

**THE PRESBYTERIAN CHURCH
OF AOTEAROA
NEW ZEALAND**

**BENEFICIARY FUND
CONSOLIDATED TRUST DEED
&
REGULATIONS**

(Effective from 1st December 2001)

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THIS DEED is made 29th day of November 2001

BY **THE PRESBYTERIAN CHURCH PROPERTY**
TRUSTEES ("the Trustees")

BACKGROUND

- A.** The Trustees are the trustees of the Beneficiary Fund of The Presbyterian Church of Aotearoa New Zealand ("the Fund") a fund established by The Presbyterian Church of Aotearoa New Zealand ("the Church") for the benefit of its ministers and their dependants.
- B.** The Fund is administered by a standing committee of the General Assembly of the Church known as the Beneficiary Fund Committee pursuant to regulations adopted by the General Assembly of the Church and known as the Beneficiary Fund Regulations ("the Regulations").
- C.** The Fund is registered as a superannuation fund under the Superannuation Schemes Act 1989.
- D.** The Fund is currently governed by a trust deed dated 18 October 2000 (as amended by a deed dated 26 April 2001 ("the Existing Deed") to which is annexed the Regulations which are deemed to be part of the Existing Deed.
- E.** The Committee has recommended changes to the Existing Deed and the Regulations. These changes have been approved by the General Assembly of the Church. Such changes are embodied in this Deed and the Regulations annexed to it.
- F.** The amendments have received the consent of the Members of the Fund pursuant to Section 9 of the Superannuation Schemes Act 1989.

NOW THIS DEED witnesses that the Existing Deed (and including the Regulations annexed) is hereby rescinded in its entirety and the Fund shall with effect from 1st December 2001 be governed by this Trust Deed and the Regulations annexed.

1. DEFINITIONS AND INTERPRETATION

- 1.1 (a) Headings and marginal notes are for convenience only and shall be deemed not to be part of this Deed and shall not affect the interpretation hereof.
- (b) In this Deed where the context permits words importing the singular shall include the plural and vice-versa and words importing the masculine shall include the feminine in each case unless a contrary intention appears.
- (c) Any reference to a statute (or to any particular part or section) shall include a reference to any subsequent statutory modification or re-enactment thereof and regulations made thereunder.
- (d) All references to a party to this Deed shall in each case include a reference to the executors, administrators, successors and assigns of such party.

- 1.2 In this Deed the following words and expressions shall, unless the context requires otherwise, have the following meanings:

"Act" means the Superannuation Schemes Act 1989.

"Actuary" means a person who is a Fellow of the New Zealand Society of Actuaries, and who has been appointed by the Committee to provide actuarial services to the Fund.

"Administration Manager" means the person or company (if any) to whom the Trustees have contracted some or all of the administration of the Fund.

"Annuitant" means a Member as described in Regulation 1.1(c) (subject to Regulation 9.4(a)).

"Assembly" and **"General Assembly"** means the General Assembly of the Church.

"Assessment" shall mean the contribution payable by each parish or employer in terms of the Regulations as determined by the Committee.

"Auditor" means a chartered accountant (within the meaning of section 10 of the Institute of Chartered Accountants of New Zealand Act 1996).

"Basic Stipend" means the annual basic stipend for Ministers as approved by the General Assembly from time to time.

"Beneficiary" means any Member or other person either presently or contingently entitled to any benefit from the Plan, but excluding any guardian who is receiving benefits for the care of children in accordance with Regulation 9.5.

"Benefit Proportion" in relation to a Member means the proportion of benefit to which the Member shall be entitled as described in Regulation 2.

"Church" means The Presbyterian Church of Aotearoa New Zealand.

"Committee" means the Beneficiary Fund Committee appointed by the General Assembly of the Church.

"Contributing Member" means a Member as described in Regulation 1.1(a).

"Deed" means this deed as amended from time to time and includes (unless the context requires otherwise) the Regulations.

"Dependent Child" means a child who:

- (a) is financially dependent on a Member;
- (b) is not in full time employment; and
- (c) has not reached the age of 20 years, except in the case of Special Needs children who are over the age of 20 years.

"Disablement" means physical or mental disablement whether caused by illness or accident as determined by the Committee on the advice of its Medical Panel.

"Frozen Member" means a Member as described in Regulation 1.1 (b).

"Fund" means the Beneficiary Fund of the Church established for the benefit of its ministers and their dependants.

"Investment Manager" means a person or company (if any) to whom the Trustees have contracted the investment of some or all of the money of the Fund.

"Kindred Service" means employment of a Minister with either:

- (a) an organisation in which the Church has official representation through appointment by Church courts, or
- (b) an organisation which the Church supports but on which it has no official representation,

for so long as such employment shall retain the approval of the Committee under Regulation 1.5.

"Medical Panel" means a group, which includes at least one registered medical practitioner, that has been appointed by the Committee to provide advice on benefits payable from the Fund.

"Member" means any person who is a member of the Fund in accordance with the Regulations.

"Minister" means an ordained minister of the Church.

"Presbytery" when referring to a Member, means the presbytery under whose jurisdiction the Member falls.

"Regulations" or **"Beneficiary Fund Regulations"** mean the regulations adopted by the General Assembly of the Church and annexed to this deed.

"Retire" when referring to a Member means to no longer receive a stipend or stipend related payment or to leave the service of an employing body in such circumstances as qualify the Member for a retirement benefit from the Fund.

"Special Needs" means the particular requirements or circumstances of children being the consequence of physical or mental disablement however caused as determined by the Committee on the advice of its Medical Panel.

"Spouse" means the legal husband or wife of a person.

"Total Disablement" means

- (a) during the first year of benefit payments under Regulation 12.1 the Member's complete and continuous inability to engage in any work for which the Member is reasonably suited by education, training or experience as determined by the Committee after considering the advice of the Medical Panel; and
- (b) during any subsequent period the Member's complete and continuous inability to engage in any work as determined by the Committee after considering the advice of the Medical Panel.

