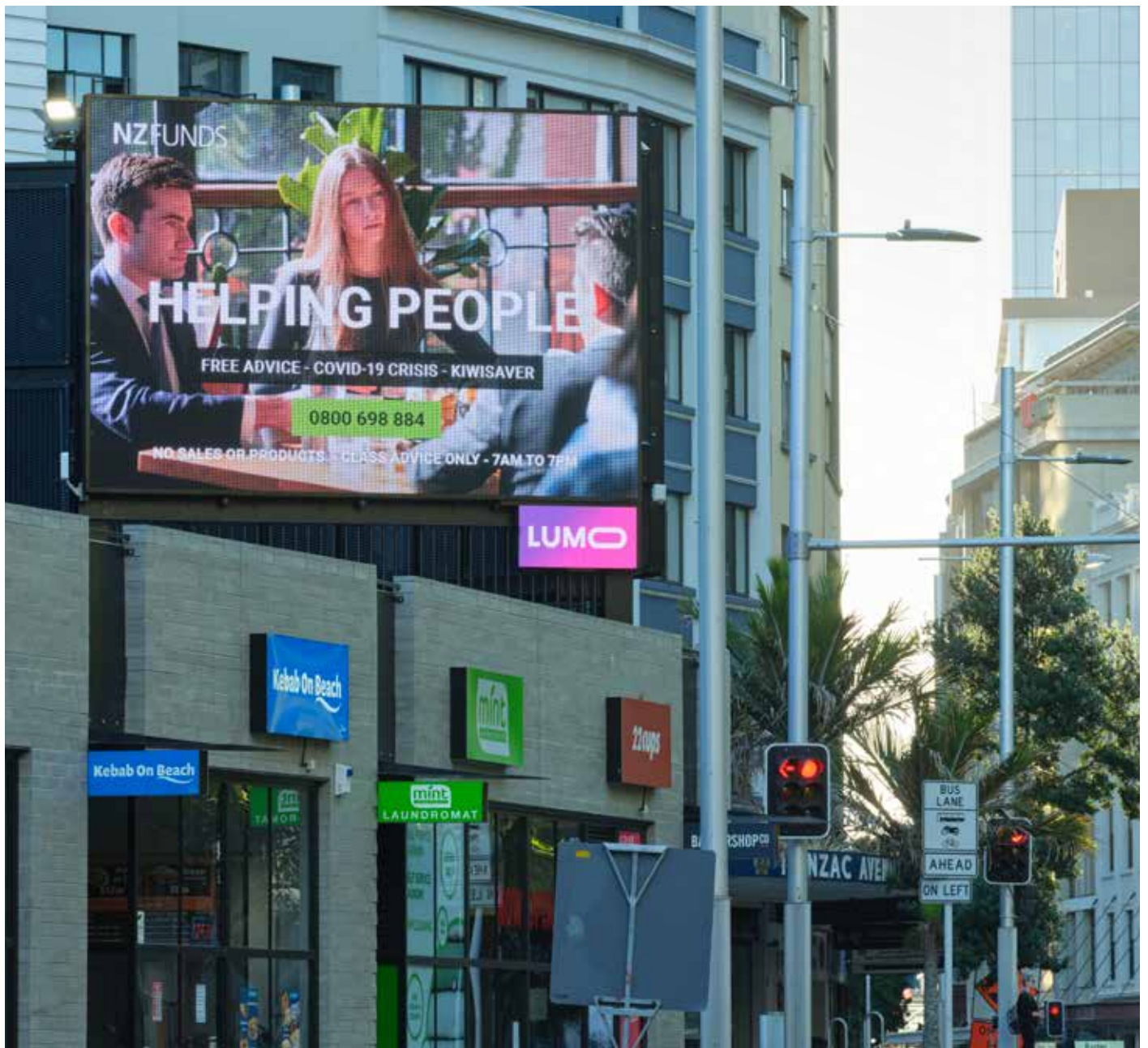


NZFUNDS

KiwiSaver Fundamentals





Disclaimer

Please note that this brochure has been provided for information purposes only. The content of this document is not intended as a substitute for specific professional advice on investments, financial planning or any other matter. While the information provided in this document is stated accurately to the best of our knowledge and belief, New Zealand Funds Management Limited, its directors, employees and related parties accept no liability or responsibility for any loss, damage, claim or expense suffered or incurred by any party as a result of reliance on the information provided and opinions expressed except as required by law. Please also note that past performance is not necessarily an indication of future returns. For further information or to request a copy of the