



# *want to know more about providing KiwiSaver for your employees?*

## What is KiwiSaver?

KiwiSaver is a voluntary long term savings initiative to help New Zealanders prepare for their retirement.

A number of unique incentives are offered to KiwiSaver members to help them save towards their retirement goals.

## KiwiSaver incentives for employees

### **Kick Start**

The Government will make a tax-free contribution of \$1,000 to every eligible person's first KiwiSaver scheme.

### **Member Tax Credits**

If a KiwiSaver member lives in New Zealand and is aged over 18 and contributing to KiwiSaver the Government will pay a Member Tax Credit until the member turns 65 or has been a member for 5 years, whichever is the later.

Under current legislation, the maximum Member Tax Credit payable for each year is 0.50c for each \$1 a KiwiSaver member contributes up to a maximum of \$521.43 a year. This works out to about \$10 a week. This means that if a member contributes \$1,042 or more in the year 1 July to 30 June, the maximum Member Tax Credit paid to their KiwiSaver account for the year will be \$521.43.

### **Compulsory employer contributions**

For contributing KiwiSaver members, employers must make a contribution equal to 2% of each eligible employees gross salary or wages to KiwiSaver.

The Government intends that from 1 April 2013, the contribution you must make for eligible employees will increase from 2% to 3% of each contributing KiwiSaver member's gross salary or wages.

From 1 April 2012, you will be required to calculate and deduct employer superannuation contribution tax (ESCT) from your employer contributions to KiwiSaver.

### **Saving for a first home**

If an employee is thinking about buying their first home (or if they qualify as a second chance home buyer), they may be eligible to withdraw all or part of their own contributions and the contributions you have made towards their KiwiSaver account after three years of membership (eligibility criteria apply).

Your employee may also be eligible for a home purchase subsidy. This subsidy of \$1,000 per year of saving, up to \$5,000 in total, is administered through Housing NZ (eligibility criteria apply, including house price and income caps).

## Westpac KiwiSaver Scheme

### The role of employers with KiwiSaver

As an employer you have an important role to play, including making KiwiSaver available to your employees, deducting contributions from employee's salaries or wages (where they are a member of a KiwiSaver scheme) and paying those contributions together with your employer contributions to Inland Revenue. You may be asked questions about KiwiSaver by staff.

### We're here to help

By choosing the Westpac KiwiSaver Scheme as your company's preferred KiwiSaver scheme, we'll provide you with access to a nationwide KiwiSaver team, allowing you to focus on being the expert on your business.

### Here's how we can help

We're here to help you and your employees make the most of KiwiSaver. Here are some of the services we offer:

- Presentations to your employee's explaining how KiwiSaver works.
- Our KiwiSaver team are available by phone, online or in person at over 200 branches nationwide to both you and your staff to help with any questions.
- Investment advice from a Westpac Investment Adviser can be arranged for your employees by free appointment.
- Online banking allows your staff to view their Westpac KiwiSaver Scheme savings balance when it suits them.
- We'll provide you with KiwiSaver information packs and Westpac KiwiSaver Scheme Investment Statements.

### How is an employee allocated to a KiwiSaver scheme ?

There are a number of ways that an employee can become a member of a KiwiSaver scheme:

1. They can choose a KiwiSaver scheme for themselves, and complete the relevant application form for that scheme.
2. If they do not choose a scheme for themselves they can be placed in a KiwiSaver scheme chosen by you.
3. If you have not chosen a KiwiSaver scheme and your employee does not select their own scheme, they will be allocated to one of the six default KiwiSaver schemes by Inland Revenue.

It's important to know that an employee will always have the right to choose their own KiwiSaver scheme at any time which they can do by contacting the scheme provider directly.

### How can you choose the Westpac KiwiSaver Scheme?

Three simple steps and five minutes of your time are all it takes to get your business up and running with the Westpac KiwiSaver Scheme:

1. Complete, sign and return the Westpac KiwiSaver Scheme Employer Choice form attached at the back of this document and return it to your nearest Westpac branch or post it to PO Box 6088, Wellesley Street, Auckland 1141. Alternatively you can fax it back to us on 09 367 3301.
2. We'll inform Inland Revenue that you have chosen the Westpac KiwiSaver Scheme, and they will send you a confirmation letter.
3. We'll send you a Westpac KiwiSaver Scheme pack, which contains easy to follow information for you and your staff.

