

Power Saver – Power Super



At a glance

Achieve your medium-term and retirement goals

- ▶ Power Saver – medium-term savings.
- ▶ Power Super – a registered superannuation scheme (you can also lock in contributions to a desired age).
- ▶ Flexible market-linked plan, with immediate access.
- ▶ 9 different investment options.
- ▶ Straightforward cost structure.
- ▶ Minimum death benefit.
- ▶ Quarterly reporting – with a full transaction history.
- ▶ Fidelity Life is rated A- Excellent by AM Best.*
- ▶ The ideal flexible complement to KiwiSaver.
- ▶ Power Super is QROPS – registered for UK pension transfers.



Why you need it

Achieving your medium-term goals such as education funding, saving for a house deposit or to pay that dream holiday needs a flexible, powerful savings plan.

For most New Zealanders, there will be a considerable gap between what they want to spend in retirement, and what they will receive from the state pension. Whatever your desired retirement lifestyle, you'll need to set aside funds to turn your dreams into reality. The greatest risk most savers face is that they spend their retirement savings before retirement. By locking in your savings within Power Super, you ensure they will be there when you need them.

Key facts

- ▶ Policies of life assurance – 101% of contribution (less prior withdrawals made) paid out in the event of death regardless of market movement.
- ▶ You can add lump sums (minimum \$500).
- ▶ Minimum contribution \$100 per month.
- ▶ Annual management fees – up to 1.5% p.a. (before tax)
- ▶ Cost-effective and simple fee structure.

Range of investment options

Because everyone's situation and preferences vary, we offer a range of investment options.

Our five diversified portfolios invest across cash, fixed interest, property and shares. These are the Conservative, Balanced, Ethical, Growth and Aggressive Portfolios.

Our four sector portfolios invest in just one type of investment: Cash Portfolio, Options Portfolio, NZ & Australian Shares Portfolio and International Shares Portfolio.

You can invest your contributions amongst up to four portfolios. Your adviser can help you decide which investment profile is best for you.

For further information about Fidelity Life's investment strategy please refer to our Funds Management Profile and the Investment Statement.

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Cost-effective and simple fee structure

- ▶ An administration and brokerage charge of up to 6% applies to regular contributions made in the first year or any increases in contributions.
- ▶ An ongoing investment management fee of up to 1.5% per annum (before tax).
- ▶ A service fee of up to 0.7% per annum may apply.
- ▶ An administration and brokerage charge of up to 6% on any lump-sum contributions.
- ▶ A withdrawal fee of \$60 applies if you have made more than one withdrawal in a year.
- ▶ A switching fee also applies if you change investment options. The first switch each year is free.

At retirement

With your Power-Super Plan you can:

- ▶ Take the proceeds in cash, or
- ▶ Buy an annuity that will pay you an income for the rest of your life.

Accessibility

There is no fixed term. You are able to make one free withdrawal a year (not during any locked in period). A \$60 administration fee applies for each additional withdrawal within 12 months.

Ideal partner to KiwiSaver

KiwiSaver is an ideal base for retirement savings. However, money is locked in until the age of NZ Superannuation – currently age 65. By setting up a Power Super Plan in addition to KiwiSaver, you can have the best of both worlds.

Making an investment

Investments can only be made using the application form in the Investment Statement which can be obtained from your adviser. The minimum contribution if contributing regularly is \$50 fortnightly; \$100 per month; \$500 half-yearly; or \$1,000 yearly.

Your adviser can help you work out the appropriate level of savings you will need to achieve your retirement goals, the right balance between KiwiSaver and Power Super, the most appropriate investment portfolios, as well as any insurance needs.

Some interesting facts

- ▶ As from April 2009, the state pension pays \$547 (\$478 net) per week to a married couple.
- ▶ The average weekly net expenditure was \$956 in 2006/2007*.
- ▶ Only 21% of NZers in retirement have an income over \$25,000 p.a. Some 60% get by on less than \$18,000 p.a.*.

* Statistics NZ 2007 Household Economic Survey

Keep pace with inflation

You can increase contributions each year (charges may apply).

Get results faster

Regular investing of fixed amounts has shown to be an effective method of smoothing market volatility over time. Regular contributions help manage the rise and falls in investment markets as you buy more units when the price is low, and less units when the price is high.

The low fees mean that your money accumulates faster – add the power of compounding interest and you reach your savings goals faster. Lump-sum contributions of \$500 or more can be made at any time in addition to regular contributions.

Power Saver and Power Super are unitised investments. The value of your fund is shown in units that are allocated as contributions are made. The price of the units is available on the Fidelity Life web site. If death occurs, the benefit payable is the Power Saver/Super account balance with a minimum of 101% of contributions paid less withdrawals.

Important note about this factsheet


This factsheet is a convenient summary of the key points of this insurance policy. It is not, and is not intended to be, a policy document. Details of definitions, benefits, terms and conditions are contained in the official policy document which is available from your financial adviser. You should read the policy document carefully to make sure you understand exactly what cover is provided under each benefit. An Investment Statement is available free of charge from your adviser or from Fidelity Life.

*The AM Best rating relates to Fidelity Life's insurance business, not money invested in any Fidelity Life investment funds or KiwiSaver Scheme. This rating should not be read as a recommendation.

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FIDELITY LIFE ASSURANCE
COMPANY LIMITED HAS AN

A- (EXCELLENT)
RATING

GIVEN BY A.M. BEST, A SPECIALIST INSURANCE RATING AGENCY