AMP KiwiSaver Scheme
31 March 2017

Withdrawing

This document provides additional information about withdrawals from the AMP KiwiSaver Scheme ('Scheme') and should be read with the Product Disclosure Statement ('PDS') for the Scheme and any quarterly fund updates given to you with the PDS.

This information describes how you can cash in some or all of your KiwiSaver savings, including circumstances when you can make an early withdrawal from the Scheme. Withdrawals are governed by the KiwiSaver Act and may change in the future.

Contents

Withdrawals

You've worked hard to save with the Scheme, so you will be pleased to know that you can withdraw your money in several ways. For example, when you reach your qualifying date you can cash in some or all of your savings or opt for regular payments. There are currently no fees for withdrawals. The pages below provide further details on withdrawals at your qualifying date, as well as the permitted early withdrawals under the KiwiSaver Act.

We may suspend withdrawals, transfers, or switches as set out in the PDS. Other than significant financial hardship and serious illness withdrawal applications, which the Supervisor considers, AMP makes decisions about most types of withdrawal application and are responsible for arranging the benefit payments and transfers.

You will normally receive your withdrawal payment within eight working days of your application being approved. Withdrawals can only be approved once AMP and the Supervisor have received all required information.

Withdrawals at qualifying date

If you choose to stay in the Scheme when you reach your qualifying date and continue to be in paid employment, you may choose to stop contributing to the Scheme by providing your employer with a non-deduction notice. This will apply from the first payment of salary or wages after you give the notice to your employer, and will apply until you revoke it. You will not be able to revoke it within three months of giving it, unless your employer agrees.

A non-deduction notice can be obtained from the KiwiSaver website at **kiwisaver.govt.nz**.

If you have transferred savings to a KiwiSaver scheme from an Australian complying superannuation fund, you will be permitted to withdraw these savings when you reach age 60 and have 'retired' in terms of the relevant Australian legislation. Investment earnings received from those savings since the transfer cannot be withdrawn.

Subject to the KiwiSaver Act, we may impose or amend conditions and restrictions (including, without limitation, fees, the amount and frequency of withdrawals) on withdrawals from your savings after you have reached your qualifying date, or on withdrawals of amounts transferred to the Scheme from any overseas superannuation scheme. The current conditions and restrictions for the Scheme in this regard are that:

- the minimum amount for regular withdrawals is $50 per payment, and the minimum amount for all other withdrawals is $250; and
- regular withdrawals are available fortnightly, monthly or quarterly.

Permitted early withdrawals

If you meet the criteria, you may be able to make an early withdrawal before you retire. The pages below explain when you can apply for an early withdrawal from your KiwiSaver scheme account.

Significant financial hardship

If the Supervisor is reasonably satisfied that you are suffering, or are likely to suffer, from significant financial hardship then you may withdraw some of your AMP KiwiSaver Scheme savings.

You must complete the 'significant financial hardship' withdrawal form which can be found on the AMP website at **amp.co.nz/amp/forms**. The form includes a completed statutory declaration in respect of your assets and liabilities.

The amount withdrawn for significant financial hardship is subject to the Supervisor's approval and will be up to the value of your savings less:

- any kick-start received; and
- Member Tax Credits ('MTC').

In respect of a significant financial hardship withdrawal, the Supervisor:

- must be reasonably satisfied that reasonable alternative sources of funding have been explored and have been exhausted; and
- may require the amount withdrawn to be limited to a specified amount that, in the Supervisor's opinion, is required to alleviate the particular hardship.

The Supervisor may also require any medical matter asserted in support of the application for withdrawal to be verified by medical evidence, or documents or information provided to support the withdrawal and the application to be verified by oath, statutory declaration or otherwise. Refer to the significant financial hardship withdrawal form for further details.

Serious Illness

If the Supervisor is reasonably satisfied you are suffering from serious illness then you may withdraw some or all of your savings.

The amount of your serious illness withdrawal may be up to the value of your savings.

The Supervisor may require medical evidence in relation to your application for withdrawal.

The Supervisor may also require any other documents, things or information produced in support of the application to be verified by oath, statutory declaration or otherwise. Refer to the 'serious illness' withdrawal form, which can be found on the AMP website at **amp.co.nz/amp/forms**, for further details.

