

Under SuperLife, when you are entitled to a benefit, you have three main payment options:

A cash payment

A deferred payment(s)

A managed income

The options let you choose when and how you will receive payment of your benefit. You can take a single option, or a combination of the options as you wish. Taking part of your benefit as a cash payment, to meet your immediate needs, and deferring the balance for later when you need it, makes a lot of sense. In retirement, using the managed income option is a very efficient way to convert your savings into income. To help you make a decision, you should need the SuperLife guide “Thinking about retirement.”

What do most members do?

Most members choose to take an immediate lump sum. This is part of the “Kiwi way”. Taking the cash is a good idea if you intend to spend it immediately, or use it to pay off debt, e.g. a mortgage.

However, in many cases a deferred payment or a managed income, or a combination of both, may be better. This is because if you withdraw your benefit as a cash payment, you have to decide how to invest it. So why not leave it in SuperLife and take what you need when you need it? Even if you want the safety of bank deposits, using the SuperLife Cash Pool may be a better option.

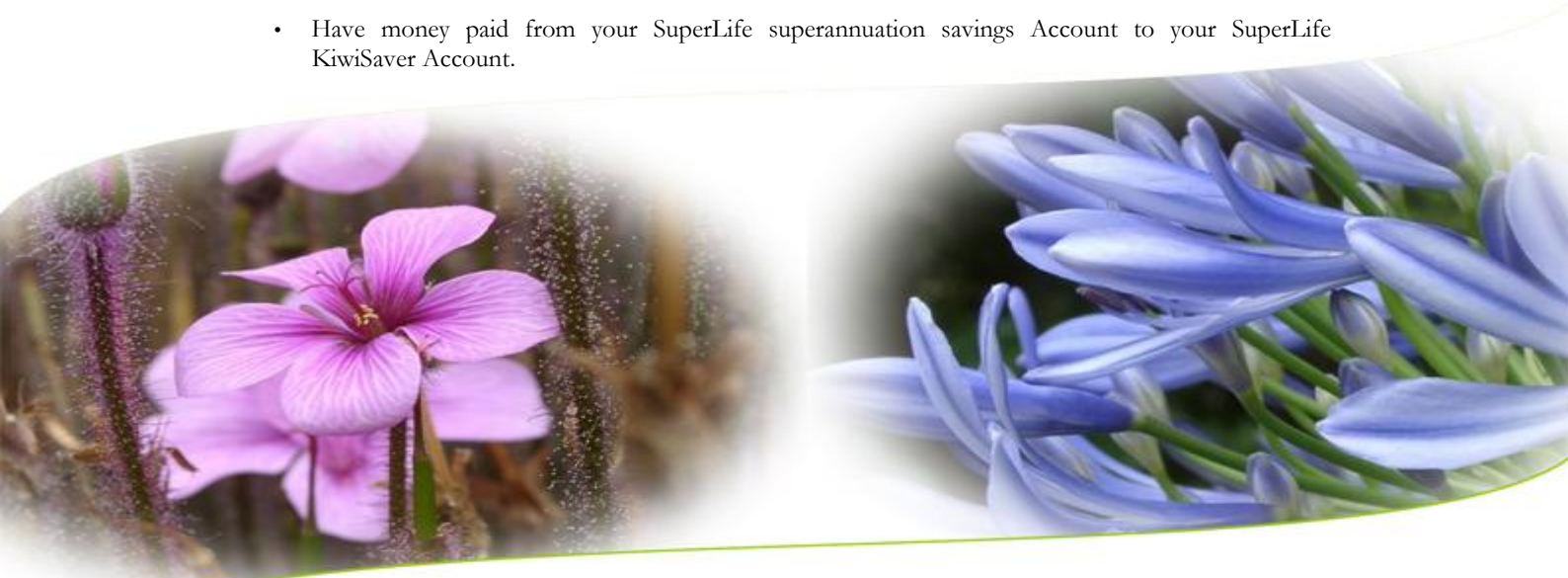
Even if you intend to spend your benefit in the next year, there may be advantages in keeping it in SuperLife until you need it, and changing your investment strategy to cash. SuperLife is a PIE vehicle and is tax efficient.

Continuing your membership

If you remain a member under the deferred or managed income options, you become an “individual member”. As an individual member, the general membership fee is unchanged at \$2.75 a month. In addition, the standard asset fees remain payable.

While you remain a member, you can:

- Continue to make regular contributions and/or lump sum contributions, but you don't have to.
- Continue to choose and change as you wish the investment strategy that applies to your savings account balance.
- Choose to continue, change, or stop any insurance benefit and have your insurance premiums paid out of your savings account.
- Have money paid from your SuperLife superannuation savings Account to your SuperLife KiwiSaver Account.



The options in detail

Cash payment

If you choose to take part of your savings benefit as a cash payment:

- Your benefit will be paid to you as soon as possible after you become entitled to it.
- You can continue with SuperLife, or rejoin it later, for your future savings needs.
- You can also still choose to continue your insurance benefits.

To receive your benefit you need to complete the [withdrawal payment request form](#), available on the SuperLife Web site.

Deferred payment

You can remain a member and retain your benefit in SuperLife. There is no minimum period that you have to stay a member or minimum amount that you have to defer. Under this option:

- Your existing savings continue to be invested and you can withdraw all or part of them in the future at any time.
- You can make a withdrawal at any time by giving notice.

To choose the deferred payment option, complete the [continuing SuperLife form](#), available on the SuperLife website.

Managed income

The managed income option is similar to the deferred payment option. The difference is that instead of withdrawing money only as required, you also withdraw money on a regular basis, e.g. \$2,000 a month. A managed income is particularly useful when you want a regular income, in retirement.

If you choose the managed income option, you can:

- Decide on the level of your regular income.
- Change the amount of the regular income at any time.
- Choose the day of the month the regular income is paid.
- Take out additional amounts whenever you wish.



Under a managed income, because of the regular payment, it is often a good idea to review your investment strategy regularly. We normally recommend that 2 to 3 years' expected payments are held in cash. Also, as your cash level goes down, it should be occasionally topped up (e.g. once a year), by switching money in the other pools to cash. You should seek advice on what is the appropriate investment strategy for your requirements. You should also read the SuperLife guide "[Thinking about retirement](#)" available on the Website.

The managed income is not taxable income in your hands. As with other withdrawals from superannuation schemes, the amounts you receive are tax-paid. Also, the managed income does not affect your entitlement to New Zealand Superannuation. However, for the purposes of any income test under The Social Security Act 1964 (such as the "young spouses" entitlement to New Zealand Superannuation), the managed income will probably count as income. This applies if your spouse is under age 65 and does not work. You need to seek advice on this, if it could apply in your case.

Further details are set out in the SuperLife article "[managed incomes](#)".

To choose the managed income option complete the [benefit option election form](#), available on the SuperLife Web site.

The legal stuff

This is not an investment statement for the purpose of the Securities Act 1978. An investment statement and a disclosure statement are available from SuperLife free of charge.

Before making a decision to take a benefit, you should consider whether you need to seek financial advice. If you wish to have personalised financial advice, you should talk to an appropriately experienced Authorised Financial Adviser.

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