

Kia ora

Talofa

Hello



Rough ride continues for investment markets

2022 investment returns have been very volatile to date. It's worth remembering that this 'on again, off again' nature of markets isn't unusual. Markets have always been pushed around by uncertainty and unexpected events. If anything, the last decade has been abnormal in terms of its relative stability. Even if the old normal is returning and investing becomes more of a hard slog, we believe patient investors will be rewarded over time. It's perfectly normal to feel anxious when returns are negative – especially if you see your account balance go down. It's worth repeating the points we made in our last newsletter:

- The value of investments – especially shares – goes up and down all the time. It's called volatility.
- These changes in value are reflected in your account balance. It doesn't mean you've lost money. You still hold the same investments – they're just currently worth less than they were.
- However, if you withdraw money when prices are low, you will lock in that low price. It's best to wait until prices are high.
- The same goes for changing to a more conservative investment option. You lock in the low price. It's known as 'crystallising' loss. You also miss out on any benefit when prices rise.
- We can't predict future returns, but history tells us that markets always recover eventually. Try to be patient and don't panic.

Returns after expenses and before tax

6 months ended 30 September 2022

Long Term Fund	-7.89%
Medium Term Fund	-5.80%
Short Term Fund	0.90%

Percentage returns on your investments will vary depending on your tax rate (called your prescribed investor rate or PIR). See the website for the latest returns at each PIR.

Voluntary life insurance

Keep an eye on your letter box. We'll be in touch very shortly with another opportunity to take up voluntary life insurance. Again, it will be low cost with few conditions – you'll just have to answer a very simple medical questionnaire. You can take out cover up to \$150,000 with premiums paid from your account in the Plan. If you have voluntary life cover with the Plan already, you will be able to top it up to a total of \$150,000.

Voluntary life insurance is in addition to the life cover paid for by the Plan.* This is set currently at:

- \$35,000 up to age 65
- \$14,000 from age 65–80.

* If you're a salary sacrifice member (mainly Kiwibank staff), you don't qualify for free life cover. However, you are welcome to take up voluntary life insurance.

Benefit payments over Christmas and New Year

The last payment date for benefits for 2022 will be Tuesday 20 December. You need to factor this in if you are planning to withdraw money over the holidays. This applies to all benefits including leaving service payments, significant financial hardship payments and withdrawals from deferred member accounts. For a pre-Christmas payment, Mercer needs to receive the completed form from you (or Payroll in the case of leaving service payments) by **Thursday 15 December** before noon. Payments will recommence on 17 January 2023.

Great turnout to roadshow

It was great to see so many of you at our recent roadshow sessions in Auckland, Wellington and Christchurch. Lots of great questions. We've answered some of them here for everyone's benefit. We will also post video clips from the roadshow on our website and Yammer.

Where can I get help with retirement and financial planning?

There are a number of excellent sources of information and resources on everything from budgeting to saving for retirement.

Employee assistance programme

As an NZ Post employee, you can access free budgeting advice through Benestar.

Call **0800 360 364**

email counsellingsupportnz@benestar.com

or create an account at www.benestar.com

MoneyTalks

MoneyTalks is a free financial helpline. They can also put you in touch with a financial coach in your neighbourhood.

Helpline: **0800 345 123**

Email: help@moneytalks.co.nz

Website and livechat: www.moneytalks.co.nz

Sorted

You'll find a wealth of information about getting ahead financially including planning for retirement at

www.sorted.org.nz

Sorted is a free service provided by Te Ara Ahunga Ora Retirement Commission.

Financial advisers

The Financial Markets Authority website includes information on choosing and finding a financial adviser.

Visit www.fma.govt.nz/consumer/getting-advice

How do I go about making a will?

You can either use a lawyer or a professional trustee company or write a will yourself using a DIY online service. The moneyhub website has an excellent guide that explains the pros and cons of each option. The guide is written in plain English and packed with good information.

Visit www.moneyhub.co.nz/wills.html

Can I get the government contributions that KiwiSaver members get?

Yes, but only if you contribute at least 3% of your salary to our complying superannuation fund (CSF). It's a special section of the Plan that works just like KiwiSaver. From age 18 to 65, the government will contribute \$10 for every \$20 you contribute to the CSF section up to a maximum of \$521.43 a year. A couple of things to note:

- You can direct some of your current contributions to the CSF section, so it won't affect your take-home pay.
- Generally, you won't be able to withdraw funds from the CSF section until age 65.

Read more about this option and find out how to join on our website.

Can I keep my savings in the Plan when I leave?

Yes. You don't need to withdraw your money straight away if you're leaving NZ Post. Just fill in a leaving form and let us know you'd like to leave some or all of your money where it is. You can leave your money in the Plan until age 72. If you're over 69 when you leave Post, you can keep your money in the Plan for 3 years.

Can I keep my life insurance when I leave?

Yes, as long as you're aged under 70 when you leave. You can continue your free life cover and any voluntary life insurance you have with the Plan (see separate story). There is no health questionnaire as long as you apply within 60 days of leaving work. Any existing conditions will be covered. Contact our insurance broker Tony O'Brien at Aon – phone **(04) 819 4075** or email tony.obrien@aon.com.



Kei konei mātou ki te āwhina / We're here to help

Waea āwhina / Helpline: **0800 NZP SAVE | 0800 697 728** (choose option 1)

You can also email nzpostsuper@mercercor.com or fax **(04) 819 2699**

You'll find information to help answer your questions at www.superplan.co.nz

Hours: 9am to 7pm –
Monday to Friday,
except for public holidays