



These Questions & Answers address some of the most common questions asked by members and prospective members of the Koinonia KiwiSaver Scheme.

The New Zealand Anglican Church Pension Board (the Board) is the Trustee and issuer of the Koinonia KiwiSaver Scheme. Please contact the Board if your query is not answered here.

The Product Disclosure Statement is available on this website www.koinonia.org.nz or you can obtain a copy by contacting the Board on 0508 738 473 or 04 473 3969 during normal business hours.

Please note the staff of the Board are not permitted under the Financial Advisers regime to provide financial advice. They can only provide you with factual information about the Koinonia KiwiSaver Scheme and give procedural advice, eg how to join the Scheme, how to apply for a benefit etc.

The Questions & Answers are grouped together under the following headings Joining, Contributions, Fees, Investing, Tax Credits and Withdrawals.

| QUESTION | MEMBER | ANSWER |
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| JOINING | | |
| <p>What is <u>different</u> about your scheme?</p> | <p>All</p> | <p>We are a KiwiSaver scheme for the Christian community in New Zealand.</p> <p>The Koinonia KiwiSaver Scheme is a restricted KiwiSaver scheme which means it is offered to a restricted group of people. In our case this means:</p> <ul style="list-style-type: none"> ▪ employees of organisations whose primary activities are in our opinion Christian mission or ministry (including employees of charitable entities associated with or operating in the Christian Church, or employees of entities which we approve as having a Christian special character) ▪ persons who express a Christian faith and a commitment to Christian community involvement when applying (and their immediate family members and dependants) - the Application for Membership Form has a declaration to this effect. <p>The Koinonia KiwiSaver Scheme is for Christians who care about where their money is invested. It is the only KiwiSaver scheme that embraces Christian values, notably our care when dealing with others, our ethical stance and our financial stewardship.</p> <p>We have an ethical investment policy that the Board believes reflects Christian values. We do our best to not invest in companies:</p> <ol style="list-style-type: none"> (1) in the arms manufacturing, gaming, tobacco, pornography or brewery industries; (2) whose primary focus is the extraction and production of fossil fuels (subject to retaining the ability to hedge energy price risk) (3) where the activities of key individuals raise serious ethical concerns; (4) with a poor environmental record or consistently bad industrial relations; and (5) where management appears to be excessively concerned with its own remuneration. <p>The Ethical Investment Policy is rigorously applied across all assets classes and importantly we evaluate investment performance against mainstream benchmarks.</p> |

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| How do I join? | All | <p>You need to complete an Application Form to join the Koinonia KiwiSaver Scheme. You have the option to complete:</p> <ul style="list-style-type: none"> ▪ the online Application on this website and then post us your verification of identity and proof of residential address documentation; or ▪ the Application for Membership Form at the back of the Product Disclosure Statement for the Koinonia KiwiSaver Scheme and post this to us with verification of your identity and proof of your residential address. You can download a copy of the Product Disclosure Statement from our website or we can email you a PDF or post you a copy. <p>We take care of the rest.</p> <p>When we accept your Application we inform Inland Revenue who notify your employer and then contributions start being deducted from your pay. Or you can tell your employer you have joined a KiwiSaver scheme - they don't need to know which scheme, as they simply send your contributions to the Inland Revenue along with compulsory employer contributions. And Inland Revenue will send these on to the particular scheme.</p> |
| I am in another KiwiSaver scheme, how do I join your scheme? | Employee | <p>To transfer to our KiwiSaver scheme, the Koinonia KiwiSaver Scheme, you just need to complete:</p> <ul style="list-style-type: none"> ▪ the online Application and then post us your verification of your identity and proof of your residential address; or ▪ the Application for Membership at the back of the Product Disclosure Statement and post this to us with verification of your identity and proof of your residential address. <p>We take care of the rest.</p> <p>We will contact your existing scheme and arrange for your funds to be transferred to the Koinonia KiwiSaver Scheme. You don't need to tell your employer that you have changed schemes.</p> <p>Some employers contribute more than the minimum (currently 3%) and this may be conditional on the employee belonging to a particular scheme. However, you can check what is happening for you in your workplace before you make a decision about changing.</p> |
| I am in another KiwiSaver scheme, how do I join your scheme? | Self employed or not working | <p>To transfer to our KiwiSaver scheme, the Koinonia KiwiSaver Scheme, you just need to complete:</p> <ul style="list-style-type: none"> ▪ the online Application and then post us your verification of your identity and proof of your residential address documentation ; or ▪ the Application for Membership at the back of the Product Disclosure Statement and post this to us with verification of your identity and proof of your residential address documentation. <p>We take care of the rest. We will contact your existing scheme and arrange for your funds to be transferred to the Koinonia KiwiSaver Scheme.</p> |
| Do I have to be a Christian to join the Koinonia KiwiSaver Scheme? | All | <p>You have to be:</p> <ul style="list-style-type: none"> ▪ employed by a Christian organisation whose principal activities are in our opinion Christian mission or ministry; OR ▪ confirm (when applying) that you have a Christian faith and a commitment to Christian community involvement (or are an immediate family member or dependant of such a person). |
| What do you mean by an "immediate family member"? | All | <p>This means your spouse, civil union partner, de facto partner, parent, child, step-parent or step-child.</p> |

