



Granting a Charge over your Contributions to GSF

GOVERNMENT SUPERANNUATION FUND

NEW GENERAL Scheme

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Important information

The Government Superannuation Fund (GSF) schemes are managed and administered by the GSF Authority (the Authority) in terms of the GSF Act 1956 (the GSF Act). The Authority has appointed Datacom Employer Services Limited (Datacom), a subsidiary of Datacom Group Limited, as the Schemes Administrator.

The Schemes Administrator does not have the authority to interpret the GSF Act or to make any determination on questions arising under the GSF Act. All interpretative issues and determinations are referred to the Authority for a decision.

If there is any doubt about a matter, eg. how an allowance is calculated, the Schemes Administrator will approach the Authority for a determination and then advise the contributor of the Authority's decision. If the contributor disagrees with, or is dissatisfied with, the Authority's decision he/she has the right to appeal to the GSF Appeals Board (the Appeals Board) against that decision.

The GSF Act requires the Authority to exercise its discretion consistently with the published statement of policies unless it considers it inappropriate to do so in the particular circumstances. The statement of policies may be amended by the Authority from time to time, subject to compliance with the procedural requirements set out in the Act.

Appeals must be made in writing within 28 days of the Authority's decision being advised to the contributor. The appeal will then be presented to the Appeals Board at its next meeting. The Appeals Board considers all written and oral evidence submitted by the contributor or his/her representative, as well as the Authority's report, and takes into account the interests of the Crown and any other interested party before making its decision. The Appeals Board's decision is final and the contributor is advised of the outcome.

Disclaimer

This booklet is a summary of key 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 has been made to ensure that the information contained in this booklet is accurate, it is intended as a guide only. In particular, please note that:

- This booklet does not take into account any individual's particular circumstances, financial or otherwise.
- The policies and conditions described in this booklet can change over time so before taking any action you should check whether the information contained in this booklet is still up to date.

This booklet 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 nor any other person accepts any liability for any loss, damage, cost or expense that may arise from any reliance on any information contained in this booklet.

This booklet is not intended to, and does not create, any legal or equitable rights exercisable by any person. If you have any queries in relation to the schemes, or require any further information in relation to the schemes, please contact:

Schemes Administrator
Government Superannuation Fund
Datacom Employer Services Limited
P O Box 3614
Wellington 6140

Free Phone: 0800 654 731
Telephone: (04) 470 6348
Fax: (04) 470 6366

Granting a Charge over your Contributions to GSF

1. Introduction

This booklet provides information for contributors to the Government Superannuation Fund (GSF) wishing to grant a charge over their contributions under Part 7 of the GSF Act and the various associated policies.

In this booklet, the term “partner” is used to refer to a civil union partner or de facto partner (as defined in the Property (Relationships) Act 1976) and includes any person whom the Authority regards as being the civil union or de facto partner of a deceased person immediately before that person’s death.

The term “spouse” is used to refer to any man or woman whom the Authority regards as being the wife or husband of the person immediately before the person’s death.

2. What does it mean to grant a charge over your contributions?

Granting a charge over your contributions means your superannuation contributions may be used as security for a loan obtained from another person or organisation.

No benefit may be paid from GSF until any chargeholder has been given the opportunity to claim the amount of the charge from GSF and any payments made under such a claim will be offset against the benefit payable. This provision means that granting a charge could have a serious effect on the benefits of a spouse or partner or children should the contributor die.

3. Who may register a charge?

As a contributor to GSF, you may grant a charge over your contributions unless:

- you already have a charge registered over your contributions,
- you have an order in respect of your contributions in force under the Relationship Property Act or the Family Proceedings Act, or
- you have notified the Schemes Administrator that you intend to cease service or cease being a contributor.

4. How can a charge be registered?

For a charge to be registered both the contributor and the chargeholder (lender), must complete **Form GS5/1 – Notice of Charge** and forward the form to the Schemes Administrator. An administration fee of \$10.00 must be paid before the charge can be registered. All cheques should be made payable to the Government Superannuation Fund.

The Schemes Administrator will advise both the contributor and the chargeholder as soon as practicable (generally this will be within 5 working days) whether the charge has been registered.

5. Before a charge is registered

The contributor may request from the Schemes Administrator, clarification of whether or not a charge may be registered. A written request should include the contributor's GSF number, full name, address, date of birth.

A potential chargeholder (lender) may also seek in writing confirmation that the contributor is eligible to grant a charge over contributions. Any request made by the chargeholder must be signed by the contributor and should include the contributor's GSF number, full name, address, date of birth.

If a potential chargeholder requires details of a contributor's contributions, the contributor can request a statement of total contributions from the Schemes Administrator and, on receipt from the Schemes Administrator, forward the statement to the potential chargeholder.

6. Claim by chargeholder

The chargeholder may claim against contributions in GSF if the contributor defaults on a loan advance.

A chargeholder who makes a claim on contributions is entitled to request payment of total contributions or the amount secured by the charge, whichever is the lesser.

Where a chargeholder has received payment the contributor ceases to be a contributor to GSF and will be refunded any remaining contributions.

If the contributor is a compulsory contributor he/she immediately rejoins GSF.

7. What happens if you withdraw, resign from Government service, retire, or die?

Before any payment can be made, the chargeholder will be notified by the Schemes Administrator of the right to elect to:

- release the charge without receiving payment, or
- to receive the lesser of the amount of contributions without interest or the amount secured by the charge.

