



# **Employer Information Handbook & Registration**

As at 30th June 2018

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## General Information

The Cook Islands National Superannuation Fund (the Fund) was established by an Act of the Cook Islands Parliament passed on the 24<sup>th</sup> November 2000 and supplemented by the Cook Islands National Superannuation Fund Order 2016. This Order requires all employers who have in their employment any person for whom there is liability to pay contributions under the CINS Act 2000 or for whom such a liability would arise if the employee were not exempted under the provisions of section 37 to pay such contributions as required. An amendment was made to the Act in 2017 to provide for additional members of the Board and to facilitate the transfer of member contributions to a suitable fund or scheme in another jurisdiction.

The Fund is designed to provide members with a means to save for their retirement. The Fund is intended to help give members financial security in their retirement or, in the event of their death before retirement, security for their dependants.

## Management of the Fund

### The Board

The Cook Islands National Superannuation Act 2000 (the Act) established the National Superannuation Board (the Board). In broad terms the function of the Board is to ensure that the Fund is run in accordance with the Act. The Act sets out who will be members of the Board.

The members of the Board are:

- A representative of the Cook Islands Workers Association Inc.;
- A representative of the Cook Islands Chamber of Commerce Inc.;
- A representative of private sector employers who is not a member of the Cook Islands Chamber of Commerce Inc., and
- A member nominated by contributors to the Fund.
- Any additional members recommended by the Board for appointment to ensure that the Board's membership has an appropriate mix of financial, legal, operational and communication skills and approved by the Queen's representative.

The Board Members as at the date of this Employer Handbook are:

Heinz Matysik - Non-Chamber Employers Representative (Chairman)  
Garth Henderson – Financial Secretary (interim appointment)  
John Tini – Cook Islands Workers Association Representative  
Tatiana Burn - Chamber of Commerce Representative  
Anna Koteka - Contributors Representative

The Board also has a Chief Executive Officer. The Chief Executive Officer is:

Damien Beddoes

Email: [damien.beddoes@superfund.gov.ck](mailto:damien.beddoes@superfund.gov.ck)

The Office of the Cook Islands National Superannuation Fund ("CINSF Office") is located at:

Ground Floor	Phone	+ 682 25-515
ANZ Building	Facsimile	+ 682 26-615
PO Box 3076	Email:	<a href="mailto:enquiry@superfund.gov.ck">enquiry@superfund.gov.ck</a>
Avarua		
Rarotonga		
Cook Islands.		

The Fund's website address is [www.cinsf.com](http://www.cinsf.com). On the website employers and employees can find copies of various Fund documents. By clicking on the eBenefits tab and entering their Username and Password exactly as shown on their eBenefits authorisation certificate, members will be able to view their member account balances.

## **The Trustee**

The Trust Deed sets out how the Fund will be managed and details the benefits available to members

The Trustee is responsible for ensuring that all the provisions in the Trust Deed are followed and that members' rights are protected. The Trustee is very important, as it is required to always act in the best interests of the members of the Fund.

The Trustee is:

Public Trust  
Corporate Trustee Services Division  
Phone: +64 4 978 4634  
PO Box 5067  
Wellington  
New Zealand

Email: [cts.enquiry@publictrust.co.nz](mailto:cts.enquiry@publictrust.co.nz)  
Or if calling from New Zealand 0800 371 471

Public Trust is a crown entity established under the Public Trust Act 2001 (New Zealand legislation).

## **Administration Manager**

To administer the Fund on a day to day basis, the Trustee has appointed an Administration Manager. On instruction from the Trustee, the Administration Manager keeps the register of members, records the contributions paid into the Fund, and pays all the benefits to members and pensioners and on-going Fund expenses.

The current Administration Manager is:

Link Market Services Limited  
Level 11, Deloitte Centre  
80 Queens Street  
PO Box 91976  
Auckland 1142  
New Zealand  
Phone +64 9 967 - 7764  
Fax +64 9 375 - 5991  
Email [cinsf@linkmarketservices.com](mailto:cinsf@linkmarketservices.com)

## **Auditor**

Each year the Trustee will also appoint an Auditor. The auditor's role is to review the records and accounts of the Fund and to report annually to the Trustee that all the information in those records and reports is correct.

The Auditor is:

Deloitte  
Private Bag 115033  
Auckland 1140.

The Auditor currently provides taxation advice to the Trustee.

## Investment Management

The Trustee, in consultation with the Board, is responsible for establishing a Statement of Investment Policy and Objectives (“SIPO”) and selecting the underlying investments of the Fund. All investments are held in the name of the Trustee. Additional investments and investment funds may be added to the Fund in future by the Trustee in consultation with the Board.