"Trustees" mean The Presbyterian Church Property Trustees, a body corporate under the provisions of The Presbyterian Church Property Act 1885 or such other trustees as may be appointed under clause 3 of this Deed.

2. THE FUND

- 2.1 There shall continue to be a Fund, called the "Beneficiary Fund of The Presbyterian Church of Aotearoa New Zealand", which shall be managed by the Trustees.
- 2.2 The Committee shall administer the Fund on behalf of the Trustees, and shall have the right to act at its discretion in any matters not specifically provided for in the Regulations, but consistent therewith, provided that such acts shall not override or contravene the provisions of the Act. All such actions shall be reported to the next Assembly.
- 2.3 The General Assembly shall be the sole judge in any dispute which may arise in connection with the administration of the Fund.

3. TRUSTEES

- 3.1 The Trustees shall be the trustees of the Fund. Any subsequent appointment of a trustee or trustees shall be by direction of the General Assembly which shall provide for the appointment of replacement trustees in the event of the retirement of any trustee. The General Assembly may amend the number of trustees and direct the method of their appointment and retirement.

4. INVESTMENT POWERS

- 4.1 The Trustees shall have full power of investment of the Fund including authority to appoint one or more Investment Managers and to delegate to such manager the investment of all or any portion of the Fund and to authorise the holding of investments held for the Fund in the name of a nominee or a trustee on behalf of the Fund.

5. INVESTMENT DUTY

- 5.1 Subject to any limitations imposed in The Presbyterian Church Property Act 1885 and its amendments:
 - (a) All money belonging to the Fund and available for investment shall be invested in accordance with the provisions of the Trustee Act 1956 as to the investment of trust funds; and
 - (b) Notwithstanding anything to the contrary in Section 13D(1) of the Trustee Act 1956, the Trustees and any Investment Manager of the Fund shall, in exercising the power of investment, exercise the care, diligence and skill required of that person by Section 13B of section 13C of that Act, as is applicable.

6. **POWER TO BORROW**

- 6.1 The Trustees may at any time and from time to time borrow and raise money for any of the purposes of the Fund and secure the repayment of money so borrowed and interest thereon by mortgage or charge over all or any of the assets of the Fund and no lender shall be concerned to enquire as to whether the necessity for any such borrowing has arisen or as to the purpose for which it is required or as to the application of the money borrowed.

7. **ACCOUNTS AND AUDIT**

- 7.1 The Trustees shall ensure that:

- (a) Proper books of account are kept in respect of the Fund;
- (b) Annual accounts are prepared in respect of the Fund; and
- (c) Those annual accounts are audited by an Auditor.

- 7.2 The annual accounts in respect of the Fund need not be audited if:

- (a) The Fund is fully managed by an Administration Manager that provides to the Government Actuary annual audited accounts in respect of its total business;
- (b) The Administration Manager has prepared annual accounts in respect of the Fund;
- (c) The Auditor of the Administration Manager certifies annually that adequate accounting systems, records, and methods of internal control are in place to ensure that the accounts prepared by the Administration Manager in respect of each scheme fully managed by the Administration Manager correctly present each scheme's financial affairs;
- (d) The Administration Manager certifies that the accounts prepared in respect of the Fund correctly present its financial affairs; and
- (e) The Trustees certify that:
 - (i) All of the contributions made to the Fund during the financial year were passed promptly to, and all of the benefits paid during the financial year were paid by, the Administration Manager of the Fund; and
 - (ii) The Trustees hold no funds.

8. **ANNUAL REPORT**

- 8.1 The Trustees shall, within five (5) months after the end of each financial year, prepare a report on the Fund for that year.
- 8.2 The annual report shall include the matters specified in the Second Schedule to the Act.
- 8.3 The Trustees shall, on completing any such report, send a copy to the Government Actuary.

9. **ACTUARIAL REPORT**

- 9.1. An actuarial examination of the Fund shall be made at intervals of not longer than three years, and shall be issued by the Actuary. A copy of such report shall be furnished to the Government Actuary as soon as practicable.

10. **MEMBERS' RIGHTS TO INFORMATION**

- 10.1 Each person, before becoming a Member of the Fund shall:
 - (a) be advised in writing of:
 - (i) the contributions payable;
 - (ii) the charges or fees (if any) that the Members may have to pay in addition to contributions;
 - (iii) the Member's principal rights and benefits, including rights and benefits upon the Fund being wound up;
 - (iv) any circumstances which it would be reasonable to expect the Trustees to foresee in which, given the nature of the Fund, any benefit could be expected to reduce over time;
 - (v) any circumstances which it would be reasonable to expect the Trustees to foresee in which, given the nature of the Fund, any Member could be expected to receive less from the Fund than the contributions made by the Member;
 - (vi) the Member's right to request the information required to be supplied by section 17(b) of the Act:
 - (b) be given a copy of the most recent annual report of the Trustees, or, if there is no such report, be advised in writing of:

- (i) the names of the Trustees and any Administration Manager and Investment Manager of the Fund (if any); and
- (ii) the name and address of the person to whom all correspondence from the Members to the Trustees should be sent.

10.2 Each Member of the Fund shall:

- (a) be given, within 6 months of the close of each financial year of the Fund, a copy of the annual report of the Trustees in respect of that year; and
- (b) have the right, upon request:-
 - (i) to receive an estimate of the Member's benefits;
 - (ii) to look at, at any reasonable time, a copy of the Deed, or a copy of any report of an actuarial examination required under section 15 of the Act; and
 - (iii) to receive, upon payment of a reasonable fee, a copy of the Deed or a copy of any such report.