The chargeholder will be given 28 days in which to make this election. If the chargeholder fails to make an election within this time the chargeholder shall be deemed to have released the charge without receiving payment of any amount secured by it.

Should the chargeholder not elect to release the charge the lesser of the total amount of contributions without interest or the amount secured by the charge will be deducted before any benefit is paid.

The benefit payable by GSF will be calculated without regard to the charge but payment will not be made/commenced until the chargeholder has made an election to release the charge or receive the amount secured by the charge. The amount paid to the chargeholder is deducted from any benefit (other than a child's allowance) either in total before any such benefit is paid or from such benefits at such rate as the Authority may determine.

GSF booklets for the New General Scheme include

- GS 2 Retiring Allowance Options
- GS 5 Granting a Charge over your Contributions to GSF
- GS 6 Information
- GS 7 Information on Leave Without Pay
- GS 19 Options Available While Remaining in Government Service
- GS 20 Options Available on Cessation of Government Service
- GS 21 Election to Contribute at Previous Salary Rate Following Reduction in Superable Salary
- GS 22 Contributing in Respect of Prior or Interrupted Government Service
- GS 96 Option to Cease Contributing to GSF and Elect a Deferred Pension

If you would like copies of booklets relevant to your membership, please contact the Schemes Administrator at the address noted at the front of this brochure. Copies of the booklets are also available on the Authority's website – www.gsfa.govt.nz

TO: Government Superannuation Fund Authority

This is to inform you that the Contributor named below, being a contributor to the Government Superannuation Fund (GSF), has granted a charge over the contributions to GSF in favour of the chargeholder named below.

It is accepted that the charge is of no effect until it has been registered in the register of charges maintained under section 92A of the Government Superannuation Fund Act 1956 (the GSF Act).

By signing this form, the Contributor and the Chargeholder each agree that notices under section 92C, section 92D(b), section 92E or section 92F of the GSF Act may be given at the respective addresses given below, or at such other addresses as may from time to time be notified to the schemes administrator.

The Contributor also confirms that the Schemes Administrator is not under notice of the Contributor's intention to withdraw from GSF, or that the Contributor has given notice of resignation from Government Service. The Contributor also authorises the collection of personal information from and disclosure of personal information to the Chargeholder, the Contributor's employer and/or such other persons as may be necessary to process or otherwise deal with the charge requested to be registered in this Notice of Charge.

SECTION A

CONTRIBUTOR CONFIRMATION

(To be completed by the contributor and forwarded to the chargeholder to complete Section B)

First Names _____ Surname _____

GSF Number _____ Date of Birth ____ / ____ / ____

Postal Address _____

Home Phone () _____ Work Phone () _____

Fax Number () _____

Email Address _____

Name of Employer _____

Employer's Address _____

Phone Number () _____ Fax Number () _____

Email Address _____

Please ensure you read the Privacy Act Statement at the end of this form.

Signature of Contributor _____ Date ____ / ____ / ____

SECTION B

CHARGEHOLDER CONFIRMATION

(To be completed by the Chargeholder)

Name of Chargeholder _____

Postal Address _____

Phone Number () _____ Fax Number () _____

Email Address _____

Signature of Chargeholder _____ Date ____ / ____ / ____

Name _____

Position _____

I attach a cheque for the \$10 administration fee, or

I have deposited the \$10 administration fee into the GSF bank account (02-0500-0594431-00) on ____ / ____ / ____

This Notice of Charge (GSF5/1) must be:

- **posted** to the Schemes Administrator, Government Superannuation Fund, P O Box 3614, Wellington, OR
- **delivered** to Level 10, South Tower, Datacom House, 68 Jervois Quay, Wellington, 6011, OR
- **faxed** to (04) 470 6366. If this Form is sent by fax, the 'original' must be forwarded by mail.

Sections 92A to 92J of the GSF Act detail the provisions which apply to charges.

When the Chargeholder no longer requires the security the Schemes Administrator must be notified in writing by the chargeholder in order for the charge to be released.

An administration fee of \$10.00 must be enclosed with this Notice of Charge in order for the charge to be registered.

If you have any queries please call toll free 0800 654 731 or (04) 470 6348.

Privacy Act Statement

The personal information you supply by completing this form is being collected by the Government Superannuation Fund Authority (Authority) and Datacom Employer Services Limited (Datacom) as administrator of the schemes governed by the Government Superannuation Fund Act 1956 (Act) and will be held by Datacom. It will be used to determine your entitlements with respect to the Government Superannuation Fund.

This information may be exchanged between the Authority and Datacom and may be disclosed to third parties such as Annuitas Management Limited (provider of executive office/secretariat services to the Authority) or agents of the Authority or Datacom for the purpose of the ongoing management and administration of GSF and the schemes, and to enable the Authority to fulfill its statutory obligations or other legal obligations such as for tax reporting or anti-money laundering requirements. If you do not provide the information requested, we may not be able to process the Notice of Charge as set out in this form.

You are entitled to access and request correction of the personal information collected in this form in accordance with the Privacy Act 1993. For more detailed information about the Privacy Act you can refer to the Privacy Commissioner's Guide to the Privacy Act 1993. The Authority's Privacy Policy can be viewed at www.gsfa.govt.nz

Government Superannuation Fund Authority
P O Box 3390
Wellington 6140

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