

NAOERO SUPER

Employer Information Guide

This information guide gives you important information about the administration of Naoero Super. It should be read alongside the Information Memorandum for the SuperLife Pacific Series - Naoero Super.

Overview

On 18 December 2018 the Government of the Republic of Naoero enacted the Nauru Superannuation Act 2018 (the Act), which established Naoero Super as a superannuation scheme for Naoero citizens.

The Act also established the Naoero Super Scheme Board to manage and administer Naoero Super. The initial Directors of the Naoero Super Scheme Board are Martin Hunt (Secretary for Finance), Andy Cain (Deputy Secretary for Finance) and John Peterson (Adviser to the Minister for Finance).

SuperLife Pacific Series – Naoero

The Naoero Government has chosen to implement Naoero Super through the SuperLife Pacific Series - Naoero Super section of SuperLife Invest, a New Zealand managed investment scheme.

SuperLife Invest is managed by Smartshares Limited, a subsidiary of NZX Limited (which operates New Zealand's stock exchange).

Joining SuperLife Pacific Series – Naoero Super

Employees will automatically become a member of Naoero Super if they are:

- age 18 or older;
- living or normally living in Naoero;
- a Naoero citizen; and
- an employee of an employer registered in Naoero.

Employers are required to provide SuperLife with employee details to enable them to set up and confirm their membership of SuperLife Pacific Series – Naoero Super. Further information can be found on page 2 of this document, below “Employer Obligations”.

Members who are employed will have contributions taken out of their salary or wages at 5%. Members can also make voluntary contributions at any time.

Employers are also required to contribute 10% of the Member's salary or wages. However, small businesses wholly owned by a Naoero citizen (with no more than five employees, annual gross turnover under \$10,000, and assets below \$5,000 in value) are exempt from making mandatory employer contributions to the Naoero Super Scheme.

Fund investment

Contributions will be invested equally in the Schroder Real Return PIE and Schroder Australian Equity PIE.

The Naoero Super Scheme Board may amend the investment strategy from time to time at their absolute discretion.

Withdrawals can be made in the following circumstances

1. Retirement: Members can withdraw their investment on the later of reaching age 55 or ceasing employment with their employer.
2. Death or Total and Permanent Disablement: refer to the Information Memorandum for details.
3. Voluntary savings (those in addition to compulsory contributions): once an employee has been a member for two years, they can withdraw some or all of their voluntary savings, limited to one withdrawal every 2 years (for a minimum of AU\$500).

Employer Obligations

Employers' obligations under Naoero Super are outlined below.

1. Register eligible employees

To register, visit superlife.co.nz/Nauru to download the template file (Microsoft Excel) or email nauru@superlife.co.nz to request the template file. The schedule must include each employee's name, date of birth, email address and mobile phone number. **It is important to provide the employee's email address to enable them to sign up online.**

The completed schedule should be emailed to nauru@superlife.co.nz. Please contact the SuperLife team at nauru@superlife.co.nz or +64 9 375 9800 if you have any questions or need assistance to complete the file.

We will then allocate your employees a unique SuperLife number (SuperLife ID) and send you an updated schedule as illustrated below.

Employees will receive an email when contributions have been received with information on how to sign up online, followed by a confirmation once the application process is complete. Once they have completed the online process, Members will be able to see all transactions on their account.

	A	B	C	D	E	F	G
1	Firstname	Lastname	Date of Birth	Employer code	Employee code	Cell phone number	Email address
2	John	Marito	19/09/1966	ABC	123	5584861	marito.john@naurugov.nr
3	•	•	•	•	•	•	•
4	•	•	•	•	•	•	•
5	•	•	•	•	•	•	•
6	•	•	•	•	•	•	•
7	•	•	•	•	•	•	•
8	•	•	•	•	•	•	•

2. Calculate employee deductions and employer super contribution

As part of your payroll processing each pay day, calculate each employee's 5% deduction and your 10% employer contribution.

Include this information in the SuperLife payment schedule – sample below. The total of the employer 10%, employee 5% and any voluntary employee contribution must exactly match the amount to be paid in to the Naoero Super bank account.

