

# ASFONZ

*The Voice of Workplace Super*

## Changing your Superannuation Provider and Making “Consent Free” Transfers Work for You



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29 August 2008



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**ASFONZ 2008 CONFERENCE**

# Outline

- Voluntary Transfers
- “Consent Free” Transfers
  - ✓ Government Actuary Considerations
  - ✓ Procedural Requirements

# Government Actuary Considerations

- Principal rationale – facilitate transfers between schemes where transfer unlikely to impact on interests
- Government Actuary may *approve* transfers only if:
  - ✓ new scheme is no less favourable
  - ✓ transfer is reasonable in all the circumstances
  - ✓ correct procedure followed

# Government Actuary Considerations

Government Actuary may *decline* consent if transfer would **adversely affect** the interests of all or any members and beneficiaries in any **material** way:

- ✓ adverse effect:
  - benefit design?
  - shift of investment risk?
  - administration cost increase?
  - other?
  
- ✓ material:
  - significant impact?
  - not immaterial?

# Government Actuary Considerations

Government Actuary will:

- consider transfers on a case by case basis
- consider all aspects including:
  - ✓ benefit designs
  - ✓ fees and investments offerings
  - ✓ other factors

# Procedural Requirements

- Application to Government Actuary can be made by:
  - ✓ trustees of the existing scheme
  - ✓ trustees of the new scheme
  - ✓ a relevant employer

Provided

- Government Actuary is *satisfied* the person has standing to make the application

# Procedural Requirements

- Government Actuary *may* require applicant to give:
  - ✓ a certificate that the transfer meets requirements
  - ✓ other information

# Procedural Requirements

- Applicant *must* give notice to each member and beneficiary:
  - ✓ of the application to the Government Actuary
  - ✓ they can make submissions to the Government Actuary

# Procedural Requirements

- Government Actuary *must* consider all submissions
- Government Actuary *may* give conditional approval
- Fees (schedule 2 – KiwiSaver Regulations 2006) \$100 each half hour spent by the Government Actuary considering application

# Additional Information

- Slides and background paper will be available from ASFONZ
- Feel free to speak to Stephen or Ken