NZ Funds KiwiSaver Scheme Product Disclosure Statement or the NZ Funds Wealth Builder Product Disclosure Statement, please contact New Zealand Funds Management Limited.

KiwiSaver discussion points

The benefits of KiwiSaver	2
Retirement benefits: employee	3
Retirement benefits: self-employed	4
The benefits of WeathBuilder	5
Don't default in your scheme	6
Matching risk profile and age	7
Tax matters	8
First home withdrawal benefits	9
First home withdrawal investment	9

The **benefits** of KiwiSaver

\$521

ANNUAL GOVERNMENT
CONTRIBUTION



A minimum member contribution of \$1,042 per annum is required to get this amount

**FIRST HOME
WITHDRAWAL**



Use your savings to help buy your first home

**DISCIPLINED
SAVINGS**



A programme of regular savings

3%

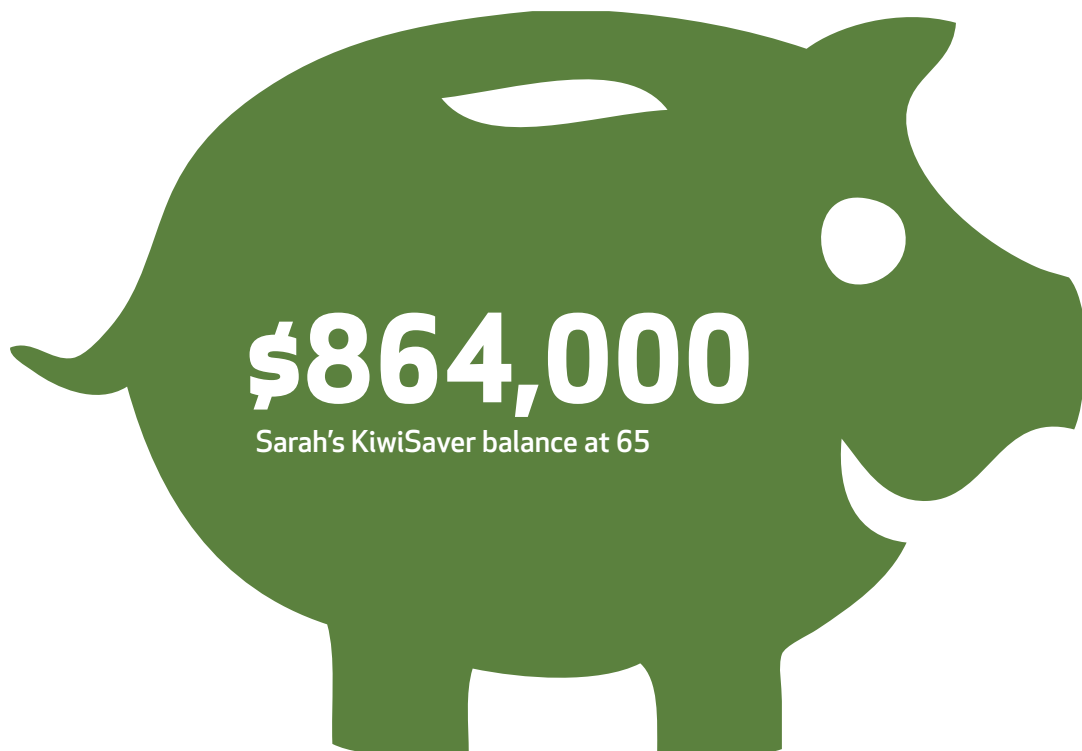
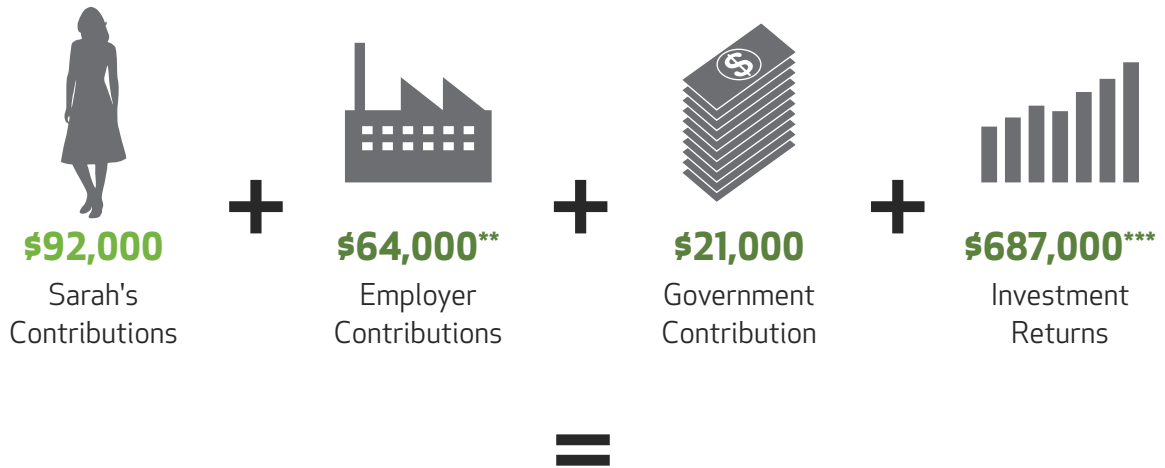
EMPLOYER CONTRIBUTION