Employer code	Employee code	SuperLife id	Firstname	Lastname	Date of Birth	Employer 10%	Employee 5%	Additional Employee Contribution
ABC	123	100670	John	Marito	19/09/1966	46.8	23.4	
ABC	124	100680	Daniel	Timothy	15/09/2000	34.2	17.1	
ABC	125	100690	Ukiko	Green	11/06/1990	22.4	11.2	
ABC	126	100700	Lucy	Gideon	15/04/1998	30.8	15.4	
ABC	127	100710	Francis	Green	11/07/1984	55.2	27.6	
Total								284.10

3. Deposit money into Naoero Super bank account

Pay the total amount of all contributions from your SuperLife payment schedule into the bank account detailed below.

Bank	Commonwealth Bank of Australia
Account Name	SMARTSHARES LIMITED - SUPERLIFE AUSTRALIAN DOLLAR APPLICATIONS
Account Number	063012-1090- 6520
Currency	AUD
CAB Bank address	Level 20 Tower 1 Collins Square 727 Collins Street Melbourne VIC 3008
CAB Swift Code	CTBAAU2S
Reference:	<Employer Name>
Particulars:	<TIN number>

4. Send SuperLife payment schedule

- Please label your SuperLife payment schedule "<employername> payment schedule".
- Please email the SuperLife payment schedule to Nauru@SuperLife.co.nz with the subject line "<employername> payment schedule"

5. Adding a new employee

When a new employee eligible for Naoero Super joins your business, email SuperLife the employee's first name, Last name, date of birth, your employee code, cell phone number and email address. SuperLife will then email you with the new employee's membership number.

When contributions have been received for a new employee, the employee will receive an email with information on how to sign up online, followed by confirmation once the application process is complete.

You must add this new employee to your upload schedule with the employee's unique SuperLife membership number.

6. When an employee leaves employment

1. **Retirement:** Members can withdraw their investment on the later of reaching age 55 or ceasing employment. Complete the Naoero Super – withdrawal of benefits form (SL00345), attach evidence of member's bank account details.
2. **Total & Permanent disability:** Complete the Naoero Super - Death or TPD withdrawal form (SL00346), attach evidence of bank account details and medical evidence.
3. **Death:** complete the SL00346 form, attach evidence of bank account details and probate as applicable.
4. If the employee is not eligible to withdraw then no action is required.

Forms in all cases should be emailed to the Naoero based representative, Trinina Mary, at trinina@gmail.com. They will finalise and forward to SuperLife for processing and payment.

7. Withdrawal of voluntary savings

Once an employee has been a member for two years, they can withdraw some or all of their voluntary savings, limited to once every two calendar years (for a minimum of AU\$500). To request a withdrawal, the member completes the SL00345 withdrawal payment request form and attaches evidence of bank account details and evidence of identification (e.g. passport). The member then sends to the Naoero based representative, Trinina Mary, at trinina@gmail.com. They will finalise and forward to SuperLife for processing and payment.

8. Queries

Naoero Super members can email the Naoero Super representative, Trinina Mary, by email at trinina@gmail.com with any question relating to their Naoero Super.

Member process to register online

1. The employer provides SuperLife with the member details requested in section 1.
2. SuperLife sets the employees up under Naoero Super. SuperLife sends each employee an email (see example below) describing how to register for SuperLife Pacific Series - Naoero Super section of SuperLife Invest and online access to view their Naoero Super account.

Welcome to Naoero Super

Welcome to Naoero Super, the Naoero Government's compulsory superannuation scheme for Naoero citizens.

Your employer, <employer>, has provided us your details to help get you set up.

About Naoero Super

Naoero Super is designed to help save for your retirement. You are required to contribute 5% of your salary or wages. Your employer will also contribute 10%. Learn more about how Naoero Super works [here](#).

About SuperLife

The Naoero Government has chosen to implement Naoero Super through the SuperLife Pacific Series – Naoero Super section of SuperLife Invest (a New Zealand managed investment scheme). SuperLife Invest is managed by Smartshares Limited, a subsidiary of NZX Limited (which operates New Zealand's stock exchange).

Get access to your Naoero Super account

You are automatically a member of Naoero Super. However, in order for your contributions to be vested in your own individual account and so that you can view your account balance, you need to register online for the SuperLife Pacific Series – Naoero Super by completing the electronic form available [here](#). Your contributions will be held in trust until that time.

If you have queries, please email nauru@superlife.co.nz.