Permanent emigration (other than to Australia)

More than one year following your permanent emigration from New Zealand to a country other than Australia, you may withdraw your Scheme savings, excluding any MTCs and savings transferred to a KiwiSaver scheme from an Australian complying superannuation fund. Investment earnings on savings transferred from an Australian complying superannuation fund can be withdrawn.

Alternatively, you may, on application to AMP at any time after you have permanently emigrated from New Zealand, have us transfer your savings or the permitted portion (less your MTCs and any amounts transferred from an Australian complying superannuation fund) to an overseas superannuation scheme authorised by the KiwiSaver Act. As at the date of this document, no overseas schemes have been authorised.

In either case, your MTCs cannot be transferred or withdrawn and will be repaid to Inland Revenue.

You must complete the 'permanent emigration transfer application (not Australia)' form which can be found on the AMP website at **amp.co.nz/amp/forms**. The form includes:

- a completed statutory declaration that says you have permanently emigrated from New Zealand; and
- proof to our satisfaction of:
  - your departure from New Zealand (for example, evidence of confirmed travel arrangements, passport evidence and evidence of any necessary visas); and
  - your residence at an overseas address at some time during the year following your departure from New Zealand.

Bank transfer fees will be deducted from the amount withdrawn before it is transferred to an overseas bank account.

We may require any other documents, things or information produced in such an application to be verified by oath, statutory declaration or otherwise.

Permanent emigration to Australia

You can transfer all of your Scheme savings to an Australian complying superannuation fund if you permanently emigrate to Australia. As it is not compulsory for Australian complying superannuation fund providers to accept KiwiSaver savings, we recommend you confirm with your Australian superannuation provider that they will accept a transfer. A bank transfer fee will be charged and your Australian complying superannuation fund provider may also charge a fee.

You must complete the 'permanent emigration transfer application (Australia)' form which can be found on the AMP website at **amp.co.nz/amp/forms**. The form includes:

- a completed statutory declaration that says you have permanently emigrated to Australia; and
- proof to our satisfaction of:
  - your departure from New Zealand (for example, evidence of confirmed travel arrangements, passport evidence and evidence of any necessary visas); and
  - your residence at an Australian address at some time during the year following your departure from New Zealand.

We may require any other documents, things or information produced in such an application to be verified by oath, statutory declaration or otherwise.

If you immigrate to Australia you may leave your savings in the Scheme until or after reaching your qualifying date, when you can withdraw it in cash.

First home withdrawal

You may make a withdrawal to purchase your first home in New Zealand, or an interest in a dwelling house on Maori land, if you have never held an estate in land (e.g. owned a property or land before), and:

- three years or more have passed since Inland Revenue received your first contribution to a KiwiSaver scheme; or
- you have been a member of one or more KiwiSaver schemes or complying superannuation funds for a combined total period of three years or more.

For the purposes of determining whether you have held an estate in land before, holding or having held land in any of the following circumstances will be disregarded:

- as a bare trustee:
- where it is a leasehold estate:
- where it is an interest in Maori land:
- as a trustee who:
  - is a discretionary, contingent, or vested beneficiary under the relevant trust; but
  - has no reasonable expectation of being entitled to occupy the land as the principal place of residence for the person or the person's family until the death of the person who currently occupies the land (the occupier) or the death of the occupier's survivor.

You may also be eligible to withdraw your savings to purchase a subsequent home, even though you have owned a home before. To be eligible, all other criteria relevant for a first home withdrawal will need to be met and Housing New Zealand must confirm to us in writing that they are satisfied that your financial position, in terms of income, assets and liabilities, is what would be expected of a person who has never owned a home. For more information visit **hnzc.co.nz**.

If you qualify for withdrawal, you can put some or all of your savings towards a deposit or payment for final settlement. However, you must leave at least $1,000 in your Scheme account after the withdrawal is made. Savings transferred to your account from an Australian complying superannuation fund cannot be withdrawn with this type of withdrawal (though investment earnings received on those savings after the transfer can be withdrawn).

If you would like to purchase land on which to build your first home, you must apply the amount withdrawn towards the purchase of the land and not towards the building of the home.

A condition of the withdrawal is that the property must be (or be intended to be) the principal place of residence for you, or you and your family. You may only make one withdrawal of this type.