11. **ALIENATION**

- 11.1 No Member shall assign, charge, alienate, or borrow against the security of his or her benefits in the Fund.
- 11.2 If a Member or Beneficiary who joined the Fund prior to 1 April 1990 becomes bankrupt, then the benefits of such Member or Beneficiary shall be forfeited to the Fund. The Committee may then in its absolute discretion pay or apply such benefits or any part thereof to or for the maintenance, support or benefit of the Member or Beneficiary or his or her dependants.
- 11.3 If a Member or Beneficiary who joined the Fund after 1 April 1990 becomes bankrupt, then the benefits of such Member or Beneficiary to the fullest extent permitted by law shall be forfeited to the Fund. The Committee may then in its absolute discretion pay or apply such benefits or any part thereof to or for the maintenance, support or benefit of the Member or Beneficiary or his or her dependants.
- 11.4 If a Member or Beneficiary becomes unable to manage his or her own affairs the Committee may administer any benefits on that person's behalf.

- 11.5 A Member or Beneficiary who is required to make a matrimonial property settlement with his or her Spouse may:
- (a) either withdraw a lump sum from the Fund for payment to that Spouse, or
 - (b) assign to that Spouse all or part of any accrued benefits of the Member or Beneficiary in the Fund.

In either case there shall be an adjustment of the Member's or Beneficiary's remaining benefits by the Committee, after considering the advice of the Actuary.

12. **TRANSFERS**

- 12.1 Any money transferred from another superannuation scheme to the Fund for a Member shall be applied by the Committee to purchase additional benefits for the Member. Such additional benefits shall be on terms and conditions as determined by the Committee after considering the advice of the Actuary.
- 12.2 (a) Subject to Section 9B of the Act, if a Member shall cease to be such and shall become a member of another church superannuation scheme the Committee may at its discretion and at the written request of the Member transfer the accrued benefits of the Member under the Fund as determined by the Committee after considering the advice of the Actuary to such other scheme.
- (b) If a Member shall cease to be such and shall become a member of another registered superannuation scheme, the Committee shall at the written request of the Member transfer the Member's withdrawal benefit to such other scheme.
- (c) A Member for whom a transfer is made under Clause 12.2(a) or (b) shall not be entitled to any other benefit under the Fund. The receipt of an officer of the transferee scheme shall be a complete discharge to the Committee of all liability in respect of the Member under the Fund and the Committee shall have no liability to see to the application of the funds.
- 12.3 The provisions of this clause shall be read subject to Section 9B of the Act.

13. **AMENDMENT**

13.1 This Deed may be amended by the Trustees at any time but no amendment shall be made to the Regulations except as provided in clause 13.3 and 13.4.

13.2 No amendment shall be made to this Deed which conflicts with the provisions of The Presbyterian Church Property Act 1885 or the Act PROVIDED that no amendment to this Deed which would have the effect of:

- (a) Reducing, postponing or otherwise adversely affecting the benefits, whether vested, contingent, or discretionary, that may in due course flow from, or are attributable to, membership of the Fund up to the date of amendment is made; or
- (b) Removing any right of the Members or Beneficiaries to participate in the management of the Fund; or
- (c) Increasing the contributions, fees or charges payable by any Member; or
- (d) Providing for the reversion of any assets of the Fund to any employer to any greater degree than already provided for in this Deed,

shall be made without the written consent of every Member, and of every other Beneficiary who is in receipt of a benefit under the Fund at the date the amendment is made, who would be adversely affected by the amendment.

13.3 Any proposed amendment to the substance of the Regulations shall first be referred by the Committee to Presbyteries for their opinion.

13.4 If the majority of Presbyteries are in favour of the proposed amendment, the amendment shall be referred to Members for their consent if required, and no amendment shall take effect without the approval of the General Assembly.

13.5 No amendment shall be approved by the General Assembly if that amendment would prejudice the charitable taxation status of the Fund.

14. **FUTURE TAXATION CHANGES**

14.1 Notwithstanding anything contained in the Deed at any time or times the Trustees may vary benefit levels without the written consent of Members or Beneficiaries to take account of changes in taxation that may arise in future (other than as a result of the passing of the Income

Tax Amendment Act 1989) PROVIDED THAT no reduction in benefits shall be made until:

- (a) the Government Actuary has been provided with a copy of an opinion of the Actuary confirming that the reductions are no more than are necessary to make the benefits of the Fund secure and the Government Actuary has confirmed in writing to the Trustees that he or she agrees with that opinion; and
- (b) the Government Actuary has confirmed in writing to the Trustees that he or she is satisfied that all the reductions in benefits are equitable as between all Members and Beneficiaries.

15. **LIABILITY LIMITATION**

- 15.1 Members and Beneficiaries have no claim against officials of the General Assembly personally, nor against the Committee, nor the Trustees, either individually or collectively, nor is there any personal liability in administering the Fund.

16. **EMPLOYERS**

- 16.1 Each employer of a Member in Kindred Service shall enter into a deed of adoption with the Trustees by which the employer covenants with the Trustees to comply with and observe the provisions of this Deed prior to paying Assessments under Regulation 4.3. Such deed shall be in the form annexed to this Deed or of like effect.