Minimum 3%

Retirement benefits: **employee**

Sarah is 25 and earns \$50,000 p.a.* She is in a moderate risk KiwiSaver Scheme. She is contributing at 3% of her salary.

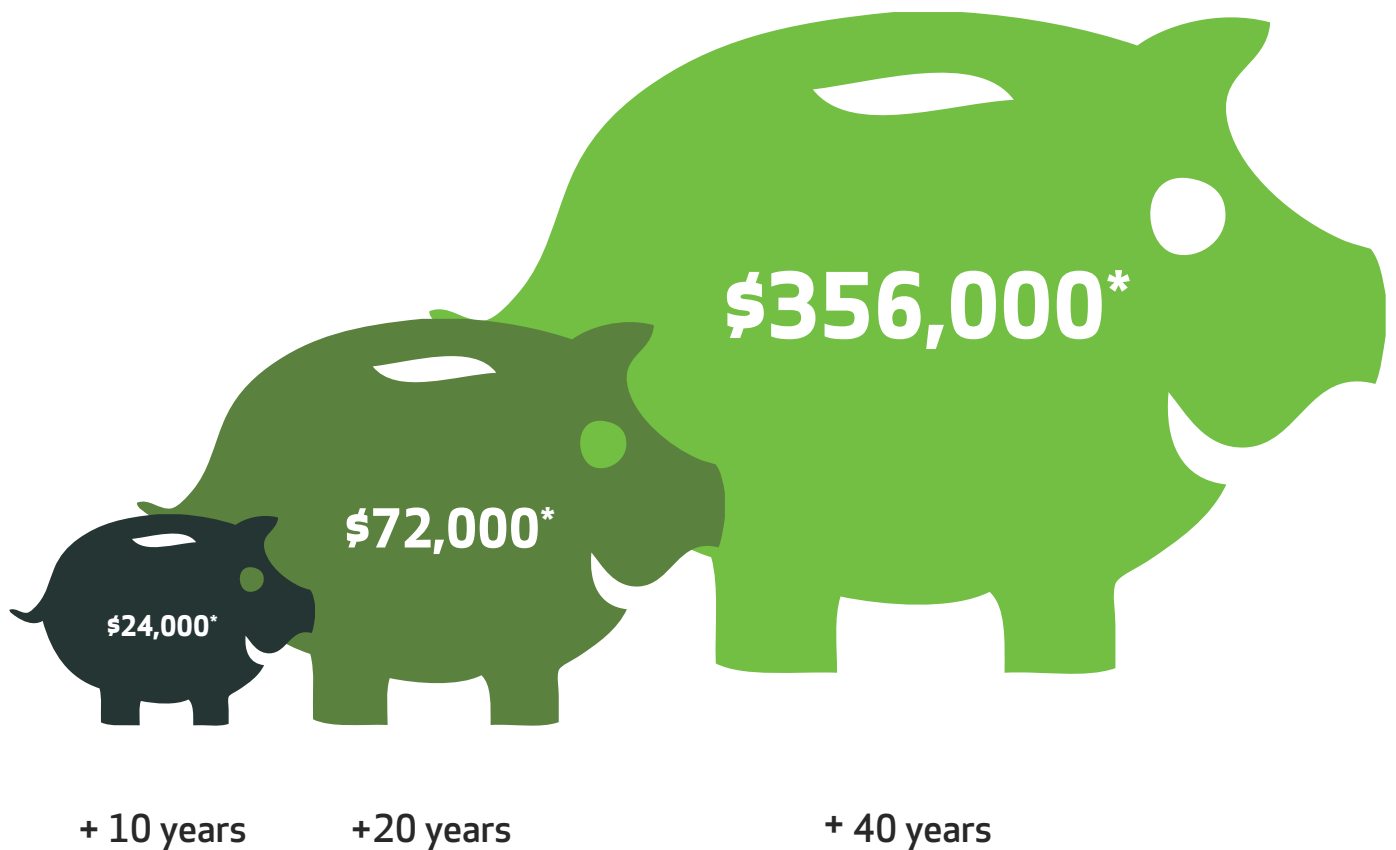


* Increases by rate of inflation. ** At 3%, and after ESCT. ***After tax (PIR 28%) and management fees.