For more information and to view the Westpac KiwiSaver Scheme Investment Statement, visit [www.westpac.co.nz/kiwisaver](http://www.westpac.co.nz/kiwisaver) or call us on 0508 WPAC KIWI (0508 972 254).

The Westpac KiwiSaver Scheme is offered by The New Zealand Guardian Trust Company Limited (NZGT) and managed by BT Funds Management (NZ) Limited (BT). Investments made in the Westpac KiwiSaver Scheme do not represent bank deposits or other liabilities of Westpac Banking Corporation, Westpac New Zealand Limited or any other member of the Westpac group of companies, are subject to investment and other risks, and are not guaranteed by NZGT, BT, Westpac, or any other person. KiwiSaver incentives are determined by government policy and legislation and may change in the future. Westpac New Zealand Limited.

The material contained in this brochure is provided for general information purposes only and is not a recommendation or opinion in relation to the Westpac KiwiSaver Scheme. You should not rely solely on information in this brochure. We recommend that you consult a Westpac Investment Advisor if you would like advice in relation to the Westpac KiwiSaver Scheme. Disclosure statements for Westpac Investment Advisers are available on request and free of charge from any Westpac Investment Adviser.

The information contained in this brochure is based on information current at the time of writing and sources BT believes to be accurate and reliable at 5 July 2011. It is subject to changes and government policy and law from time to time (as referred to in the Westpac KiwiSaver Scheme Investment Statement).

## Westpac KiwiSaver Scheme

### Choosing the Westpac KiwiSaver Scheme.

To get your employees started with the Westpac KiwiSaver Scheme, please sign this form under section 47(1) (a) of the KiwiSaver Act. It is important that the information you provide is correct, so please ensure that you complete every part accurately.

BT Funds Management (NZ) Limited (BT) and the Trustee agree to provide access to the Westpac KiwiSaver Scheme for your employees on the terms of the Trust Deed and the Investment Statement (as amended or updated from time to time) for the Westpac KiwiSaver Scheme.

By signing this form, you authorise BT to provide notice to the Commissioner of the Inland Revenue Department (Inland Revenue) in accordance with section 47(1)(b) of the KiwiSaver Act. Your choice of the Westpac KiwiSaver Scheme will be effective from the date that notice is accepted by the Inland Revenue.

You must verify the identity of each of your employees before they can join the Westpac KiwiSaver Scheme.

All you have to do now is confirm you agree to the terms by signing the form then return it to us, FreePost.

Yours sincerely,



**BT Funds Management (NZ) Limited**

(for itself and as required as agent for the Trustee)

by David McLean, Director, BT Funds Management (NZ) Limited.<sup>1</sup>

We agree with and accept the terms of this form and authorise BT to provide notice to Inland Revenue.  
We confirm:

Company: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Employer IRD Number: \_\_\_\_\_

No. of employees: \_\_\_\_\_

**Authorised signatory – 1**

**Authorised signatory – 2**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Phone number: \_\_\_\_\_

Phone number: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

BT Funds Management (NZ) Limited (BT) is the scheme provider, Westpac New Zealand Limited is the distributor and The New Zealand Guardian Trust Company Limited (Trustee) is the trustee, of the Westpac KiwiSaver Scheme. The Westpac KiwiSaver Scheme is established under the KiwiSaver Act 2006 (KiwiSaver Act) and the trust deed between BT and the Trustee dated 4 April 2007 for the Westpac KiwiSaver Scheme as amended from time to time (Trust Deed).

1. In signing this agreement the director certifies that he was appointed as attorney of BT on the terms and subject to the conditions set out in a power of attorney dated 7 July 2009, and has not received any notice or information as to the revocation of his appointment by the dissolution of BT or otherwise.

**Westpac Staff to complete**

Name: \_\_\_\_\_

CRS Number: \_\_\_\_\_

Corporate Number: \_\_\_\_\_

Branch Name: \_\_\_\_\_

Branch Number: \_\_\_\_\_