



The purpose of this newsletter is to bring you up to date on some of the issues addressed by the Trustee at its most recent meeting held on 23 February 2021.

Plan Earning Rates

Investment markets continue to deliver strong returns for the Plan since the start of the financial year (1 April 2020) as shown in the monthly earnings rates as approved by the Trustee in the table below.

Ports Retirement Plan Interest rates

Month ended	Month After tax at 28% PIR	Month After tax at 17.5% PIR	Year to date After tax at 28% PIR	Year to date After tax at 17.5% PIR
Default Fund				
30 April 2020	5.3%	5.6%	5.3%	5.6%
31 May 2020	2.3%	2.4%	7.8%	8.1%
30 June 2020	0.5%	0.6%	8.3%	8.7%
31 July 2020	2.2%	2.3%	10.6%	11.2%
31 August 2020	2.1%	2.2%	13.0%	13.6%
30 September 2020	-0.7%	-0.7%	12.2%	12.8%
31 October 2020	-1.1%	-1.0%	11.0%	11.7%
30 November 2020	4.9%	5.1%	16.4%	17.3%
31 December 2020	1.7%	1.8%	18.4%	19.4%
31 January 2021	-1.0%	-0.9%	17.3%	18.3%
28 February 2021	0.5%	0.4%	17.8%	18.8%
Conservative Option				
30 April 2020	3.0%	3.2%	3.0%	3.2%
31 May 2020	1.5%	1.6%	4.6%	4.9%
30 June 2020	0.6%	0.7%	5.2%	5.6%
31 July 2020	0.9%	1.0%	6.2%	6.7%
31 August 2020	0.9%	0.9%	7.2%	7.7%
30 September 2020	0.0%	0.0%	7.2%	7.7%
31 October 2020	-0.3%	-0.3%	6.8%	7.4%
30 November 2020	1.9%	2.0%	8.9%	9.6%
31 December 2020	0.9%	0.9%	9.8%	10.6%
31 January 2021	-0.6%	-0.7%	9.1%	9.9%
28 February 2021	-1.1%	-1.2%	8.0%	8.5%

As you can see a member in the default fund with a 28% tax rate has a return for the 10 months to 28 February 2021 of 17.8%. While the year to date earnings are pleasing, there are a few more weeks to go until year end 31st March and investment markets are very volatile.



Changes to Group Life Insurance

Our current insurer for the Insured component of the Death Benefit payable through the Plan, AIA Insurance have amended the terms of their policy effective 1 April 2021. Members should see a small decrease in premiums with no change to the scale of their cover (a reminder that this is 2 times salary for ages 40 or less, 1.5 times salary for ages 41 to 49, and 1 times salary for ages 50 and over). There is also a change to the specified exclusions. For example, there is no cover if a member dies or is totally and permanently disabled while engaging in an act of war. There is also no cover if a member is totally and permanently disabled as a result of attempting to take their own life.

Review of Investment Objectives

Following a Trustee review, there is an update to the documentation for the Plan's Statement of Investment Policy and Objectives (SIPO); Other Material Information (OMI); and Product Disclosure Statement (PDS). The updated documentation is expected to be available on the Plan's website by implementation date of 1 April 2021.

Trustee Changes

In our March 2020 Newsletter, we advised that David Stevens resigned as Chairman in January 2020 due to ill health. David had been Chairman of the Plan for over 30 years.

The Licensed Independent Trustee Paul Drummond was subsequently elected Chair and in October 2020 a new Licensed Independent Trustee Andrew Johnson was welcomed aboard as a new Trustee.

Trustee Director Jonathan Gardiner (Lyttelton Port Company) resigned as a Trustee Director effective 19 November 2020. The RMTU has sought nominations from Port Companies for a replacement Trustee Director.

Past Chairman's Obituary

Sadly, we regret to advise that David Stevens passed away suddenly on 16 October 2020.

David was a respected, generous and insightful long-term contributor to the Plan and to many other scheme trustee boards that are literally too numerous to mention. David was a seminal part of the New Zealand workplace savings story - and our industry owes him a huge debt of gratitude. Among the many other entities to which David volunteered his time and expertise was the celebrated Norman Kirk Memorial Trust, which helps New Zealanders and people of the South Pacific to reach their potential by providing financial help for education, study or training. David was a "gentleman's gentleman" with a real sense of occasion - as those who witnessed the "signing pen" deployed only on special occasions can readily attest! He will be warmly remembered for his wry good humour, his dress sense (enviably dapper to the last!) and his infectious sense of mischief.

Above all else though, David was a true servant leader – and we thank him for his transformative contribution to our industry.

Rest in peace, David.

Paul G Drummond
Chairperson