount of your contributions to the Scheme.

Withdrawal rights

If you have been contributing to a National Provident Fund scheme for at least 3 years, you are entitled to withdraw your Total Credit in instalments, or your Benefit Credit in full, from the Plan even if you have not reached the age of 50.

You may not withdraw an instalment of your Total Credit from the Plan if this would cause the Total Credit remaining in the Plan to fall below the Minimum Amount.

Aside from the above and as stated below, you have no right to withdraw your Total Credit before becoming entitled to a retirement, death or permanent incapacity benefit.

Permanent emigration

If you leave New Zealand permanently, you can apply for your Total Credit to be paid to you. Your application will be considered by the Board.

No right to sell or mortgage

There is no right to sell, assign, charge, borrow against, transfer, or obtain payment of your Total Credit under the Plan, other than as described under this section headed "How do I cash in my investment?".

Minimum balances

If at any time your Total Credit (account balance) is less than the Minimum Amount the Board specifies from time to time the Board may pay your Benefit Credit to you and you will then cease to be a member of the Plan. As at the date of this Information Booklet the Minimum Balance is \$5,000.

Before making such a payment the Board will give you at least 6 months' notice and give you the opportunity to instead increase your Total Credit to the Minimum Amount.

Benefit payments

Pensions are paid by the Pension Scheme at 4-weekly intervals, or at other intervals as the Board may direct.

Any lump-sum payment will be made as soon as practicable after you, or your Nominee or estate, become entitled to it.

At the date of this Information Booklet, it is not possible to quantify the amount of any benefit or other payment to you under the Plan.

All payments are made by way of direct credit to a bank account.

Pension payment

All pensions becoming payable under the Plan are paid from the Pension Scheme.

When the liability to pay a pension is transferred to the Pension Scheme the Board will also transfer the appropriate value of assets to the Pension Scheme to meet the liability transferred.

As at the date of this Information Booklet, the Minimum Pension (as determined by the Board) is \$1,042.86 per annum. You may not elect to receive a pension for you or your Nominee, if that pension would be less than the Minimum Pension. In that case, your Benefit Credit will be paid to you as a lump sum.

In addition, if your Benefit Credit is less than a certain minimum set by the Board (currently \$18,000) you must take your benefit as a lump sum. The amount of the minimum Benefit Credit is updated annually, based on movements in the cost of living, and rounded up to the nearest \$1,000.

9. Who do I contact with inquiries about my investment?

Your Scheme's administrator is Datacom, whose staff will be pleased to assist you with any inquiries you may have regarding the terms of the Scheme.

Datacom can be contacted at either of the following addresses:

84 Abel Smith Street
Te Aro
Wellington 6011

or at: P O Box 1036
Wellington 6140

or by calling toll free between 8.30am and 5.00pm on business days on 0800 628 776.

10. Is there anyone to whom I can complain about my investment?

Complaints about the Scheme should, in the first instance, be made to Datacom at either of the following addresses:

84 Abel Smith Street
Te Aro
Wellington 6011

or at: P O Box 1036
Wellington 6140

or by calling toll free between 8.30am and 5.00pm on business days on 0800 628 776.

Complaints can also be made to the Board of Trustees of the National Provident Fund at:

Level 12
The Todd Building
95 Customhouse Quay
Wellington 6011
Telephone: (04) 499 6999

The Board is exempt from any requirement under the Financial Service Providers (Regulation and Dispute Resolution) Act 2008 to be a member of a dispute resolution scheme. As such, there is no approved dispute resolution scheme to which complaints about the Plan can be made.

You can complain to the Ombudsman about any decision or recommendation made, or any act done or omitted by the Board relating to the administration of the Scheme at:

The Ombudsman
Level 7
70 The Terrace
PO Box 10152
Wellington 6143
Telephone: 0800 802 602

Email: info@ombudsman.parliament.nz

Online:

<https://www.ombudsman.parliament.nz/get-help-public/make-complaint-members-public>

11. What other information can I obtain about this investment?

This Information Booklet sets out only a summary of some of the terms of the Plan. The following documents give you more information about the Plan and the Scheme:

- the Trust Deed;
- the latest summary annual report;
- the latest full financial statement; and
- the most recent triennial actuarial examination of the Scheme

You may view the Trust Deed, the summary annual report and the full financial statements on our website – www.npf.co.nz.

Annual information for the Scheme

Each year you will be sent a copy of the Scheme's summary annual report and a statement relating to your Total Credit detailing:

- the contributions made by or for you during the preceding year;
- the earnings credited to you during the preceding year; and
- your Total Credit at the end of the preceding year.

Information that you may request

Copies of the Trust Deed and the most recent triennial actuarial examination of the Scheme may be purchased from Datacom for \$10 each.