17. **WINDING UP**

- 17.1 The Fund may be wound up only by the General Assembly.
- 17.2 Upon the winding-up of the Fund all money and assets of the Fund shall be applied in the following priorities:
- (a) First, to pay to each Member the credit balance in his or her Supplementary Benefit Scheme account;
 - (b) Secondly, to meet the costs and expenses of winding-up the Fund;
 - (c) Thirdly, for each Member in receipt of a benefit under Regulation 9, 10, 11 or 12 to pay such sum as shall be determined by the Actuary to be the value of the Member's benefits. At the option of the Member and with the consent of the General Assembly the Trustees may purchase an individual annuity for the Member

of an amount determined by the Actuary to be equivalent in value to the Member's benefits;

- (d) Fourthly, for each Member not in receipt of a benefit under Regulation 9, 10, 11 or 12 to pay the amount of the benefit the Member would have received in accordance with Regulation 7.1 if the member had left service on the date of winding up;
- (e) Fifthly, for each Member aged 55 years or more and not in receipt of a benefit under Regulation 9, 10, 11 or 12 to pay such sum as shall be determined by the Actuary to be the value of the Member's accrued benefits, less any amount paid under subclause 17.2(d) above;
- (f) Sixthly, for every Member aged under 55 years and not in receipt of a benefit under Regulation 9, 10, 11 or 12 to pay such sum as shall be determined by the Actuary to be the value of the Member's accrued benefits, less any amount paid under subclause 17.2(d) above;
- (g) Seventhly, any balance remaining shall be distributed by the General Assembly for "charitable purposes" within the meaning of such words as defined in the Income Tax Act 1994.

17.3 If in following the priorities for payment set out in clause 17.2 there is insufficient money to satisfy all the obligations under any subclause, the amount of each benefit under that subclause shall be abated rateably among all persons entitled to benefits under that subclause.

THE COMMON SEAL of)	
THE PRESBYTERIAN CHURCH)	...PH Isherwood Trustee
PROPERTY TRUSTEES)	
was hereunto affixed and these)	
presents signed by two of the)	...ML Inch Trustee
Trustees)	

SCHEDULE

BENEFICIARY FUND REGULATIONS

1. MEMBERSHIP

1.1 Classes of Membership

There will be three classes of Members of the Fund:

- (a) Contributing Members, who may have either full-time or part-time status;
- (b) Frozen Members, who are Members who have ceased to contribute and who have deferred receipt of a benefit in accordance with Regulation 7.2; and
- (c) Annuitants, who are Beneficiaries in receipt of an annuity from the Fund (or who would be in receipt of an annuity had it not been fully commuted) and including children for whom benefits are being paid.

1.2 Compulsory Membership

Membership of the Fund shall be compulsory for all ordained Ministers in receipt of all or part of a stipend, unless granted exemption under Regulations 1.3 or 1.6.

1.3 Members joining over 50

Membership of the Fund shall be optional for a Minister who is over age 50 at the date of commencing service. If such a Minister elects to join the Fund the Committee may fix such special conditions of membership as it considers necessary, subject to the right of appeal to the General Assembly.

1.4 Lay Workers

Lay workers who were admitted as Members before 1 June 1996 may continue as Members provided an Assessment is paid on their behalf. Committed Lay Workers may, at the Committee's discretion, be admitted as Members, provided an Assessment is paid on their behalf. The membership of any Committed Lay Worker who joins the Fund after the effective date of this Deed shall be terminated where such membership prejudices the charitable taxation status of the Fund.

1.5 Other Members

At the Committee's discretion, a Minister in Kindred Service may be admitted as a Member with a Benefit Proportion determined in accordance with Regulation 2.4 provided:

- (a) the Member pays personal contributions as in Regulation 3; and
- (b) the Assessment is paid by or on behalf of the Member.

Alternatively, the Member may, with the approval of the Committee, pay full personal contributions only, in which case a Benefit Proportion of 33% shall apply. At its discretion, the Committee may revoke any such membership at any time where the Committee considers that the service of the Minister is no longer consistent with the objects of the Fund.

1.6. Exemption from Membership

The Committee may grant exemption from membership only in special circumstances. Applications for exemption from membership, with reasons stated, shall be made in writing to the Committee, with the recommendation of the appropriate Presbytery.

2. BENEFIT PROPORTION

- 2.1 During any period when the terms of call agreed by a Member's Presbytery include payment of the full Basic Stipend, the Member's Benefit Proportion shall be 100%.
- 2.2 During any period when the terms of call agreed by a Member's Presbytery include payment of less than the Basic Stipend, the Member's Benefit Proportion shall be reduced proportionately, subject to Regulation 2.3 and 2.4.
- 2.3 During any period when the terms of call agreed by a Member's Presbytery include payment of less than the Basic Stipend the Committee at its discretion may increase the Benefit Proportion to reflect extra work required by the terms of call.
- 2.4 During any period when a Member is engaged in Kindred Service, the Committee shall at its discretion determine the Benefit Proportion, taking into account the Member's employment conditions.
- 2.5 If at any time the Member has more than one Benefit Proportion relating to different employments, they may be accumulated, but to not more than 100%.

3. MEMBER CONTRIBUTIONS

3.1 Personal Contributions

Each month every Contributing Member shall pay a personal contribution to the Fund at the rate of one twelfth of 5% of the Basic Stipend, (or such lesser rate as is recommended by the Committee and approved by the General Assembly from time to time) multiplied by the Member's Benefit Proportion. Such contributions shall be made before any additional contributions are made under Regulation 16.

3.2 Payment of Contributions

Contributions shall be deducted from the Member's monthly stipend by the Parish treasurer, or from the Member's wage or salary payments by the employer, and remitted to, or paid by direct debit initiated by the Financial Services Department of the Church in the month the deduction is made.

3.3 Interest on Arrears

Interest, at the same rate as that allowed in the Actuary's most recent valuation of the Fund, shall be charged on personal contributions in arrears. Any outstanding Assessments payable by the Member under Regulations 1.5 or 7.3(b) with interest, and any outstanding contributions with interest, shall be a first charge on benefits payable.

4. ASSESSMENTS

4.1 Parish Assessments

An Assessment shall be payable by every parish:

- (a) served by a Minister; or
- (b) vacant following a Presbyterian ministry; or
- (c) in the case of a Union or Co-operating parish, subject to the pastoral oversight of the Church until such time as its oversight passes to another negotiating partner.

