

# Consultation paper: Proposed guidance on KiwiSaver fees and value for money

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## About this consultation

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This consultation seeks input from KiwiSaver managers, KiwiSaver supervisors, other MIS managers, and other interested parties, on the regulatory approach to the statutory requirement that KiwiSaver fees must not be unreasonable and the related overarching statutory duties.

Submissions will initially be used to help us refine our proposed guidance for managers and supervisors of KiwiSaver schemes. The guidance will clarify:

- the statutory duties of managers and supervisors in relation to fees and value for money
- what factors should be considered when assessing whether fees are unreasonable and whether KiwiSaver fees are providing value for money
- examples of when fees may be unreasonable
- the FMA's role and enforcement options.

## Next steps

The final day to make a submission on this consultation is **Monday 14 December 2020**. After we consider all submissions, we intend to finalise our guidance and publish it on our website.



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# Draft guidance

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## Introduction

KiwiSaver fees are important. Fees have a significant impact on the overall returns that KiwiSaver members receive from their schemes. Management of KiwiSaver funds is a valuable service, from which providers are entitled to earn fees.

For the last few years, the FMA has focused on fees in the context of whether KiwiSaver schemes are providing good value for money for New Zealanders. Despite our expectation of competitive pressure on fees over recent years, there has been very little shift in fees when fees are weighted by the amount of dollars invested in the fund.

We have previously indicated on a number of occasions that we expect average fees to reduce as funds under management increase, based on the assumption that marginal costs for each additional dollar invested are low. This has not occurred in fixed dollar terms, with only some movement in percentage terms. Independent research<sup>1</sup> has shown that the global trend is a decrease in fees for passive funds, and suggests that fees charged by KiwiSaver providers are high compared to broadly similar funds in the UK. Benefits of scale – at least for the larger providers – do not appear to have been passed on to KiwiSaver members.

As part of our focus on value for money in KiwiSaver, we commissioned MyFiduciary to provide an independent report into the investment management styles used by KiwiSaver providers<sup>2</sup>. We did this because KiwiSaver providers told us that the investment management cost was the largest component of the fee they charge and the investment management style is generally the main point of differentiation between schemes. This report found no significant relationship between providers' level of active management and fees they charge, with some passive funds charging relatively high fees and some actively managed funds charging relatively low fees. This highlights to us that based on activeness and fees charged, some KiwiSaver schemes appear poor value for money.

Holding KiwiSaver scheme providers accountable for performing their duties and obligations is a key component to building investor trust. This is central to our objective of developing and maintaining fair, efficient and transparent financial markets, and growing market confidence.

## The ongoing obligation not to charge an unreasonable fee

The definition of 'fee' includes all fees charged either directly or indirectly from a member's KiwiSaver account<sup>3</sup>. The KiwiSaver scheme rules prescribe that the manager of a KiwiSaver scheme (or any other person who charges a fee for services in relation to the scheme<sup>4</sup>) must not charge a fee that is unreasonable. This obligation is implied into the

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<sup>1</sup> <https://www.fma.govt.nz/assets/Reports/FMA-KiwiSaver-Fees-Comparison-Final-20190711.pdf>

<sup>2</sup> <https://www.fma.govt.nz/assets/Reports/MyFiduciary-FMA-Report-Aug2020.pdf>

<sup>3</sup> KiwiSaver Act 2006 (KSA 2006), s 4

<sup>4</sup> Includes the supervisor, administration manager and investment manager



scheme's governing documents<sup>5</sup> and is an ongoing obligation in accordance with both the KiwiSaver Act and the Financial Markets Conduct Act 2013 (FMC Act)<sup>6</sup>.

Obligations imposed by the KiwiSaver Act have been expressly incorporated into the FMC Act<sup>7</sup>. Under the FMC Act, the obligation not to charge an unreasonable fee is within both the definition of an 'issuer obligation' and a 'market services licensee obligation'<sup>8</sup>.

## Relevant overarching statutory duties

Conduct is at the core of the FMC Act. [Part 4](#) imposes overarching statutory duties on both managers and supervisors, and requires them to act in the best interests of members<sup>9</sup>.

Managers must ensure that ongoing registration requirements are complied with (one of which is the requirement that fees are not unreasonable), and have a duty to act in accordance with the governing document and all other issuer obligations. Ultimately, managers are accountable to the members and must put members' interests first, ensuring that they are treated equitably. This includes acting in members' best interests from a value for money perspective.

Licensed supervisors, as the frontline regulators, must actively supervise the manager's performance of its functions and issuer obligations. This is overlaid with the supervisor being required to act on the members' behalf in relation to the manager, the governing documents, and issuer obligations. Current [guidance](#) states that we expect the supervisors of KiwiSaver schemes to monitor the schemes they supervise for compliance with their obligations under their trust arrangements, including that the fees charged are not unreasonable.

