

## FREQUENTLY ASKED QUESTIONS ABOUT LOCKED ACCOUNTS

If you joined the Dairy Industry Superannuation Scheme (the Scheme) after July 2007, your application included an option to contribute to a Locked Account. This Fact Sheet explains what a Locked Account is and outlines your options.

### Q.1 What is a Locked Account?

When you join the Scheme, two accounts are opened in your name (a 'Member Account' and a 'Employer No.1 Account'), each with a Locked sub-account. Similar to KiwiSaver, where contributions are locked in, you can choose to 'lock in' both member and employer contributions of 3% of your salary into Locked Accounts within the Scheme<sup>1</sup> (employer contributions have Employer Superannuation Contributions Tax deducted).

### Q.2. What is the difference between Locked and Unlocked Accounts?

The following table summarises the key features of Locked Accounts and Unlocked Accounts.

	Locked Accounts	Unlocked Accounts
Qualify for Government Contributions <sup>2</sup>	✓	✗
Funds are locked in until age 65	✓	✗
Payable on leaving service at any age	✗	✓
Funds available for the purchase of a first home <sup>3</sup>	✓	✓
Accessible for a significant financial hardship withdrawal	✓	✓
Death benefit payable to your personal representatives	✓	✓

### Q.3 How can I tell if I am currently making locked-in contributions?

Sign in to [www.dairysuper.co.nz](http://www.dairysuper.co.nz) and select *Breakdown* in the *Account summary* section to see if funds have been contributed to your Locked Account. Alternatively, you can refer to the table on the first page of your latest annual confirmation (formally Member Benefit Statement) statement, which is available to download in the *Account Statement* section on your member dashboard. You can also call the Scheme Helpline on 0800 355 900 for assistance.

<sup>1</sup> The default employee and employer contribution rates to KiwiSaver will increase to 3.5% of salary on 1 April 2026, and to 4% of salary on 1 April 2028.

<sup>2</sup> Subject to meeting qualifying criteria. Government Contributions equal to 25 cents for each dollar you contribute up to a maximum of \$260.72 per year.

<sup>3</sup> Subject to you leaving a minimum balance of \$1,000 (plus any amount transferred from an Australian complying superannuation scheme) in your Locked Account

#### Q.4 What is the benefit of making locked-in contributions?

If you are under age 65 and meet income testing requirements, an annual contribution of at least \$1,042.86 to your Locked Account may entitle you to the maximum Government contribution of \$260.72 annually.

#### Q.5 What restrictions apply to withdrawals from Locked Accounts?

Unlike Unlocked Accounts, where you can receive your benefit as a lump sum cash payment upon leaving your employer at any age, Locked Account balances are generally restricted until the date you qualify for NZ Super (currently age 65).

Early withdrawals may be allowed if you are buying your first home or you are suffering, or are likely to suffer, significant financial hardship. [Click here](#) for information about significant financial hardship withdrawals. You may also be able to make an early withdrawal if you were born with a condition that is expected to reduce life expectancy below the New Zealand superannuation age (currently age 65), and is a listed condition or non-listed condition as defined in the KiwiSaver Act.

#### Q.6 How do I start making locked-in contributions?

Complete and return form [D12A](#) (if you are a subsidised/employee member) or form [D12B](#) (if you are an elective member) to begin locked-in contributions.

#### Q.7 How do I stop making locked-in contributions?

To pause locked-in contributions, apply for a contributions suspension. Your contributions suspension must be for a minimum of three months and a maximum of one year. Contributions suspensions may be taken successively, with no limit to the number of times you can take a contributions suspension. Submit form [D12A](#) (for subsidised/employee members) or form [D12B](#) (for elective members) to apply.

#### Q.8 How are death benefits from Locked Accounts paid?

All death benefit payments, including Locked Account balances, are made to a member's personal representative (the person legally responsible for administering a deceased person's estate). This will be the executor of your estate you have named in your Will. If you don't have a Will, this will be an administrator of your estate as appointed by the Court.

Your Will operates as a binding direction regarding how the entire benefit is to be paid. It is therefore important to have an up-to-date Will reflecting your current wishes.

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