4.2 For the purposes of this Regulation:

- (a) A Union or Co-operating parish shall be as listed on the roll of parishes of the Church, and

- (b) A negotiating partner is one of the five partners which entered into an Act of Commitment in 1967 and which continues through its involvement with the Forum of Co-operative Ventures.

4.3 **Employer Assessments**

Members who are engaged in Kindred Service may arrange for Assessments to be paid on their behalf in accordance with Regulations 1.5 or 7.3.

4.4 **Amount of Assessments**

The aggregate of the Assessments shall be determined by the Committee after considering the advice of the Actuary. Each parish Assessment may take into account the parish's individual circumstances. Each employer Assessment shall be at the rate determined by the Committee to be approximately equal to the average parish Assessment.

4.5 **Monthly Payments**

Each Assessment shall be payable monthly and remitted to, or paid by direct debit initiated by the Financial Services Department of the Church.

4.6 **Non-personal**

In no circumstances shall an Assessment be deemed to be the personal contribution of a Member.

5. **SERVICE**

5.1 **Full & Part-Time Service**

Service by a Member in a parish, or other Kindred Service, when the Benefit Proportion is 100% shall be deemed full time service. When the Benefit Proportion is less than 100%, service shall be deemed part-time. A "year of full-time service" by a Member shall be a twelve month period during which the Benefit Proportion of the Member is 100%, or such other period determined by the Committee as equating to a year of full-time service.

5.2 **Study Leave**

The Committee may approve continuation of service during a period of study leave with a Benefit Proportion at the level applicable at the commencement of the period of leave subject to payment by the Member of his or her personal contributions only. Only two years of

service in total shall be approved for a Member during his or her Fund membership under this Regulation 5.2. Applications should be made in writing to the Committee and shall be accompanied by the recommendation of Presbytery.

5.3 **Broken Service**

The Committee may approve continuation of service during a break in service commencing after the effective date of this Deed with a Benefit Proportion at the level applicable at the commencement of the break in service subject to payment by the Member of his or her personal contributions only. Only two years of service in total shall be approved for a Member during his or her Fund membership under this Regulation 5.3. Applications should be made in writing to the Committee and shall be accompanied by the recommendation of Presbytery.

5.4 **Partial Employment**

The Committee may approve a Benefit Proportion of 33% of the Benefit Proportion applicable to the Member at the date of commencement of his or her partial employment where no Assessment is paid for a Member but where:

- (a) The Member is engaged in Kindred Service, and
- (b) The Member pays his or her personal contributions.

5.5 **Parental Leave**

A Contributing Member on parental leave may elect to become a Frozen Member under Regulation 7.2 for the term of such leave where:

- (a) The parental leave has been taken under the terms laid down in the Book of Order;
- (b) As a consequence the Member is deemed not to have left the service of the Church or other employing body; and
- (c) The Member gives notice in writing to the Committee of his or her election to become a Frozen Member.

6. **PURCHASE OF BACK SERVICE**

- 6.1 A Member, within one year of joining the Fund, may make additional contributions, for the purpose of purchasing additional benefits on terms and conditions determined by the Committee after considering the advice of the Actuary.

7. WITHDRAWAL BENEFIT

7.1 Leaving Service

A Contributing Member who leaves the service of the Church or other employing body may withdraw from the Fund and receive a lump sum comprising:

- (a) The Member's personal contributions made under Regulation 3, plus interest at a rate determined by the Committee; plus
- (b) 1% of the amount calculated according to (a) above for each month of full-time equivalent service as a Contributing Member, provided that the maximum additional benefit arising under this sub-paragraph (b) shall be 100% of the amount calculated according to (a) above.

7.2 Frozen Membership

A Contributing Member who leaves the service of the Church or other employing body may, instead of receiving a benefit under Regulation 7.1, elect to become a Frozen Member on the following terms:

- (a) No further personal contributions or Assessments shall be payable while the Member remains a Frozen Member;
- (b) The Member's benefit shall be payable on retirement or earlier death. The retirement benefit shall be calculated as set out in Regulation 10 according to service and the Basic Stipend at the date of leaving service. The death benefit, equivalent to the withdrawal benefit at the date the Member left service plus interest as determined by the Committee, shall be paid to the Member's estate;
- (c) A Frozen Member returning to the service of the Church or to Kindred Service may resume contributing membership but the period of frozen membership shall not count as service;
- (d) No other benefits shall be payable from the Fund to a Frozen Member, the Member's Spouse, dependants or estate before the Member's annuity becomes payable, but once an annuity has become payable, upon the Member's death the surviving Spouse's pension and Annuitant's funeral benefit shall be payable.

7.3 **Continue Contributing Membership**

In the case where a Contributing Member leaves the service of the Church or other employing body and continues in Kindred Service, then with the approval of the Committee the Member may continue contributing membership with a Benefit Proportion determined in accordance with Regulation 2.4 provided:

- (a) the Member continues to pay personal contributions as in Regulation 3; and
- (b) the Assessment is paid by or on behalf of the Member.

Alternatively, the Member may, with the approval of the Committee, continue to pay full personal contributions only, in which case a Benefit Proportion of 33% shall apply.

8. **WITHDRAWAL FROM MINISTRY UNDER BOOK OF ORDER 274/275**

8.1 **Termination of Tenure**

Where a Presbytery terminates the tenure of a Minister under Book of Order Regulation 274 or 275 and Appendix E-17, the Member may remain within the Fund and continue to have a Benefit Proportion at the level applicable at the date of termination provided unchanged personal contributions continue to be paid until the commencement of another position or appointment, or for three months, whichever is the shorter period. Any period during which the provisions of this Regulation apply shall not be regarded as broken service for the purpose of Regulation 5.3.