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| Do I have to join? | All | <p>No, KiwiSaver is voluntary. When you start a job, if you are not already a KiwiSaver scheme member you will probably be auto enrolled into KiwiSaver. At this point you have the option to select your own scheme or be allocated to one of the default provider schemes.</p> <p>If you really do not want to be in KiwiSaver then you can opt out. You opt out between the end of the 2nd and the end of the 8th week after starting your job by telling your employer or Inland Revenue.</p> |
| Do I have to join <u>your</u> scheme? | All | No, you always have a choice of which KiwiSaver scheme you want to belong to. |
| CONTRIBUTIONS | | |
| How much do I <u>have</u> to pay? | Employee | <p>This depends on whether you are an employee, self-employed or not working. If you are an employee and PAYE tax is deducted from your pay then your minimum contribution is an amount equal to 3% of your before-tax pay (though this amount is taken from your after-tax pay).</p> <p>You can also contribute at 4% or 8% and make voluntary additional contributions.</p> <p>If you are employed but no PAYE tax is deducted from your pay then you need not contribute from your pay but you can do so if you wish.</p> |
| How much do I <u>have</u> to pay? | Self-employed or not working | If you are self-employed or not working , you decide how much you contribute. There is currently no minimum contribution to the Koinonia KiwiSaver Scheme. |
| How much <u>can</u> I pay? | Employee | If you are making contributions from your pay then these can only be at 3%, 4% or 8% of your gross pay. However there are no limits on the amount of voluntary contributions you can also make to the Koinonia KiwiSaver Scheme by (for example) direct debit payments. |
| How much does my employer contribute for me? | Employee | <p>If you are aged 18 or more, your employer contributes an amount equal to 3% of your gross pay.</p> <p>Employer's superannuation contribution tax is deducted from your employer's contribution. The tax rate is determined by your annual earnings plus the before tax employer contribution and will be 10.5%, 17.5%, 30% or 33%.</p> |
| Does my employer have to contribute? | Employee | In practical terms, they only have to contribute if you are contributing from your pay and they had not already begun contributing to another superannuation scheme for your benefit before 1 April 2008. |
| Can I stop making contributions? | Employee | <p>Yes you can stop making contributions and go on a contribution holiday but to do this generally you have to:</p> <ul style="list-style-type: none"> ▪ have been contributing for at least a year; or ▪ be suffering from financial hardship (or likely to suffer from financial hardship), in which case you can stop at any time provided Inland Revenue has received at least one contribution from you. <p>If your contribution holiday is hardship-based then its duration will be 3 months (unless Inland Revenue allows a longer period). Contribution holidays can otherwise be taken, and then renewed, for periods of not less than 3 months or more than 5 years at a time.</p> <p>After you reach your qualifying date (the later of NZ Super age, currently 65, and when you complete 5 years' membership, including locked-in</p> |