As at the date of this Employers Handbook, the Fund invests in the following investment funds.

- Russell Investments NZ Shares Fund
- Russell Investments NZ Fixed Interest Fund
- Russell Global Opportunities Fund - \$NZ Hedged Class B
- Russell Global Fund – Class B

The investment manager of the underlying investment funds is:

Russell Investment Group Limited  
Level 13, PwC Tower  
188 Quay Street  
PO Box 1050191  
Auckland.

Members have the following investment options to invest their contributions:

1. CINSF Conservative (Default) Fund.
2. CINSF Balanced Fund
3. CINSF Growth Fund

**Further information about investment options available to members and the underlying investment funds can be found in the Members Information Handbook.**

## Membership Eligibility

Membership of the Fund is compulsory for all employees in employment in the Cook Islands or employed outside the Cook Islands by an employer resident in the Cook Islands.

A member does not have to join the Fund if they are:

- 60 or older;
- under the age of 18;
- over the age of 55 at the time they are required to join and elect in writing not to join, or
- a member of an existing superannuation scheme as determined by the Board.

If a Member is exempt from joining the Fund but would still like to join, they may do so. The employer is also required to contribute at the specified rate. All employers with employees employed in the Cook Islands or outside the Cook Islands while resident in the Cook Islands, must contribute to the Fund unless they qualify for a specific exemption.

**Note:** For the purposes of this Employer Information Handbook, the terms Member(s) and Employees(s) have the same meaning.

## How to Register

To register as an Employer on the Fund carefully read this **Employers Information Handbook** and:

1. Complete the **Employer Registration Form** ensuring that all the information you provide is correct.
2. Sign the form and, if applicable, provide a copy of your **Certificate of Incorporation** to the CINSF Office or refer to Section 2: Required Documentation.
3. Confirm a presentation time for a Client Services Officer to visit and explain the features and benefits of the CINSF to you and your staff. This includes an educational component to enable new members to understand the investment options they can choose from. If you cannot arrange a suitable time for your staff to have a presentation, they can visit the CINSF office to obtain further information.
4. Arrange a time for a Client Services Officer to do a site visit to assist with the installation of the NSF Super System to make electronic submissions for monthly payments and reconciliations.
5. If the employee is joining the Fund as a new member, they must complete and sign the **CINSF Membership Application Form** set out in the Members Information Handbook and provide a copy of their passport or birth certificate and driver's license to the CINSF Office. These documents can be brought to the CINSF Office for copying.
6. The employer must sign '**Section 7 – Employer Declaration and Signature**' of the employees CINSF Membership Application Form.

On the **CINSF Membership Application Form**, employees will need to choose which CINSF Investment Fund they wish their contributions to be invested. They can choose either one CINSF Investment Fund or a combination of any two or all three CINSF Investment Funds. We call this "Investment Direction". For further information on how to set an Investment Direction and information on the three CINSF Investment Funds, please refer to the **CINSF Members Information Handbook**.

If an Investment Direction is not provided, an employee's contribution will be invested in the CINSF Conservative (Default) Fund. The CINSF Conservative (Default) Fund has the same investment exposure as the whole of the Fund had prior to 1 July 2015.

## Contribution Rates

The rate of contribution required to be made is the same for your employee and you. It is a percentage of your employee's earnings. Earnings include:

- wages
- salary
- allowances
- holiday pay
- long service leave pay
- overtime
- bonuses
- gratuities
- extra salary
- commissions

- directors fees
- honoraria
- emoluments
- Remuneration of any kind.

Earnings do not include:

- lump sum payments (other than accrued holiday pay) paid as a bonus gratuity or retiring allowance on termination of employment
- payments from a pension or annuity from past employment
- dividends (unless you are a shareholder employee)
- amounts earned as an employee from employment outside the Cook Islands from an employer who is not resident in and does not carry on business in the Cook Islands.

For a self-employed person, earnings are the same as their assessable income under the Income Tax Act 1997.

**All members will pay 5% of their earnings matched by 5% from their employer.**

## **Voluntary Contributions**

Members may also make voluntary contributions. These may be made either as a lump sum amount for a minimum of \$1000 or as a regular contribution of not less than 1% of your earnings. Voluntary contributions are paid into a Voluntary Account held in the Member's name. Unlike the compulsory contributions, Voluntary contributions are not matched by contributions from the employer and do not form part of a member's pension calculation. A Member can withdraw the full balance or make a partial withdrawal from their Voluntary Account at any time subject to conditions (which can be obtained from the CINSF Office). A person cannot open a Voluntary Account if they do not have a Compulsory Account.