You may also request Datacom to provide you with the following information free of charge:

- an estimate of your benefit from the Plan;
- a copy of the latest summary annual report and/or the latest full financial statements for the Scheme;
- a statement of the interest and other assumptions and bases of calculation used by the actuary for the purposes of a triennial actuarial examination of the Scheme;
- a copy of the latest Information Booklet for the Scheme; and
- any information required to be disclosed by the Privacy Act 2020.

Requests to Datacom for information should be made in writing to its address set out on page 14 or by calling toll free between 8.30am and 5.00pm on business days on 0800 628 776.

12. Who is eligible to join and how to join the Scheme?

The Scheme and the Plan were closed to new Contributors from 1 April 1991. However, if you were a contributor to:

- the Scheme or the Plan on 31 March 1991, you are eligible to join the Plan if you are under age 65; or
- another National Provident Fund scheme on 31 March 1991, you are eligible to join the Plan if you are under age 60.

Special conditions affecting eligibility to join the Scheme apply to contributors to the National Provident DBP Contributors Scheme and the Aircrew Scheme. Please ask Datacom for details.

How to join

An **Application Form** is enclosed with this Information Booklet. To join, simply complete this form and return it to Datacom.

If you wish to nominate a person to receive a benefit if you die while still a Contributor to the Plan, please also complete the Nomination Form enclosed.

In accordance with the Privacy Act 2020, the information supplied on your Application Form will be used only for the purpose intended.

Financial advice

In considering whether to join this Scheme you may wish to seek the advice of a professional financial advisor. Financial advisors are regulated by the Financial Markets Authority.

Information on choosing an advisor can be found on their website at www.fma.govt.nz.

Neither the Board nor Datacom are authorised to provide financial advice.

If you require further information on any aspect of the Scheme, please contact Datacom toll free between 8.30am and 5.00pm on business days on 0800 628 776 or write to Freepost 1060, P O Box 1036, Wellington 6140.

Glossary

In this Information Booklet, words stated in bold are defined terms. Defined terms will only appear stated in bold the first time they are used in this Information Booklet. From then on, they will be capitalised.

The below terms will have the meaning ascribed to them in this table when used in this Information Booklet. The singular includes the plural and vice versa.

Term	Definition
Act	means the National Provident Fund Restructuring Act 1990.
Annuitas	means Annuitas Management Limited, who provides the executive office of the Board.
Application Form	means the application form to become a Contributor of the Plan set out at the back of this Information Booklet.
Benefit Credit	means Total Credit plus an equitable share, as determined by the Board, of any positive reserves in the Scheme at the time you elect or become eligible to receive a benefit.
Board	means the Board of Trustees of the National Provident Fund. The Board is the Trustee of the Scheme.
Contributor	means a person who has existing Total Credit in the Scheme.
Crown	means Her Majesty the Queen in right of New Zealand.
Datacom	means Datacom Connect Limited who has been appointed by the Board to administer the Scheme including the Plan.
FMC Act	means the Financial Markets Conduct Act 2013.
Global Asset Trust	means the National Provident Global Asset Trust. The Board is the Trustee of the Global Asset Trust and the Scheme invests only into the Global Asset Trust.
Interest Fluctuation Reserve	means the investment fluctuation reserve, to which positive Investment Returns above the Minimum Earnings Rate are credited.
Investment return	means the returns on the assets of the Scheme from its investment in the Global Asset Trust less the fees, expenses and tax incurred as determined by the Board.
Information Booklet	means this information booklet for the Plan.

Term	Definition
Member	means a person who is, or may become, entitled to benefits from the Scheme.
Minimum Amount	means the minimum initial amount you can contribute to the Plan, as determined by the Board. At the date of this Information Booklet the Minimum Amount is \$5,000.
Minimum Balance	means the minimum account balance that can be held in the Scheme at any time, as determined by the Board. At the date of this Information Booklet the Minimum Balance is \$5,000.
Minimum Earnings Rate	means the minimum earnings rate of 4% per annum as set out in the Trust Deed.
Minimum Pension	means an amount the Board decides from time to time as the minimum annual pension. As at the date of this Information Booklet the Minimum Pension is \$1,042.86 per annum.
Missing Person	means a person who has not kept the Board informed of their current address for more than 5 years.
Nomination Form	means the nomination form on which you name the person to receive a benefit from your Benefit Credit if you die whilst still a Contributor to the Scheme, set out at the back of this Information Booklet.
Nominee	means the person nominated by you to receive benefits from your Benefit Credit if you die whilst still a Contributor to the Scheme.
Plan	means the Provident Personal Superannuation Plan, a part of the Scheme.
Pension Scheme	means the National Provident Pension Scheme. Any pension benefit payable from the Scheme will be paid from the Pension Scheme.
Superannuation Scheme	means a superannuation scheme registered under the FMC Act.
Scheme	means the Lump Sum Cash Accumulation Scheme.
Total Credit	means your contributions, plus earnings and any reserve distributions during your membership of the Plan, excluding any positive reserves in the Scheme at the time you elect or become eligible to receive a benefit.
Trust Deed	means the trust deed for the Scheme first entered into by the Board on 28 March 1991 as amended and restated.
Trustee	means the Board acting in its capacity as trustee of the Scheme.