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| | | membership of a complying superannuation fund) you can give your employer a 'non-deduction notice' requiring it to stop deducting KiwiSaver contributions from your pay. This notice will apply from your next pay day and then until you revoke it. |
| What can I do if I join and then find I can't afford to pay contributions? | Employee | <p>During your first year of membership you can apply to Inland Revenue to go on an early contribution holiday as a result of financial hardship. This will be for 3 months unless Inland Revenue agrees to a longer period.</p> <p>After you have been a member for one year you can apply to Inland Revenue to take a contribution holiday without having to demonstrate hardship – see above.</p> |
| I have more than one job. Do I have to contribute from all of my pays? | Employee | <p>It depends on how you join KiwiSaver and when you start your job.</p> <p>If you are auto-enrolled in KiwiSaver then contributions need only be made from the pay you receive from the employer through which you were auto-enrolled (in which case you will also only receive employer contributions from that employer). However, you can opt in to KiwiSaver with respect to your other jobs as well - in that case, contributions will also be payable by both you and your employer from those other jobs.</p> <p>If you opt in to KiwiSaver and have more than one job when you join then you must select at least one job to count for KiwiSaver, and this means contributions must be made from the pay you receive from that job. However, you can also include any of your other jobs as well – in that case, contributions will also be payable by both you and your employer from those other jobs.</p> <p>If you are a member of KiwiSaver and then take on a new job or an extra job then these will count for KiwiSaver, so contributions will also be payable by both you and your employer from those other jobs.</p> |
| If I get a second job, do I have to pay contributions from all of my pays? | Employee | If you are already a member of a KiwiSaver scheme and not on a contribution holiday, then yes you will have KiwiSaver contributions also deducted from your pay from your second job. |
| How do I make contributions? | Employee | If you are an employee then your contributions are deducted from your pay. |
| How do I make contributions? | Employee | <p>If you are opting in then the easiest way is to complete a KS2 form and give it to your employer (though in that case you will be unable to choose your preferred scheme – you will simply be allocated to a default scheme). Alternatively, you can choose a scheme then select a contribution rate on your application form – this can be 3% or 4% or 8% of your gross pay. You send your application form off to the scheme and they will notify Inland Revenue that you have joined and the contribution rate you have selected. Inland Revenue will then notify your employer.</p> |
| How do I make contributions? | Employee | <p>If you are auto enrolled then you don't need to do anything if you are happy to contribute at the minimum rate of 3%. If you want to contribute at a higher rate then you will need to tell your employer.</p> <p>You can also make voluntary additional contributions by direct credit or by cheque. You need to contribute a total amount (including contributions from pay) of at least \$1,042.86 each KiwiSaver year (1 July to 30 June) if you wish to get the maximum Government contribution for that year of \$521.43.</p> |
| Can I pay extra money? | Employee | Yes, you can make voluntary additional contributions at any time. There is no upper limit on voluntary contributions. There is a minimum voluntary additional contribution for the Koinonia KiwiSaver Scheme of at least \$50 per month or \$600 a year. |

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| Can I contribute while overseas? | All | <p>Yes, but these contributions will generally not be eligible for member tax credit contributions from the Government.</p> <p>There are exceptions for Government employees serving overseas and volunteers for charitable organisations named in the Student Loan Scheme (Charitable Organisations) Regulations.</p> | | | | | | | | | | |
| FEES | | | | | | | | | | | | |
| How much do you charge? | All | <p>We charge you a fixed fee based on the Fund(s) your monies are invested in. These fees are:</p> <table border="1" data-bbox="751 577 1241 725"> <thead> <tr> <th data-bbox="751 577 804 600">Fund</th> <th data-bbox="1059 577 1182 600">Fund Charge</th> </tr> <tr> <td></td> <td data-bbox="987 607 1241 629">(% p.a. of Fund's net asset value)</td> </tr> </thead> <tbody> <tr> <td data-bbox="751 636 879 658">Income Fund</td> <td data-bbox="1094 636 1147 658">1.4%</td> </tr> <tr> <td data-bbox="751 665 895 687">Balanced Fund</td> <td data-bbox="1094 665 1147 687">1.5%</td> </tr> <tr> <td data-bbox="751 694 879 716">Growth Fund</td> <td data-bbox="1094 694 1147 716">1.6%</td> </tr> </tbody> </table> <p>The above Fund charges are calculated daily as a percentage of the net asset value in the particular Fund.</p> <p>These charges cover the regular costs and expenses for trusteeship, administration and investment management of the Koinonia KiwiSaver Scheme.</p> <p>In addition we are entitled under the Trust Deed to be reimbursed from the Scheme for other costs and expenses, such as those that are irregular or extraordinary or cannot be reasonably known or estimated.</p> <p>There are currently no transaction fees (eg. Establishment, contributions, withdrawal, fund switching) or other fees charged.</p> | Fund | Fund Charge | | (% p.a. of Fund's net asset value) | Income Fund | 1.4% | Balanced Fund | 1.5% | Growth Fund | 1.6% |
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| Growth Fund | 1.6% | | | | | | | | | | | |
| INVESTING | | | | | | | | | | | | |
| What do you mean by "ethical investing"? | All | <p>It's an investment policy that the Board believes reflects Christian values.</p> <p>Applying our Ethical Investment Policy includes doing our best to not invest in companies:</p> <ol style="list-style-type: none"> <li data-bbox="692 1435 1430 1491">(1) in the arms manufacturing, gaming, tobacco, pornography or brewery industries; <li data-bbox="692 1514 1437 1570">(2) whose primary focus is the extraction and production of fossil fuels (subject to retaining the ability to hedge energy price risk) <li data-bbox="692 1592 1430 1626">(3) where the activities of key individuals raise serious ethical concerns; <li data-bbox="692 1648 1461 1704">(4) with a poor environmental record or consistently bad industrial relations; and <li data-bbox="692 1727 1430 1783">(5) where management appears to be excessively concerned with its own remuneration. <p>We are an active shareholder and exercise voting power in accordance with our ethical policy.</p> <p>The Pension Board and the Anglican Church have a long track record of investing under an ethical investment policy. We evaluate investment performance against mainstream benchmarks, where available.</p> | | | | | | | | | | |