A first home withdrawal must be paid:
- firstly, from your savings, excluding any kick-start and the MTCs; and
- secondly, from the MTCs.

KiwiSaver HomeStart Grant

If you qualify for a first home purchase withdrawal, you may also be eligible to receive a KiwiSaver HomeStart Grant from the Government. Terms, conditions, and eligibility criteria apply. Housing New Zealand administers the KiwiSaver HomeStart Grant facility and grants are not payable from the Scheme.

For more information and up-to date details about the required contribution levels and the other eligibility criteria for the KiwiSaver HomeStart Grant, visit the Housing New Zealand website **hnzc.co.nz** or **kiwisaver.govt.nz**.

Death

In the event of your death, we will:
- on application by your personal representative (i.e. the executors or administrators of your estate), pay to your estate an amount equal to your savings on the date the application is accepted; or
- if your savings are less than a prescribed minimum amount (as at the date of this document, this amount is $15,000) and the requirements of the Administration Act 1969 are met, pay direct to a permitted recipient specified in that Act upon application, your savings on the date when the application is accepted.

Tax liability and student loan obligations

Currently, we are no longer accepting transfers from UK pension schemes, but this could change in the future.

If you have previously transferred savings from a foreign superannuation scheme to the Scheme, and are liable to pay New Zealand tax or make New Zealand student loan repayments as a result of the transfer, there are rules in place that may allow you to make a partial withdrawal from the Scheme to cover those New Zealand tax liabilities and/or student loan obligations.

You can apply as soon as you have filed your personal income tax return and Inland Revenue has processed it. Once we have received your withdrawal form and processed your withdrawal, we'll pay it directly to Inland Revenue.

If you are withdrawing to meet tax liabilities, the amount withdrawn may not exceed the lesser of your tax liability arising from the transfer and your liability for terminal tax in the tax year to which the tax relates. In addition, the total amount withdrawn may not exceed the value of your savings less any kick-start.

The application must be made within two years of the liability for tax or student loan repayments being assessed. The application must be in the form required by us. It must be accompanied by a completed statutory declaration in respect of the transfer and resulting tax liability, and any other documents or information that we require.

Release of funds required under other enactments

We must comply with the provisions of any enactment that requires the release of funds from the Scheme. Such a requirement includes a court order made under any enactment, including a property sharing order made under the Property (Relationships) Act 1976.

Transfers

You can transfer your savings between KiwiSaver schemes at any time (subject to any restrictions that are described in the PDS), even if you are 65 years or over, no longer living in New Zealand and no longer a New Zealand citizen or entitled to live in New Zealand. If you are already in KiwiSaver, you should consider any benefits you currently receive before switching schemes.

If the other KiwiSaver scheme provider indicates that it will accept you as a member, AMP must transfer your savings to that scheme in accordance with the KiwiSaver Act.

If Inland Revenue is notified that:
- a person has joined a different KiwiSaver scheme; or
- a person has joined the Scheme in contravention of the requirements of the Financial Markets Conduct Act 2013; or
- the Scheme is being wound up;

then each affected member (or each Scheme member, in the case of a wind-up) will be required to transfer from the Scheme to another KiwiSaver scheme in accordance with the member's choice and the default allocation principles prescribed in the KiwiSaver Act.

Transferring ownership of your savings

Units in the Scheme may not be sold, assigned, charged or otherwise passed to any other person by any means, unless required by law (including a Court order) or by legislation.

Cessation of membership

For the purposes of the KiwiSaver Act and this document, your savings are the full value of your accounts within the Scheme (which includes your, your employer's, and the Government's contributions to the Scheme for you but excluding any unvested employer contributions) after taking into account any investment returns and less costs, expenses, fees and tax payable.

You stop being a member when:

- you withdraw the full balance from the Scheme, in accordance with the KiwiSaver scheme rules; or
- you transfer your balance from the Scheme to another KiwiSaver scheme, retirement scheme, an Australian complying superannuation fund, or to an overseas superannuation scheme (less the Member Tax Credits (if applicable)); or
- you receive a notice from us that your membership is terminated because the balance of your account has reached zero; or
- we refund your savings to Inland Revenue (where the automatic enrolment or opt-in provisions in the KiwiSaver Act have been mistakenly applied, and membership cannot be validated under the provisions relating to confirmed back-dated validation of membership);

whichever occurs first.