Source: NZ Funds' calculations, 12 September 2019. Returns from NZ Funds Wealth Technologies. Average Market experience (2002 - 2017), after tax (PIR 28%) and total annual fund charges. Calculation details available on request.

Retirement benefits: self-employed

Even if you only contribute \$1,042 a year...



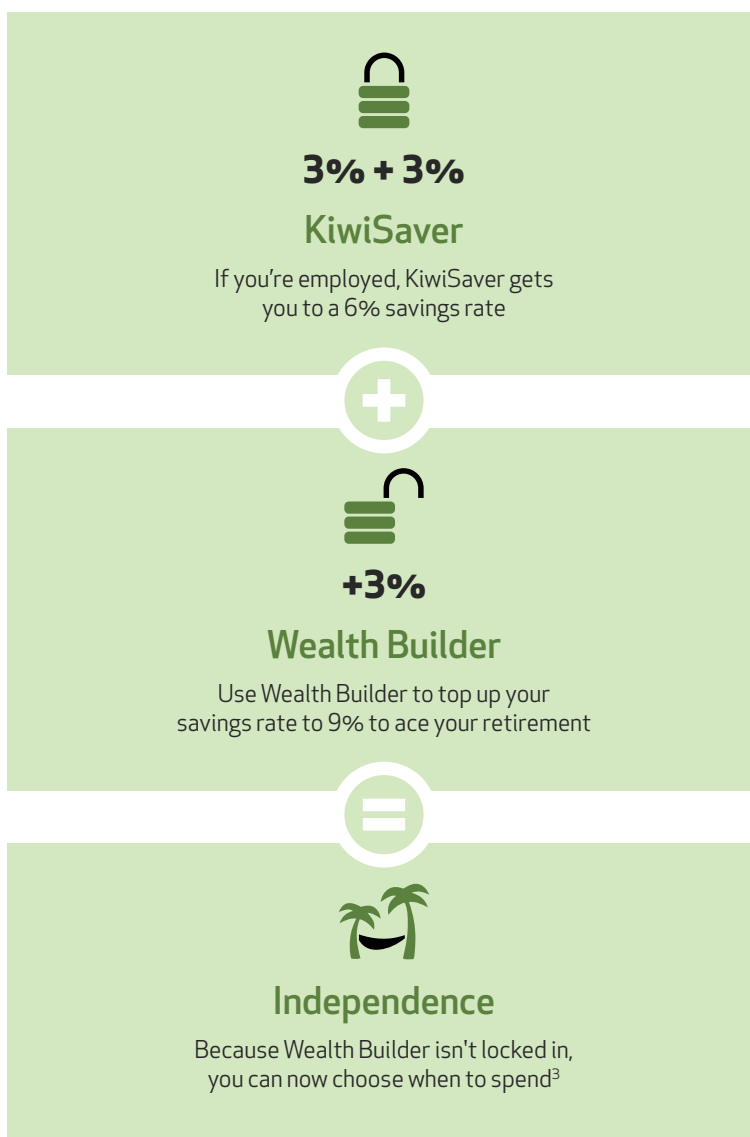
*Based on the KiwiSaver member saving \$1,042 p.a.