NATIONAL
PROVIDENT

Provident Personal Superannuation Plan



Application to Join

To the Board of Trustees of the National Provident Fund

I have received and read an Information Booklet dated 12 February 2021 for the Provident Personal Superannuation Plan ('Plan') (part of the National Provident Lump Sum Cash Accumulation Scheme ('Scheme')) and I wish to join. I agree to be bound by the terms and conditions of the Scheme's Trust Deed, which governs the Provident Personal Superannuation Plan.

PLEASE USE BLOCK LETTERS

Title (Please circle)	MR	MRS	MS	MISS	OTHER	
Surname						
First names						
Date of birth	DD / MM / YYYY	Gender (Please circle)	MALE	FEMALE		
Address						
Telephone numbers	Home		Business			

Please specify which National Provident Fund Scheme you were a member of at 31 March 1991

Initial contribution (Must be at least \$5000)	By (Please tick one)	<input type="checkbox"/>	Cheque attached (Payable to Board of Trustees of National Provident Fund)
\$		<input type="checkbox"/>	Other

Your signature		Date	DD / MM / YYYY
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If you wish to make further contributions by automatic payment, please attach a completed automatic payment authority.

Please return completed form to: NPF Schemes Administration
Datacom Connect Limited
Freepost 1060
PO Box 1036
Wellington 6140.

FOR COMPLETION BY THE SCHEME ADMINISTRATOR

MEMBER CONTRACT NUMBER	DATE
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PLEASE READ THE PRIVACY ACT STATEMENT OVERLEAF

Privacy Statement

Privacy Act Statement

The personal information you supply by completing this form is being collected by Datacom Connect Limited (**Datacom**), as administrator of the National Provident Fund Schemes (the **Schemes**) on behalf of the Board of Trustees of the National Provident Fund (the **Board**). The information collected in this form will be held by Datacom and will be stored electronically within New Zealand. It will be used to process any election under this form and/or update your member record. It may also be used to contact you in the future.

The information may be exchanged between the Board and Datacom. It may be disclosed to third parties such as Annuitas Management Limited (provider of executive office/secretariat service to the Board) or agents of the Board or Datacom or the Inland Revenue in accordance with the Privacy Act 2020, for the purpose of the ongoing management and administration of the Schemes and to enable the Board to fulfil its statutory or legal obligations, such as for tax reporting or anti-money laundering requirements. If you do not provide the information requested, we may not be able to process any election and/or update your member record, as set out in this form. If we are required to disclose your information to any person or entity outside of New Zealand, we will either ensure that the recipient is required to protect your personal information in a way that provides comparable safeguards to those in the Privacy Act 2020, or we will contact you to obtain your authorisation to the disclosure.

By providing your **email address** you consent to Datacom and/or the Board contacting you by email regarding your entitlements under the Schemes and other information about services, as appropriate. If you no longer wish to receive correspondence by email you should complete a Change in Personal Details form or advise Datacom.

You are entitled to access and request correction of the personal information collected in this form in accordance with the Privacy Act 2020. For more detailed information about the Privacy Act you can refer to the website of the Office of the Privacy Commissioner at www.privacy.org.nz. The Board's Privacy Policy can be viewed at www.npf.co.nz.

Board of Trustees of the National Provident Fund

Level 12, The Todd Building
95 Customhouse Quay
Wellington 6011

NPF Schemes Administration

Datacom Connect Limited
84 Abel Smith Street
Te Aro
Wellington 6011

OR

PO Box 1036
Wellington 6140

Verification of Identity

Under the Anti-money Laundering and Financing of Terrorism Act 2009 we are required to verify the identity and address of all members. We may contact you to request more information, or we may require additional information before you are able to make a further withdrawal from the Scheme. If we consider that you have not provided all required information, or we have not been able to verify it to our satisfaction, you may not be able to make a withdrawal from the Scheme until such information has been provided by you.

Nomination Form

Under the provisions of your Scheme Trust Deed you may nominate a person of your choice to receive a death benefit if you die while still a Contributor of the Plan.

PLEASE USE BLOCK LETTERS

Please note: If you do not nominate a person, any death benefit will be paid direct to your estate.

To the Board of Trustees of the National Provident Fund

Member Contract Number

I (please clearly print your full name)

request that in the event of my death, the Board pays the benefit from the Scheme to the person nominated below:

Full name and address of nominee:
(only one person may be nominated)

Your signature

Date

DD / MM / YYYY

The Board reserves the right to decline any nomination if the nomination would cause the Scheme to lose its status as a qualifying superannuation scheme for the purposes of section EY11 of the Income Tax Act 2007 or for any other reason.

Please return completed form to: NPF Schemes Administration

Datacom Connect Limited
Freepost 1060
PO Box 1036
Wellington 6140.

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