3. Once the member completes the online process, they will receive a welcome email (see example below).

Member welcome email

Congratulations, you can now view your Naoero Super account online.

Using your online access, you can view your account balance at any time. You will also be able to see your contributions, your employer's contributions and the return on investment made on your savings.

If you have questions about your account, please email nauru@superlife.co.nz.

4. Once the member has completed the online process, they will receive a regular emailed quarterly statement and will also be able to see their transactions, balances and return on investment using their online access.

NAOERO SUPER FAQ's for employers

Do I have to auto enrol my employees to Naoero Super?

Yes. If your employees are Naoero citizens you must automatically enrol them into the Naoero Super.

How do I auto enrol my employees to Naoero Super?

To register, visit www.superlife.co.nz/Nauru to download the template file (Microsoft Excel) or email nauru@superlife.co.nz to request the template file. The schedule must include each employee's name, date of birth, email address and mobile phone number. **It is important to provide the employee's email address to enable them to sign up online.**

Do I have to contribute for my employees?

Yes. You must contribute each pay day. As part of your payroll processing each pay day, calculate each employee's 5% deduction and your 10% employer contribution, and this is paid to Naoero Super. However, small businesses wholly owned by a Naoero citizen (with no more than five employees, annual gross turnover under \$10,000, and assets below \$5,000 in value) are exempt from making mandatory employer contributions to the Naoero Super Scheme.

Under the Nauru Superannuation Act 2018, it is an offense for an employer to not correctly deduct and make contributions on behalf of eligible members. The penalty on conviction is a fine up to \$10,000 or to a term of imprisonment up to 2 years or both.

How do we pay the contributions to Naoero Super?

You pay the contributions to the SuperLife Invest bank account provided, and send an employer schedule to nauru@superlife.co.nz showing the contributions.

Who is eligible to join Naoero Super?

You must auto enrol employees who are:

- age 18 or older;
- living or normally living in Naoero;
- a Naoero citizen; and
- an employee of an employer registered in Naoero.

Are employees who recently acquired Naoero citizenship eligible to join Naoero Super?

Yes if they are Naoero Citizens and are permanently residing in Naoero, then you must auto enrol them.

What about temporary employees?

Temporary employees are eligible to be members of the scheme:

- a) They are employed under a contract of service;
- b) The contract of service does not have to be written, and can be oral for a fixed or indefinite period.

“employee” means a person who's employed under a contract of service and includes an apprentice, learner and part time work;

“contract of service” means a written or oral contract, whether expressed or implied, to employ a person as an employee whether for a fixed or indefinite period which includes a task.

Are employer contributions tax deductible in Naoero?

Under section 20(1)(j) of the Business Tax Act, contributions are only allowable if employment and services tax has been paid. That is, the employer contribution must be included in the monthly salary paid, and employment and services tax paid on the total amount. However, if the total amount paid (salary plus superannuation contribution) is less than the current tax free threshold (\$100,800 per annum) then no tax is payable.

Why do employees need an email address for Naoero Super?

Employees need an email address so that they can register to see their Naoero Super account online. Their contributions will be held on their behalf by the Naoero Super Scheme Board until their registration. Once registered, employee contributions will be vested in their own individual account in SuperLife Pacific Series – Naoero Super.

What happens when someone changes employer?

The new employer is required to deduct their 5% Naoero Super contributions from their pay, and also pay the 10% employer contribution.

What is SuperLife Pacific Series – Naoero Super?

This is the scheme that a member's Naoero Super savings are invested in. Members need to register online for SuperLife Pacific Series – Naoero Super so that their contributions are vested in their own individual account.

What if an employee doesn't join the SuperLife Pacific Series – Naoero Super?

They will still be a member of Naoero Super and their savings that are required by Naoero law will be held on their behalf by the Naoero Super Scheme Board. However they won't be able to view their Naoero Super account online or be sent regular quarterly statements.

What if the employee doesn't have an email address?

They should still be auto enrolled to Naoero Super however they won't be able to register for online access.

What are the benefits to members of being in Naoero Super?

Please refer to the Naoero Super at a glance, and the SuperLife Pacific Series – Naoero Super Information Memorandum available at www.superlife.co.nz/Nauru.

Who do I talk to if I have queries?

Please contact the Naoero Super representative at triniam@gmail.com in the first instance.