Source: NZ Funds' calculations, 12 September 2019. Returns from NZ Funds Wealth Technologies. Average Market experience (2002 - 2017), after tax (PIR 28%) and total annual fund charges. Calculation details available on request.

The **benefits** of Wealth Builder

You will likely need to save ~9% of your salary for retirement¹

Ace your retirement. **Save ~9%**¹



**Use Wealth Builder to top up your savings
in an 'unlocked' account²**

Access your money whenever you want.

¹. Assumes 3% employer plus 3% employee into KiwiSaver plus 3% Wealth Builder. Savings rates as percent of gross salary. For more information, email to request MyFiduciary's report. ². Investors cannot access KiwiSaver until they turn 65 unless they meet the criteria for early withdrawal.

Don't default in your scheme



AGE: **25**
RETIRE AT: **65**



INCOME: **\$50,000**
GROWING AT 2% P.A.



KIWISAVER
CONTRIBUTIONS: **3% +3%**



MODERATE
RISK PROFILE

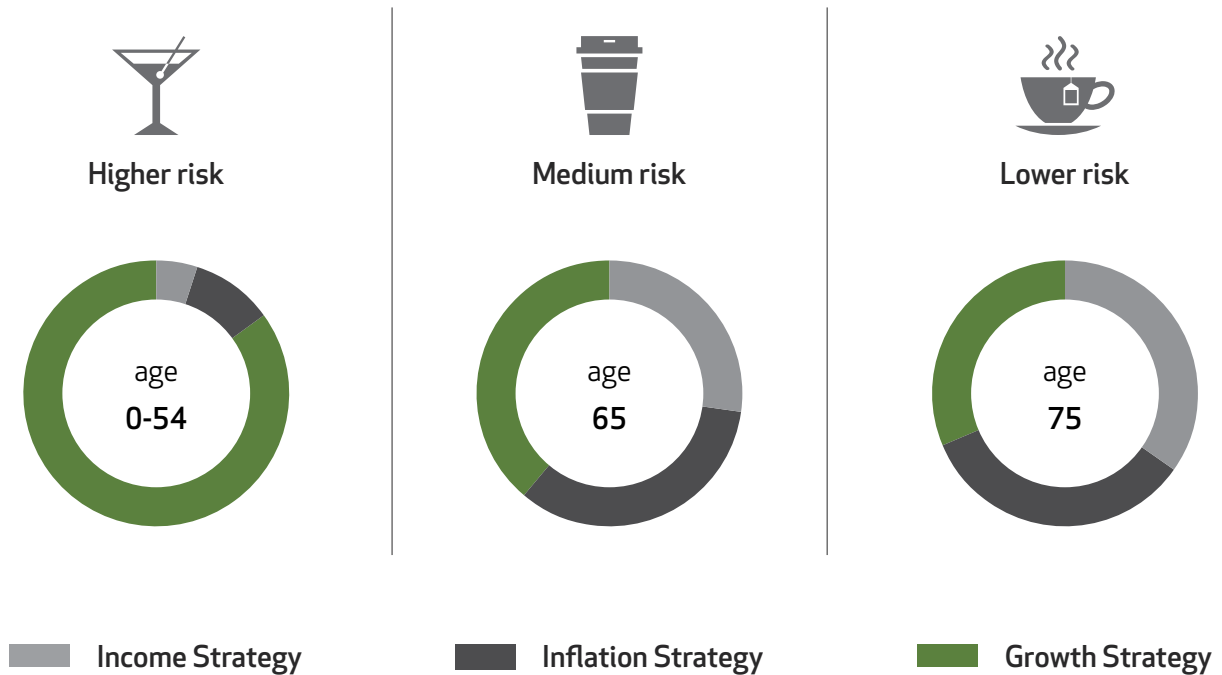


PIE TAX RATE:
28%

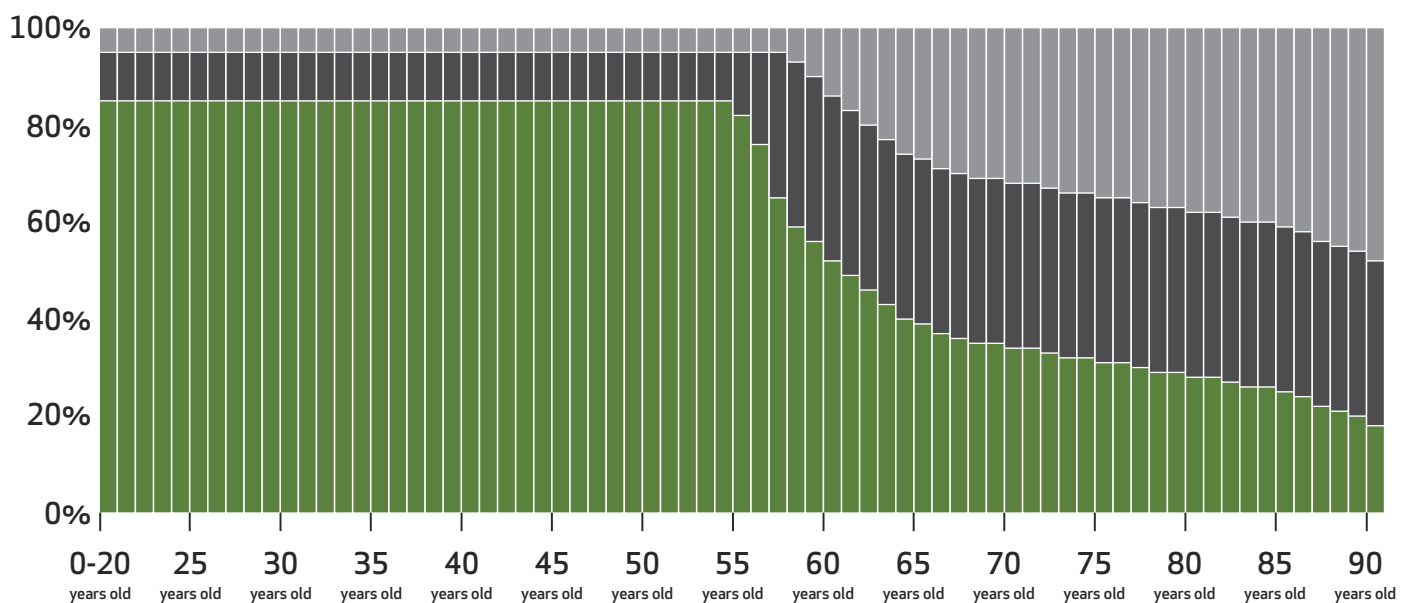
Source: NZ Funds' calculations, 12 September 2019. Returns: Income Strategy and Growth Strategy from NZ Funds Wealth Technologies. Average Market experience (2002-2017), after tax (PIR 28%) and total annual fund charges. Calculation details available on request.