Following an amendment to the Trust Deed effective from 29 November 2016, Pensioners following early retirement, or on reaching normal retirement date, may retain their Voluntary Account should they wish and continue to make voluntary contributions. If the Pensioner has retained their Voluntary Account after retirement, they can withdraw the full balance or make a partial withdrawal from their Voluntary Account at any time subject to conditions (which can be obtained from the CINSF Office).

Pensioners who did not have a Voluntary Account prior to becoming a Pensioner cannot open a Voluntary Account.

## **Working for Different Employers**

Every employer shall ensure that every new employee in their employment is registered with the Fund and shall give every assistance to the employee towards completing a CINSF Membership Application Form if the Member is joining the Fund as a new member.

If the employee is joining the Fund, they will be sent a letter by the CINSF Office confirming their membership. This is an important document and members will need to show it to any other employers they may work with over subsequent years.

When employment ceases, the employer is required to notify the CINSF Office that the specified employee is no longer employed.

All contributions invested in an employee's name will remain in the fund until such time as they start working again or cease membership.

If employees are temporarily absent from work, the employer must notify the CINSF Office of that situation. Contributions will re-commence once the employee starts working again.

Note: Employers could be prosecuted under Section 66 of the CINSF Act 2000 and penalties could be imposed on employers if they fail to lodge contributions for employees. As at the date of this handbook, monthly contributions should be received before or on the 20<sup>th</sup> of the month.

**Failure to do so will result in a penalty fee of 10% being added to that month's contribution.**

## Insured Benefits

The Trustee, in consultation with the Board, has in place a Group Life Insurance Policy available to members.

If a member with a Compulsory Account dies before becoming entitled to any benefit from the Fund or before the normal retirement age, the Trustee will pay an insured benefit (provided that the member is covered by insurance). The insured benefit will be paid as a lump sum equal to 100% of their annual earnings for 12 months as at 31 December before their date of death, or the date on which they were admitted as a member to the Fund, whichever is the later.

The current policy also contains benefits should a member be diagnosed with a terminal illness or suffers major dismemberment or major burns.

Any employee that decides to cease employment with an employer should be notified of the cessation of Insurance Cover.

The employee's interest in and rights under the Group Life Insurance Policy arranged by the trustee cease:

- 180 consecutive days (6 months) after mandated employee contributions and mandated employer contributions cease to be paid
- On the employees compulsory account balance falling to zero
- On the employees receipt of a pension or payment of a lump sum benefit, whichever is the earlier
- On the employee turning 60 years of age

It is very important that employers ensure all employer and employee contributions are forwarded when due.

Failure may result in employees not qualifying for Insurance Cover should they pass away during that period.

Note: Employers could be prosecuted under Section 66 of the CINSF Act 2000 should they fail to lodge contributions for employees

## Employees leaving the Cook Islands

Should an employee decide to leave the Cook Islands, their contributions remain in the Fund and continue to earn interest at the same rate as all other members.

Employees will be entitled to receive the Benefits when they become due. These benefits are payable to employees anywhere in the world.

It is very important that employees notify the CINSF Office should they leave the Cook Islands and continue to advise the CINSF Office of their current overseas address. If members do not keep current addresses up to date, they may not be able to receive a pension or lump sum payment when it becomes due.

Employees who permanently move to another country may elect to transfer the transfer value of their contributions to an approved scheme in that country. For further details please refer to the Member Information Handbook or contact the CINSF Office.

## Withdrawal from the Fund for Contract Workers

A member, who has become a resident in the Cook Islands solely to work on a contract of employment of not more than three years, is entitled to a benefit on their permanent departure from the Cook Islands. That benefit will be paid as a lump sum equal to the total of their Compulsory Account balance plus investment earnings in the period plus any balance in their Voluntary Account. Payment of the claim is subject to a 6 month waiting period.

Subject to conditions, a member may elect to transfer the whole balance of their Compulsory Account balance to a similar superannuation fund in that country that is nominated by the member and approved by the Board. Payment of the transfer is subject to a six month waiting period. When a transfer is completed, the account is closed and the member is no longer a member of the Fund.

## Information for Employers

Information that is available for Employers:

- Employer Certificate
- Trust Deed
- CINSF Members Information Handbook
- The CINSF Office may provide statements and forms for Employers

Should you require or need further information, the Client Services team will be happy to offer their services. You can contact the Client Services Manager, Twinn Joseph or Senior Client Services Officer, Jasmin Beer.

## NSF Super System

### The Super-Systems

The NSF Super-System is a software program designed to aid employers in preparing Fund contribution data for their employees. The Super-System maintains a list of your employees, their personal data, and optionally, their wage information. The program will facilitate the process of calculating contribution amounts and submitting member and contribution data to the National Superannuation Office. The program also functions as a referee for the rules and regulations associated with the National Superannuation Act. The Super-System is freely available to any employer in the Cook Islands.

