

Member Update

This is an important update to members of the Government Superannuation Fund (GSF).

It confirms procedures, requirements and information which relate to future GSF entitlements. Further information can be found on the websites advised below.

Options

Feedback from the biennial survey carried out earlier this year suggests some members are not aware of the various options which may be available to them. This update summarises the options which may be available to members. It should be noted however that not every option is available under every scheme and member specific criteria may also apply. If you would like further information on a particular option and whether it is available to you should contact Datacom. Datacom are also able to provide estimates of the options.

Member contact details

It is important members keep their contact details up to date and maintain contact with Datacom. This is particularly important if members have ceased Government service and are not yet in receipt of their entitlement.

Any change in personal details, such as address, must be made in writing by completing a **Change in Personal Details** form, available on the GSF Authority's website, and must be signed by the member.

In-service Contributor Options

Depending on their Scheme a contributor may in some circumstances and meeting specific criteria be eligible to:

Suspend contributions up to age 50 while still employed. On resuming contributions, the contributors previous contributory service is reduced and discounted for the period of suspension. (*New General, Prisons, and Police schemes*)

Contribute at a previous salary rate if the contributor's salary rate reduces. This could apply, for example, if a contributor is on a Total Remuneration package which includes employer contributions to GSF, where the employer contribution increases and the members GSF superable salary consequently decreases. (*New General, Old General, Armed Forces, Police and Prisons schemes*)

Contribute in respect of prior Government service not already included in the contributor's contributory service, thus increasing the contributor's contributory service and their entitlements. (*New General, Old General, Armed Forces, Police and Prisons schemes*)

Withdraw and receive a refund of contributions paid. (*New General, Old General and Prisons schemes*)

Cease contributions on joining another employer sponsored registered superannuation scheme, for example KiwiSaver, while still employed and receive a deferred pension on subsequently ceasing service. (*All schemes*)

Cease contributions whilst still employed **after completing 32 years contributory service** and receive a retiring allowance on subsequently ceasing service. (*Prisons scheme only – very specific criteria*)

Note where a contributor takes a period of **Leave Without Pay** they are required to contribute for the period of leave. In this case they must pay their own member contributions and the employer contributions in respect of the period of leave.

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GSF information booklets and forms

Booklets and forms are available on request from Datacom and may be downloaded from the GSF Authority's website: www.gsfa.govt.nz under Members > Forms and Booklets. These booklets contain information and forms for GSF members and employers.

Ceasing service Options

Depending on their Scheme a member ceasing service may, **in some circumstances and subject to meeting specific criteria**, be eligible to receive:

An immediate retiring allowance, based on the member's superable salary at retirement, in the 12 months prior to retirement, or in the 5 years prior to retirement (depending on the scheme), contributory service and a factor, which may be age-related. Where the entitlement is based on an age-related factor the factor increases with age only until a specified age (New General scheme age 65, Police scheme age 55 and Prisons scheme age 58). *(All schemes)*

A deferred retiring allowance. This is an allowance payable from a future date selected by the member, calculated as per an immediate retiring allowance but indexed to date of payment. This option must be elected within 6 months of ceasing service. *(New General, Judges, Police and Prisons scheme)*

A medical retiring allowance, *(All schemes)*, or an **enhanced refund** *(Police scheme)* if ceasing service on medical grounds.

A refund of contributions, which may include some element of interest. *(All schemes)*

Continue to contribute for a period up to 3 months. *(New General, Old General, Armed Forces, Police and Prisons schemes)*

Transfer an augmented refund amount **to another registered superannuation scheme.** *(New General, Armed Forces, Judges, Police and Prisons schemes)*

Leave contributions in the Fund with a view to reactivating on rejoining Government service before age 50. On reaching age 50, if the member has not resumed contributions a refund of the member contributions only is payable. *(New General, Old General, Police and Prisons schemes)*

Pay a lump sum to increase entitlements and receive an immediate retiring allowance. *(New General scheme only – very specific criteria)*

Disclaimer

This newsletter is a summary of some of the provisions of the GSF Act, regulations made pursuant to the GSF Act and policy decisions including those set out in the statement of policies. While every effort is made to ensure the information contained in this newsletter is accurate, it is intended as a guide only and is in no way binding on any person, and does not prevail over any applicable law or policy decision. To the fullest extent permitted by law, neither the Authority, Datacom, nor any person accepts any liability for any loss, damage, cost or expense that may arise from any reliance on any information contained in this newsletter. This newsletter does not create any legal or equitable rights exercisable by any person.

Options at retirement

On electing to receive payment of an immediate, medical or deferred retiring allowance or a deferred pension, depending on their Scheme a contributor may **in some circumstances and meeting specific criteria** be eligible to:

Capitalise part of their allowance to receive a lump sum and a reduced allowance. *(All schemes)*

Receive a **variable allowance**, that is, receive an increased allowance prior to a selected date in return for a lower allowance after that date. *(New General, Old General, Armed Forces, Parliamentary, Police and Prisons schemes)*

Provide an allowance or additional allowance to a spouse, partner or other approved dependent. *(New General, Old General, Armed Forces, Police and Prisons schemes)*

Options at or in retirement

Where a member is **entitled to receive payment of a retiring allowance** they are eligible to:

Assign part of their allowance to another person, who will receive payment of the assigned allowance in their own right. *(All schemes)*

Enter a **sharing arrangement under a Matrimonial Property Agreement.** In this case the sharing is contingent on the life of the member. *(All schemes)*

Elections

To exercise an option a member must make an election. All members will need to make elections at some point during their membership, if only to elect to receive their entitlement. Many elections have timeframes applying to them, with elections made outside the timescales either being not valid or resulting in members receiving their entitlements later than they had wished.

If you make an election and do not receive an acknowledgement from Datacom within 10 working days, we recommend you contact us to check that the election has been received. Where an election has been made but is reliant on information from another party, such as your employer, we will keep you updated on progress on a regular basis. Where further information is required from you, you will be advised of any further timescales applying to the provision of that information.

For further information regarding the options available upon ceasing Government service, please see the GS20 Booklet, Options Upon Ceasing Service. This provides further details of options available to New General Scheme members.