8.2 **Options**

If the Member does not commence another position or appointment within three months then the Member may elect to:

- (a) withdraw from the Fund and receive a benefit of twice his or her personal contributions plus interest, or
- (b) if aged between 50 and 60 and having completed the equivalent of at least 10 years full-time service, retire and receive the retirement benefit calculated as in Regulation 10.2 based on completed service but using the factor for retirement at age 60; or
- (c) continue membership under the terms of Regulations 7.2 or 7.3.

9. DEATH BENEFITS

9.1 Widows' and Widowers' Benefits

- (a) On the death of a Contributing Member the surviving Spouse of the Member shall receive an annuity of the greater of:
- (i) 14.03% of the Basic Stipend at the date of death of the Member, multiplied by the Benefit Proportion which applied to the Member at the date of death, and
 - (ii) 60% of the annuity payable as a retirement benefit under these Regulations assuming the Member served to age 65 with the Benefit Proportion applicable at the date of death and based on the Basic Stipend at the date of death.
- (b) On the death of a Contributing Member the surviving Spouse of a Member shall also receive a lump sum of four times the Basic Stipend at the date of death, multiplied by the Benefit Proportion which applied to the Member at the date of death. If the Member joins the Fund after the effective date of this Deed and after his or her 50th birthday, the lump sum shall be reduced by 1.25% for each complete month by which the Member's age at joining exceeded 50 years. This lump sum, or any part thereof, may be surrendered by the surviving Spouse in return for an increased annuity which the Committee shall determine after considering the advice of the Actuary.

9.2 Contributing Member Leaving No Dependants

If a Contributing Member dies leaving no surviving Spouse or Dependent Children, the Member's estate shall receive a benefit as though the Member had left service under Regulation 7.1 on the date of death.

9.3 Surviving Spouse of an Annuitant

On the death of an Annuitant, the surviving Spouse of the Annuitant who was married to the Annuitant at the date of the Annuitant's retirement from the Fund shall receive an annuity of the greater of:

- (a) 14.03% of the Basic Stipend at the date of death of the Annuitant, and
- (b) 60% of the annuity which the Annuitant would have been receiving at the date of the Annuitant's death had the Member elected no commutation at the date of retirement.

9.4 **Funeral Benefits**

- (a) For the purposes of this Regulation 9.4, "Annuitant" means Annuitants who were formerly contributing members of the Fund.
- (b) A lump sum funeral benefit of 8% of the Basic Stipend shall be paid to an Annuitant's surviving Spouse (whether or not they were married at the Annuitant's retirement date) on the death of the Annuitant. If there is no surviving Spouse, no benefit shall be payable.
- (c) A lump sum funeral benefit of 8% of the Basic Stipend shall be paid to a Contributing Member or an Annuitant on the death of his or her Spouse. If the Contributing Member or Annuitant has died before his or her Spouse, no benefit shall be payable.
- (d) A Benefit Proportion of 100% shall apply to all Members for the benefits payable under this Regulation 9.4.

9.5 **Child Allowance**

- (a) Where either:
 - (i) A Contributing Member;
 - (ii) An Annuitant; or
 - (iii) The spouse of either a Contributing Member or an Annuitant.

dies and is survived by at least one Dependent Child, then there shall be paid to or for the benefit of such child or children an annual child allowance of 3.45% of the Basic Stipend for each Dependent Child. The benefit payable under Rule 9.5(a)(iii) shall cease if the Contributing Member or Annuitant withdraws from the Fund or remarries.

- (b) Where both the Contributing Member or Annuitant and his or her Spouse have died and they are survived by at least one Dependent Child, then there shall be paid to or for the benefit of such child or children:
 - (i) the equivalent of the surviving Spouse's pension for as long as at least one child is dependent, plus
 - (ii) an annual allowance of 6.9% of the Basic Stipend for each Dependent Child.
- (c) The benefit under this Regulation 9.5 may be paid to the guardian of such child or children. The receipt of the guardian shall be a complete discharge. Where there are separate

guardians for different children of the deceased Member the benefit shall be apportioned among the guardians at the sole discretion of the Committee.

- (d) A Benefit Proportion of 100% shall apply to all Members for the benefits payable under this Regulation 9.5.

9.6 Surviving Spouse's Commutation

- (a) A surviving Spouse may, within one month of becoming entitled to an annuity under Regulations 9.1 or 9.3, apply to the Committee for the payment by way of commutation of up to 50% of the annuity. The Committee shall determine the value of the annuity so commuted after considering the advice of the Actuary, and the surviving Spouse shall accept such payment in full satisfaction of all claims against the Fund in respect of the portion of annuity commuted. Where there are exceptional circumstances, the Committee may approve commutation of more than 50% of the annuity.
- (b) Any surviving Spouse who has received full commutation of the annuity payable under Regulation 9.6(a) will be deemed to remain an Annuitant Member of the Fund unless the Committee determines otherwise.

9.7 Married Students for the Ministry

- (a) Following the death of a married person who is undertaking the Ordination Programme of the School of Ministry, his or her Spouse and dependants shall be eligible for benefits from the Fund as if the person were a Contributing Member whose Benefit Proportion was 100%.
- (b) Eligibility for benefits under this Regulation 9.7 shall cease 12 months after successful completion of the Ordination Programme, or when the person enters the ordained ministry, whichever is the sooner.

10. RETIREMENT BENEFITS

10.1 Eligibility

- (a) A Contributing or a Frozen Member who retires may elect to receive a retirement benefit at any date between his or her 55th and 66th birthdays. No further contributions may be made following this election, and service shall be deemed to have ceased.

- (b) A Member in receipt of a Total Disablement benefit at any date between his or her 55th and 66th birthday may elect to surrender that benefit and thereafter receive a retirement benefit under this Regulation 10.