Matching risk profile and age

It's important for your KiwiSaver Scheme to match your risk profile. But your KiwiSaver Scheme should automatically be taking less investment risk as you age.



For retirement savings, **Life Cycle Schemes** are a good 'set and forget' KiwiSaver choice.



Example: NZ Funds KiwiSaver Scheme: Life Cycle Process.

Tax matters

Selecting the right Prescribed Investor Rate (PIR) ensures you pay the right amount of tax on your KiwiSaver account.



First home withdrawal **benefits**

Understanding how KiwiSaver can get you in the door of your first home.



KiwiSaver **savings**

If you are a first home buyer you can withdraw your KiwiSaver balance less \$1,000 if you meet all of the following criteria:

- You have been a member of KiwiSaver for at least three years.
- You intend to live in the property.
- You haven't made a previous first home withdrawal.



KiwiSaver **First Home Grant**

If you meet the KiwiSaver first home withdrawal criteria and are under the Kainga Ora income and house price caps, you are entitled to a **First Home Grant** as follows:

If you are purchasing a new home or the land to build a new home, the First Home Grant is between \$6,000 to \$10,000 (up to \$20,000 for a couple).

If you are purchasing an existing home the First Home Grant is between \$3,000 to \$5,000 (up to \$10,000 for a couple).



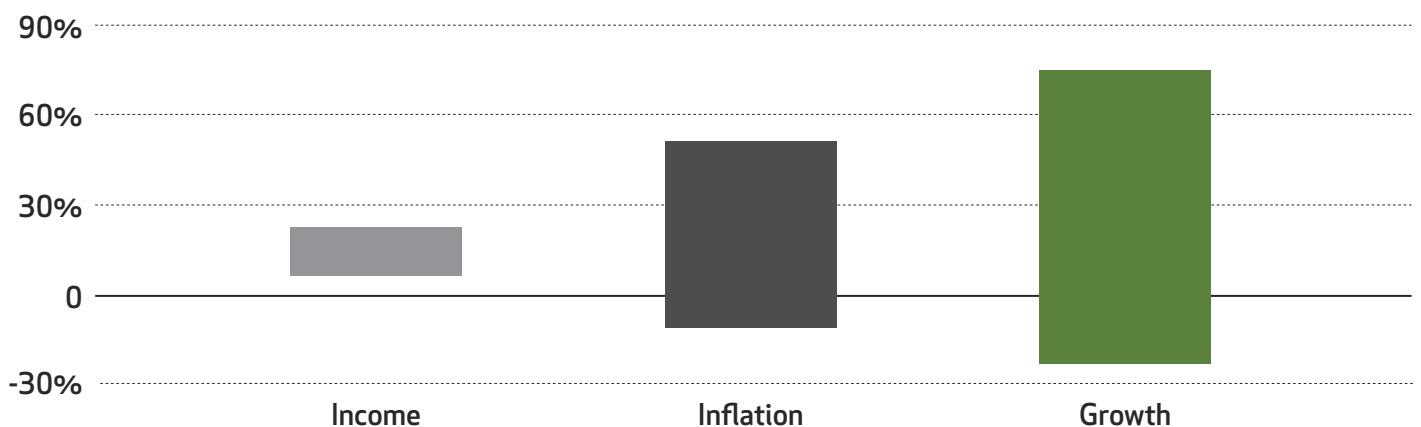
To find out **more**

i To find out more, visit the Kainga Ora website.

<https://kaingaora.govt.nz/home-ownership/>

First home withdrawal **investment**

Decrease risk as your first home purchase nears. NZ Funds' Income Strategy is recommended when first home purchase is within the next three years.



Expected range of returns over a three year period. Assumes normal distribution of returns and is expressed to a 95% confidence level. For further information please refer to NZ Funds.

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