The Super-System is designed as a stand-alone data entry process that reduces the time and effort required to generate monthly returns. The Super-System can also generate records that employers can store for future reference and reprinting as required. The program has three primary functions:

1. Personal Data
2. Contribution Preparation
3. Reference

Further details as to 'How to prepare Contributions' is located in the "NSF Super System Manual".

## e -Payment Procedure

Monthly contributions can be paid at our office located at the end of the ANZ Bank Building. For those employers that prefer to make monthly payments by e-Payment instead of visiting our office may do so.

This can be done as follows:

1. Once you have completed and saved the Preparation of Contributions, email the saved 'data file' to [contributions@superfund.gov.ck](mailto:contributions@superfund.gov.ck)
2. Wait for a confirmation from our office that your Contributions Report is "accepted". Once accepted a "CINSF Payslip and Bank Deposit" will be forwarded to you in order for your cheque payment to be made at either the Bank of the South Pacific, Bank of the Cook Islands or ANZ Bank or likewise to our office.
  - a) Email 'data file'
  - b) Wait for CINSF Payslip and Bank Deposit
  - c) Deposit to Bank

If your Contributions Report is "rejected" an automated email will show the errors that must be rectified by you. You must rectify these errors before re-forwarding the data file to our office.

Payment to either Bank or to our office can only be accepted once a "CINSF Payslip and Bank Deposit" has been received.

3. All Manual Contributions will continue as normal.

## Penalty Fees

Monthly contributions should be received before or on the 20<sup>th</sup> of the month. Failure in doing so will result in a penalty fee. A fee of 10% will be added to that month's contribution together with 1% on the amount owing in respect of which default has been made for each month until the amount is paid in full to the Fund.

## CINSF Forms

The following forms are available to assist both Employers and Employees and can be obtained by contacting the CINSF Office at the address below.

1. **Employer Registration Form**  
All new Employers are to complete this form.
2. **Membership Application Form**  
  
All new employees are to complete this form. Please ensure that you provide your Passport or Birth Certificate Name.
3. **Election Not to Contribute**  
If the employee is under 18 years of age, over the age of 55 years at the time of joining and elects in writing not to join, over the age of 60 years or is a member of the GSF Superannuation Scheme and does not wish to register, they must complete this form.
4. **CINSF Manual Form**  
This Form is to be used in the preparation of contributions should the Employer have no access to the internet. Please advise our office for further queries.

5. **CINSF Request Form**  
For any requests, complaints change of details, complete this form.
6. **CINSF Claim Forms**  
Claim Form for early retirement, retirement, termination and total and permanent disability.
7. **Prepaid Funeral Benefit Form**  
To apply for an instalment of the deceased members benefit, to assist in payment of funeral costs.

# EMPLOYER REGISTRATION FORM

COOK ISLANDS NATIONAL SUPERANNUATION FUND

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## SECTION 1: Employer Details

Please read the Employers Handbook and complete this form carefully and return form to Cook Islands National Superannuation Fund, Po Box 3076, Rarotonga , Cook Islands or Email [enquiry@superfund.gov.ck](mailto:enquiry@superfund.gov.ck) Please write in blue or black pen only

**Employer RMD Number**

*CINSF Office*

Please tick appropriate box:

Company  Sole Trader  Partnership  Estate/Trust  Club/Societies/Charity/Other Organizations

**Employer Code** *(Code to be provided by*

**1. Registered name:**

*(Print your full name of the Company, Sole Trader, Partnership, Estate,/Trust, Club, Societies, Charity or other organizations)*

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**2. Trading name:**

*(If the trading name is different from the name shown above, print here)*

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**3. Employer Address:**

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**4. Residential Address:**

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**4. Nature of Business/trade:** \_\_\_\_\_

**5. Telephone:** \_\_\_\_\_

**6. Facsimile:** \_\_\_\_\_

**7. Email Address:** \_\_\_\_\_

**8. Mobile:** \_\_\_\_\_

**9. Total Present Number of Employees:**

## SECTION 2: Required Documentation

*Please attach one of the following documents as **identification** with your completed Employer Registration Form.*

Certificate of incorporation for companies  Memorandum and Articles of Association  Resolution Letter  Trust Deed

Sole Trader/Partnership – If not a registered company obtain valid identification of owner(s).

Club/Societies/Charity and other organisation - Obtain copy of the minute(s) of the Officer Bearers for the current period with valid identification.

## SECTION 3: CONTACT PERSON

“Contact Person” is a person who is designated for giving information or being a representative for an organisation and may not be a necessary signatory to the type of business/trade.

a) **Print Name:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_

b) **Print Name:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_