| QUESTION | MEMBER | ANSWER |
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| Which fund should I invest my money in? | All | <p>This is a personal question only you can answer. We are not qualified financial advisers and therefore can't give you financial advice about whether a particular fund is right for you.</p> <p>We offer a choice of 3 investment funds in the Koinonia KiwiSaver Scheme with 3 different levels of risk –</p> <ul style="list-style-type: none"> ▪ the Income Fund which has the lowest level of risk of the 3 available funds; ▪ the Balanced Fund which has a medium level of risk, with currently around 50% of the assets invested in income assets (cash and bonds) and around 50% in growth assets (shares and property); and ▪ the Growth Fund which has a medium to high level of risk, with currently up to 75% of assets invested in growth assets. <p>When comparing investment returns and providers it is good to remember that past performance is not a reliable guide to future performance.</p> <p>To help you with your decision you might like to visit the Commission for Financial Capability's Sorted website (www.sorted.org.nz) and take the time to answer the questions about what level of risk you are happy to take and work through some of the other questionnaires.</p> |
| Is there a good time of the year to switch from one investment fund to another? | All | No. |
| My money is in the Balanced Fund, should I move to another Fund? | All | <p>This is a personal decision, to be made based on what you consider is right for you. We are not qualified financial advisers and therefore can't give you financial advice about whether a particular fund is right for you.</p> <p>You want to know if you should change your fund selection. There is some good information on the Commission for Financial Capability's website (www.sorted.org.nz) that can help you sort out what level of risk you are happy to take.</p> <p>We strongly recommend you take some time to have a look at it and work through some of the questionnaires. They are serious but some also have a fun element like the Money Personality Profiler which is under the Calculator tabs.</p> |
| What investment returns will I get? | All | <p>We cannot tell you what your investment returns will be as this is something that will happen in the future. We cannot promise a particular level of investment earnings or a particular earnings rate.</p> <p>Your investment returns will be determined by the investment fund or funds you select.</p> |
| How are your investment earnings worked out? | All | <p>The returns declared by the Trustee and attributed to member accounts as at each quarter ending March, June, September and December are the actual returns earned after tax and fees have been deducted. There are no hidden transaction costs or fees.</p> <p>The Trustee does not use unit pricing to allocate investment earnings to members. Instead the declared return at the end of each quarter is distributed using the daily balance method, just like how a bank allocates interest on a savings account.</p> <p>The quarterly return is calculated on a money weighted basis. So the return takes into account how much money was invested and when it was invested during the quarter.</p> |