10.2 Normal Retirement

- (a) If a Member joins the Fund after the effective date of this Deed, and retires with less than 10 years service, the retirement benefit shall be a lump sum equal to the withdrawal benefit which would have been paid had the Member resigned at the date of his or her retirement, and no further benefits shall be payable from the Fund for or in respect of the Member.
- (b) In all other cases, on retirement a Member shall be paid:
- (i) an annuity being:
- (8.74% + 0.6325% per year of full-time service)
x Basic Stipend x factor
- where the factor shall be 1.02 at age 66 reducing by 2% for each year by which age at retirement is less than 66 years, and
- (ii) a lump sum of 6.58 times the annuity.

10.3 Retirement of Members who joined over age 50

If a Member joins the Fund after the effective date of this Deed and after his or her 50th birthday, and retires with 10 or more years service, the benefits in Regulation 10.2 shall be reduced by 1.25% for each complete month by which the Member's age at entry exceeded exactly 50 years.

10.4 Commutation

- (a) Within one month after his or her retirement, a Member may apply to the Committee for the payment by way of commutation of up to 50% of the annuity payable to the Member.
- (b) The Committee shall determine the value of the annuity so commuted after considering the advice of the Actuary, and the Member shall accept such payment in full satisfaction of all claims against the Fund in respect of the portion of annuity commuted.
- (c) Where there are exceptional circumstances, the Committee may approve commutation of more than 50% of the annuity. Any Member who has received full commutation of an annuity will

remain an Annuitant Member of the Fund unless the Committee determines otherwise.

- (d) Commutation of any part of the annuity shall not affect the benefit payable to a surviving Spouse following the death of a Member.
- (e) At any time the Committee may allow commutation of annuities that the Committee determines to be small or trivial.

10.5 **Minimum value**

If the value of a Member's retirement benefits is determined by the Committee, after considering the advice of the Actuary, to be less than the value of the withdrawal benefit that would have been paid in accordance with Regulation 7.1 had the Member withdrawn from the Fund on his or her retirement date, the Member's retirement benefit shall be enhanced such that it is equal in value to the withdrawal benefit so calculated.

11. **HARDSHIP ALLOWANCE**

11.1 **Hardship Allowance**

- (a) If a Member who is within 5 years of the age of eligibility for New Zealand superannuation wishes to retire, having completed at least 10 years of full-time equivalent service, the Committee may decide to pay an additional monthly allowance of up to the amount of the single person's New Zealand superannuation until the Member becomes eligible for New Zealand superannuation. The additional allowance will be payable only if the Committee determines that the Member's retirement would be in the best interests of both the Member and the Church, and that severe hardship would result to the Member and his or her family if the Member retired without the additional allowance.
- (b) Applications for the hardship allowance shall be made in writing to the Committee, accompanied by full details of the Member's financial situation and the recommendation of both Presbytery and the Equipping the Leadership Policy Group (or its successor).
- (c) Any Member receiving a hardship allowance shall provide such evidence as the Committee shall require from time to time to enable the Committee to determine whether the Member remains eligible to receive the allowance.

12. **DISABLEMENT BENEFITS**

12.1 **Total Disablement**

- (a) If a Contributing Member is assessed by the Committee after considering the advice of the Medical Panel as being totally disabled, the Committee may decide to pay a Total Disablement Benefit if the Member has been disabled for at least eight consecutive weeks. No such benefit shall be payable while the Member is receiving either stipend or sick pay.
- (b) The Total Disablement Benefit shall be a monthly benefit equal to one twelfth of 70% of the Basic Stipend at the date of commencement of the benefit multiplied by the Benefit Proportion which applied to the Member at the date of the Member's disablement. The benefit may not be commuted.
- (c) The benefit shall be reduced at the discretion of the Committee by the net of tax amount of any income payment received by the Member from any other source as a result of his or her disability.
- (d) An application for a disablement benefit shall be made in writing to the Committee, accompanied by appropriate medical evidence and the recommendation of Presbytery. The disabled Member shall provide such evidence as the Committee shall require from time to time to determine whether or not the Member shall continue to remain eligible to receive the benefit.
- (e) While in receipt of the benefit, the Member shall be deemed a Contributing Member under Regulation 1.1(a). The Member shall retain the full rights of a Contributing Member and the payment of personal contributions shall be made by the Fund on the Member's behalf. Any period while a Member is in receipt of a Disablement Benefit (including the initial eight weeks waiting period) shall be deemed continuing service. During this period, the Member's Benefit Proportion shall remain constant at its level at the date of disablement.
- (f) A Total Disablement Benefit shall cease to be payable if the Member:
 - (i) dies;
 - (ii) elects to receive a withdrawal benefit under Regulation 7.1;
 - (iii) elects to receive a retirement benefit under Regulation 10, or

- (iv) is determined by the Committee after considering the advice of the Medical Panel to have ceased being totally disabled.
- (g) A partial benefit may be payable under this Regulation during a period of rehabilitation following total disablement. The benefit shall be of an amount and for such period as the Committee may determine after considering the advice of the Medical Panel, and may include payment of personal contributions in accordance with Regulation 12.1(e).
- (h) If a Member ceases to receive a Total Disablement Benefit but is determined by the Committee after considering the advice of the Medical Panel to have become totally disabled from the same cause within 6 months of the cessation of benefit payments, the benefit payments will resume without another eight week waiting period.

12.2. Leaving Service or Retirement on Account of Ill Health

- (a) If a Member leaves the service of the Church or other employing body as a result of ill-health but is not entitled to a benefit under Regulation 12.1, the Committee may determine that:
 - (i) if the Member has passed his or her 55th birthday having completed the equivalent of at least 10 years full-time service, the Member may retire and receive the retirement benefit calculated as in Regulation 10.2 based on completed service but using the factor for retirement at age 60, otherwise
 - (ii) the withdrawal amount payable to the Member under Regulation 7.1 shall be twice the amount determined by Regulation 7.1(a) irrespective of the length of service.
- (b) An application for a benefit under Regulation 12.2 shall be made in writing to the Committee, accompanied by appropriate medical evidence and the recommendation of Presbytery.

