

EMPLOYER INFORMATION HANDBOOK



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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 24th 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 dependents.

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

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: enquiry	@superfund.gov.ck
Avarua		
Rarotonga		
Cook Islands		



The Fund's website address is www.cinsf.com. On the website you can find copies of various Fund documents. As a member you are able to access your account online from our website by clicking on the "Member Login" on top right corner and will take you to the Investor Portal. To obtain your NSF number please contacts the CINSF Office.

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 506 Wellington New Zealand

Email: 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

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. 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.

COOK ISLANDS NATIONAL SUPERANNUATION FUND PRODUCT INFORMATION DISCLAIMER



HOW TO REGISTER

- 1. To register as an Employer on the Fund carefully read this Employers Information Handbook and:
- 2. Complete the Employer Registration Form ensuring that all the information you provide is correct.
- 3. 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 and Section 3
- 4. 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.
- 5. Arrange a time for a Client Services Officer to do a site visit to assist with training of the Te Roro Portal on how to add employee and lodge your monthly declarations.
- 6. 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 one (1) valid copy of identification copy of their passport or birth certificate (photo taken) and driver's license to the CINSF Office. These documents can be brought to the CINSF Office for copying.
- 7. 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 20th 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:

- Confirmation letter of registration an 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 Chief Client Services Officer, Twinn Joseph or Senior Client Services Officer, Terai Nga and Taraatua Tschan- Toi for the Pa-Enua.

TE RORO PORTAL

Online Employer Portal - Te Roro

Te Roro is the online software program designed to aid employers in the management of their CINSF contributions. It has been designed to remove the manual processing by employers, reduce the amount of errors and re-work, increasing the speed a members funds are invested, and improve compliance.

Te Roro provides employers with:

- A secure log in to the Employer account
- A dashboard displaying any Employer Issues, status of Declarations, and Balance ٠
- Access to frequently used Forms
- The ability to manage Declarations (view, draft, and lodge monthly contributions)
- The ability to manage Employments (adding and removing staff)
- The ability to import bulk contributions data
- An online payment slip
- Historical records

Access to the system is provided by the CINSF office when you register as an employer, and a user manual is also provided to assist you to use all the functions of Te Roro.

PAYMENT PROCEDURE

Monthly contributions are due by the 20th of each month. The system applies automatic penalty charges for late submissions and payments refer to the Penalty Rates section for more detail.

Payments can be made through:

- ٠ Online banking
- Bank deposit
- **CINSF** office

The declarations section of Te Roro will provide the Employer with an update on the processing of the payment to their account, and the balance will display the up to date amount owing or in advance.

Penalty Fees

Monthly contributions should be received before or on the 20th 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 with photo taken or driver's license.

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 Request Form

For any requests, complaints change of details, complete this form.

5. CINSF Claim Forms

Claim Form for early retirement, retirement, termination and total and permanent disability.

6. Prepaid Funeral Benefit Form

To apply for an instalment of the deceased members benefit, to assist in payment of funeral costs.



EMPLOYER REGISTRATION FORM

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 Please write in blue or black pen only

SECTION 1. EMPLOYER DETAILS				
Employer RMD Number				
Company Sole Trader Partnership E	Estate/Trust Club/Societies/Charity/Other Organizations			
1. Registered name (Print your full name of the Company, Sole Trader, Partnership, Estate,/Trust, Club,Socities,Charity or other organizations)				
2. Trading name (If the trading name is different from the name shown above, print here)				
3. Employer Address (Postal Box)	Residential Address (Postal Box)			
5. Nature of Business/Trade				
b. Telephone 7. Email Address				
Business				
Mobile				
8. Total Present Number of Employees				
2. Required Documentation				
Please attach one of the following documents as identification with your completed Employer Registration Form.				
Certificate of incorporation Memorandum and A for companies of Association	Articles 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.				
Email: enquiry@superfund.gov.ck Phone: +682	25515 PO Box 3076, Avarua Rarotonga, Cook Islands			

WWW.CINSF.COM