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| What is a Prescribed Investor Rate / PIR ? | All | The Portfolio Investment Entity (or PIE) regime allows investment earnings from a KiwiSaver or superannuation scheme to be taxed at a rate broadly aligned to (or less than) a member's actual personal tax rate. The rate used is called the Prescribed Investor Rate (and commonly referred to as your PIR). |
| Does the Church guarantee my money? | All | <p>No we cannot guarantee your funds, nor can we promise a particular level of investment earnings or a particular earnings rate.</p> <p>The Koinonia KiwiSaver Scheme is governed by a trust deed and is required to report to the Financial Markets Authority on a regular basis.</p> <p>Funds in the Koinonia KiwiSaver Scheme are invested in market linked investments and this means the underlying value of these investments fluctuates as their market value goes up and down.</p> |
| MEMBER TAX CREDITS | | |
| Should I make extra payments to get the Government's maximum member tax credit contribution? | All | This is a personal decision, to be made based on whether you think this is right for you. If you can afford the extra savings then you will receive more in tax credit contributions from the Government up to the maximum (which is \$521.43 each KiwiSaver year). Your KiwiSaver savings (including all Government contributions) are generally locked in until age 65. |
| How do the member tax credit contributions work? | All | <p>Under current legislation the Government will pay you 50 cents for every one dollar you personally contribute to a KiwiSaver scheme, up to a maximum member tax credit of \$521.43 every KiwiSaver year (which is 1 July to 30 June). So you have to contribute \$1,042.86 to receive the maximum Government contribution (called a "member tax credit") of \$521.43.</p> <p>Your KiwiSaver scheme provider claims these Government contributions for you once a year, usually in July, and they are added to your funds in the scheme.</p> <p>There are some conditions attached to the member tax credit contributions:</p> <ol style="list-style-type: none"> (1) You have to be between 18 and 65 and resident in New Zealand at the time you made the contributions (unless you were over 60 when you joined KiwiSaver, in which case you are entitled to member tax credit contributions until the date you complete 5 years' membership, which is also when you can access your funds); (2) Your KiwiSaver scheme provider will require proof of residency. The Trustee will only claim member tax credit contributions for your benefit if you have provided us with your proof of residency in New Zealand (for example a utility bill or a bank statement or something official with both your name and your home address on it). |
| Why aren't I receiving member tax credit contributions? | All | <p>You must be aged between 18 and 65 to receive member tax credit contributions (unless you were over 60 when you joined KiwiSaver, in which case you are entitled to member tax credit contributions until the date you complete 5 years' membership, which is also when you can access your funds).</p> <p>You also have to have been resident in New Zealand at the time you made your contributions. There are some exemptions concerning Government employees working overseas and also some charitable workers working overseas.</p> <p>The Trustee will only claim member tax credit contributions for your benefit if you have provided us with your proof of residency in New Zealand (for example a utility bill or a bank statement or something official with both your name and your home address on it).</p> |

| QUESTION | MEMBER | ANSWER |
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| WITHDRAWALS | | |
| When can I get my money? | All | <p>Generally you have to get to age 65 before you can access your funds, and you also have to have completed at least 5 years' membership. So if you joined on your 63rd birthday then you would not become entitled to withdraw until you are 68.</p> <p>Withdrawals can also be made after permanent emigration to countries other than Australia, for significant financial hardship, for serious illness, for first home purchase, on death, or under court orders (for instance to comply with property sharing under the Property (Relationships) Act).</p> <p>In some early withdrawal circumstances, member tax credit contributions from the Government either cannot be withdrawn or are forfeited to Inland Revenue.</p> |
| What happens if I die? | All | <p>On death all of the funds in your accounts are paid to your estate. We strongly recommend members have an up-to-date Will that reflects their wishes on their death.</p> |
| I am going to be 65 soon. Can I withdraw all my money? | All | <p>Yes, you can withdraw all your money so long as you have been a member of a KiwiSaver scheme for at least 5 years. At that time you can:</p> <ul style="list-style-type: none"> ▪ withdraw all of your funds; or ▪ make partial withdrawals from time to time, leaving the balance of your funds invested in the Koinonia KiwiSaver Scheme. |
| I am going to be 65 soon. Do I have to withdraw all my money? | All | <p>No, you do not have to withdraw all your funds. You can leave them invested in the Koinonia KiwiSaver Scheme until you need them and/or make partial withdrawals on a regular basis. Currently each partial withdrawal must be at least \$2,000 and it could take up to 5 working days to process your request.</p> <p>Leaving your funds invested in the Scheme and making partial withdrawals as and when you needed the funds would allow you to continue earning investment income on your savings.</p> |
| Can I transfer to another KiwiSaver scheme? | All | <p>Yes, you can do this at any time.</p> |
| I am leaving New Zealand and I want my money. What do I have to do? | All | <p>If you permanently emigrate to a country other than Australia you can withdraw your KiwiSaver savings (excluding the total amount of member tax credit contributions received from the Government – these must be repaid to Inland Revenue) one year <u>after</u> you have permanently emigrated.</p> <p>At the time, you need to provide a Statutory Declaration and also provide other evidence of your permanent emigration, such as your plane ticket or a copy of your passport showing the departure date, and evidence of your residential address 12 months after you have emigrated (eg a bank statement or utility bill). We have a Permanent Emigration Withdrawal Form on our website which sets all this out.</p> <p>If you permanently emigrate to Australia, you cannot withdraw any funds from your KiwiSaver account by reason of emigrating but you can either:</p> <ul style="list-style-type: none"> ▪ leave your savings in your KiwiSaver account until you are eligible to withdraw them; or ▪ transfer your total savings in your KiwiSaver account (including your kickstart and member tax credit amounts) to an Australian complying superannuation scheme. |