12.3 Insured Benefits

The Committee may in its absolute discretion insure the cost of all or any of the benefits payable under Regulation 12. If there shall be any discrepancy between the definition of any benefit payable under Regulation 12 and the insured benefits, the insurance policy shall prevail.

12.4 **Adjustment of Benefits**

Where a Member is in receipt of a disablement benefit at the effective date of this Deed the benefit may be reviewed by the Committee after considering the advice of the Actuary and then adjusted with the consent of the Member.

13. **MEDICAL INSURANCE**

13.1 The Committee may decide to provide payment from the Fund of all or part of any medical insurance premiums on such terms as the Committee may from time to time determine.

13.2 Medical insurance premiums may be paid on behalf of Annuitants, Contributing Members and their Spouses and Dependent Children, and surviving Spouses of Contributing Members and Annuitants. Medical insurance premiums will not be paid for Frozen Members and their Spouses and Dependent Children.

13.3 If the Committee decides to no longer provide such a benefit the Committee shall give all the Members covered by the insurance six months notice of the cancellation of the provision of the benefit.

14. **BENEFIT ADJUSTMENTS**

14.1 All annuities and allowances, other than the hardship allowance, being paid under these Regulations shall be adjusted at the same time as any adjustment is made in the Basic Stipend, by at least 50% of the percentage adjustment in Basic Stipend. Further adjustments may be made to specific benefits from time to time. The actual level of any adjustment shall be determined by the Committee, after considering the advice of the Actuary.

15. **SPECIAL GRANTS**

15.1 The Committee at its sole discretion may authorise special grants in any of the following cases:

- (a) To a Parish or other employing body towards the payment of supply fees incurred during the illness of their Minister, limited to a maximum of eight Sundays, excluding the first Sunday of the illness.
- (b) Where a Member is, or dependants of a Member are, deserving of special consideration.
- (c) Towards the payment of actual retraining costs where either:

(i) Presbytery, in consultation with the Member and with the Equipping the Leadership ~~Work~~ Policy Group or its successor, has determined that certain restricted circumstances apply in which it would be in the best interests of the Member and of the Church for the Member to retrain for a new ministry; or

(ii) the Member voluntarily seeks to leave ministry by demitting status and Presbytery, in consultation with the Member and with the Equipping the Leadership ~~Work~~ Policy Group or its successor, has determined that such course would be in the best interests of the Member and the Church.

(d) Where any Minister or other person not a Member of the Fund but who was eligible for membership under Regulation 1, or a dependant of such person, is deserving of special consideration.

15.2 An application for a special grant shall be made in writing to the Committee.

15.3 The amount available for distribution under this Regulation each financial year shall be limited to an amount in total equal to three times the Basic Stipend at the start of the financial year.

16. **ADDITIONAL CONTRIBUTIONS**

16.1 **Supplementary Benefit Scheme**

(a) Any Contributing Member may at any time make additional contributions to a Supplementary Benefit Scheme account for the Member. Any Member on retirement may transfer to a Supplementary Benefit Scheme account for the Member part or all of the sums payable under Regulations 10.2(b)(ii) or 10.4. The account shall be credited with interest at a rate determined by the Committee from time to time.

(b) If a Member dies the total credit balance in the Member's Supplementary Benefit Scheme account at that date shall be paid to the deceased Member's estate.

(c) Within one month of retirement a Member with an annuity payable from the Fund may elect to have the whole or any part of the credit balance in the Member's Supplementary Benefit Scheme account applied to the provision of an annuity. The level of such annuity payable shall be determined by the Committee after considering the advice of the Actuary.

(d) If a Member withdraws from Contributing Membership of the Fund under Regulation 7.1 the total credit in the Member's

Supplementary Benefit Scheme account shall be paid to the Member as a lump sum at the date of withdrawal.

- (e) If a Member withdraws from Contributing Membership of the Fund under Regulation 7.2, the total credit in the Member's Supplementary Benefit Scheme account may be maintained in that account at the discretion of the Committee.
- (f) At any time after a Member attains age 55, any part of the total credit in his or her Supplementary Benefit Scheme account shall be paid to the Member as a lump sum at the Member's request. The Committee may from time to time set limits on the number of payments which can be made to a Member in a period, and on the amounts being withdrawn and to be retained in the account.
- (g) Any withdrawal from a Member's Supplementary Benefit Scheme account shall include interest to the date of withdrawal.

17. **BENEFIT PAYMENTS**

- 17.1 Other than with the payment of lump sums, benefits shall be paid monthly on the 20th of each month, or where the 20th is not a business day, then the first business day thereafter. The first instalment will be for the number of days between the Annuitant's entitlement date and the end of the month. The final instalment will be for the number of days between the first day of the month in which the Annuitant dies and the Annuitant's date of death.

DEED OF ADOPTION

This Deed of Adoption made this day of 2000

BETWEEN: []

AND **THE PRESBYTERIAN CHURCH PROPERTY TRUSTEES** of the second part.

WITNESSES

1. The Employer desires to participate in the Beneficiary Fund of the Presbyterian Church of Aotearoa New Zealand Fund ("the Fund") and by executing this Deed of Adoption agrees to be bound by the provisions of the Trust Deed and Regulations of the Fund.

2. The Employer covenants to pay an Assessment to the Fund for each of its employees who becomes a Member of the Fund in Kindred Service. The Employer shall continue to pay such Assessment until either:
 - (a) such employee ceases to be both an employee of the Employer and in Kindred Service; or

 - (b) the Employer chooses to cease such payments and gives to the Fund not less than one month's written notice of such choice.

SIGNED by []
by:

.....
Signature of Authorised Person

.....
Signature of Authorised Person

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Name of Authorised Person

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Name of Authorised Person

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Office Held

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Office Held