You may only opt-out of a KiwiSaver scheme after being automatically enrolled into a scheme. To opt-out means choosing not to remain in KiwiSaver. You have a window of opportunity to do this - from the end of week two until the end of week eight from the date you start new employment, outside this window you cannot opt-out. You can opt-out by notifying your employer or Inland Revenue. The opt-out period gives you time to decide whether to remain in KiwiSaver and to seek financial advice. It is important to remember that if you opt-in to KiwiSaver you then cannot decide to opt-out.

Glossary

AMP, we, our, and **us** means AMP Wealth Management New Zealand Limited, the manager of the AMP KiwiSaver Scheme.

Australian complying superannuation fund means an entity that is a complying superannuation fund for the purposes of Part 5, Division 2 of the Superannuation Industry (Supervision) Act 1993 (Aust) and that is regulated by the Australian Prudential Regulation Authority.

Complying superannuation fund means a workplace savings scheme or superannuation scheme that is not a KiwiSaver scheme, but has rules enabling or requiring a KiwiSaver equivalent lock-in of balances. It must be approved by the Financial Markets Authority and registered under the Financial Markets Conduct Act 2013.

Current or **Currently** means that legislation, policy or a practice is current as at the date of this document but may change at any time.

Fund means an investment fund established in the AMP KiwiSaver Scheme.

Kick-start means a one-off contribution of $1,000 paid by the Government to the first KiwiSaver scheme you joined, if this was prior to 2pm, 21 May 2015. The kick-start contribution is not available to you if you joined on or after 2pm, 21 May 2015.

KiwiSaver Act means the KiwiSaver Act 2006. You can read this Act at **legislation.govt.nz**.

MTC means Member Tax Credit, the contribution the Government will make to your AMP KiwiSaver Scheme savings if you are eligible.

PDS means the Product Disclosure Statement for the Scheme.

Qualifying date is the later of:

- the qualifying age for New Zealand Superannuation (currently age 65); or
- the date that is five years after:
  - you first joined a KiwiSaver scheme;
  - Inland Revenue received your/your employer's first contribution; or
  - if you transferred from a complying superannuation fund to a KiwiSaver scheme, you first became a member of that complying superannuation fund.

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

Retirement scheme means any registered KiwiSaver scheme, superannuation scheme, workplace savings scheme, or other overseas superannuation scheme in respect of which transfers to or from the Scheme are permissible.

Salary or wages means the taxable income paid in respect of your employment with:

- the employer through which you have been automatically enrolled into KiwiSaver; or
- if you opt into KiwiSaver, your employer (or employers, if you have more than one job, unless you choose only one or more employers); and
- any employer that later employs you.

This includes overtime, bonuses, and certain allowances. It also excludes, for compulsory employer contribution purposes, parental leave payments out of public money, and ACC compensation. It excludes exempt income payments, employer superannuation contributions, and redundancy payments.

Scheme means the AMP KiwiSaver Scheme.

Serious illness as per the KiwiSaver scheme rules set out in the KiwiSaver Act is defined as an injury, illness or disability:

- that results in you being totally and permanently unable to engage in work for which you are suited by reason of experience, education, or training, or any combination of those things; or
- that poses a serious and imminent risk of death.

Significant financial hardship

For the purposes of the KiwiSaver scheme rules, 'significant financial hardship' includes (but is not limited to) significant financial difficulties that arise because of:

- your inability to meet minimum living expenses; or
- your inability to meet mortgage repayments on your principal family residence, resulting in the mortgagee seeking to enforce the mortgage on the residence; or
- the cost of modifying a residence to meet special needs arising from a disability of yourself or your dependants; or
- the cost of medical treatment for an illness or injury of yourself or your dependants; or
- the cost of palliative care for yourself or your dependants; or
- the cost of a funeral for your dependant; or
- you suffering from a serious illness (as defined above).

Phone 0800 267 5494
Email kiwisaver@amp.co.nz
Web amp.co.nz

Want to know more?

For more information about the Scheme, please see the Scheme's current PDS and most recent quarterly fund updates at **amp.co.nz/kiwisaver** or contact us on 0800 AMP KIWI (0800 267 5494) or talk to your Adviser today.

A disclosure statement is available from your Adviser on request and free of charge.

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