## Value for money

The overarching statutory duties on both managers and supervisors to act in the members' best interests, and our [expectations in relation to good conduct](#), mean that the assessment of a scheme's fee should take into account not only traditional aspects such as underlying costs, but also whether the fee (and the product overall) offers value for money to members.

### Regular review of scheme fees

Fees and scheme-related expenses should be reasonable, accurate and consistent with the governing documents and information given to members. We expect managers and supervisors of KiwiSaver schemes to regularly review fees with the members' best interests as the overarching consideration. In the event that fees are unreasonable, we expect managers and supervisors to take action to ensure compliance<sup>10</sup>, including reducing fees and refunding members who have been overcharged. Whether members have been promptly recompensed is a factor we will take into account when considering enforcement action.

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<sup>5</sup> Financial Markets Conduct Act 2013 (FMCA 2013), s 135(2)

<sup>6</sup> [Annex One](#) sets out that the obligation is ongoing

<sup>7</sup> [Annex One](#) sets out the number of ways the FMC Act incorporates the obligation not to charge an unreasonable fee.

<sup>8</sup> FMCA 2013, s 6

<sup>9</sup> See [Annex One](#) for a list of relevant supervisor and manager duties.

<sup>10</sup> KSA 2006, s 116 prescribes that the obligation not to charge an unreasonable fee is implied into the trust deed of the scheme and is enforceable by the manager, the supervisor, or any member of the scheme.



If any scheme changes require updates to the Statement of Investment Policy and Objectives (SIPO) or other governing documents and such changes impact costs, then fees should be reviewed at the same time. Failure to do so may contravene the issuer and market services licensee obligation not to charge an unreasonable fee.

When regularly reviewing scheme fees and assessing whether the scheme is providing value for money, the following matters should be considered:

- How fees are calculated, charged, disclosed and reviewed
- The cost of the services to which the fees relate and whether the fees are reflective of those costs
- Whether the cost of the services has been reviewed to ensure the scheme is providing value for money
- Review of the performance of underlying managers to consider whether they are providing value for money
- How the fund has performed, with a focus on any underperformance over time
- How scheme assets are invested – whether fees reflect the degree of active or passive management employed
- How fees compare to any restricted workplace savings scheme or other KiwiSaver schemes<sup>11</sup>
- How particular fees (such as advice fees) compare to other managed investment schemes with such fees.
- How fees compare to a default KiwiSaver fund with a comparable level of growth assets
- The structure of the scheme
- The number of members
- The value of scheme assets<sup>12</sup> and whether the value has increased over time so that benefits of scale are passed on to members
- The proportion of returns eroded by fees
- Any other costs of the scheme

Failure to carry out a regular review risks fees becoming unreasonable over time, which increases the risk of enforcement action and any liability to refund fees that were unreasonably charged.

### Other registered schemes

We note that while this guidance is specific to KiwiSaver schemes and is focused on the obligation not to charge an unreasonable fee, the overarching statutory duty to act in the members' best interests and our expectations in relation to good conduct apply to managers and supervisors of all registered schemes. On this basis, all managers and supervisors should regularly review their scheme fees to assess whether they provide value for money to members. Some of the factors listed above will be relevant considerations for other registered schemes.

## When fees may be unreasonable

While we certify that a fee meets the requirement not to be unreasonable as part of the initial registration requirements for a KiwiSaver scheme<sup>13</sup>, this certification does not mean that the fee will not be unreasonable at a later date, even if that fee has not changed. Managers and supervisors are responsible for regularly reviewing fees, keeping their obligation to act in the members' best interests at the forefront. We expect supervisors to be regularly challenging the manager to ensure fees are not unreasonable and are reflective of actual costs.

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<sup>11</sup> While comparing other schemes' fees may be an indication of whether fees are unreasonable, the scheme's own fees are the critical consideration because comparisons against other schemes cannot provide information on the scheme's own costs, and it cannot be assumed that the fees of other schemes are themselves not unreasonable.

<sup>12</sup> We accept that smaller KiwiSaver schemes may have proportionately higher costs.

<sup>13</sup> FMCA 2013, s 128(1)(i)



## Examples of when we expect fees to decrease

- Funds under management increase – fees should reduce to reflect reduction in fixed costs due to economies of scale
- Moving from active to passive investment management
- Fund input costs have fallen due to a decrease in third-party fund manager fees
- Scheme amalgamations where economies of scale are an end result

### Economies of scale

Despite the significant increase in KiwiSaver funds under management, costs per member have not fallen to reflect economies of scale. We expect managers and supervisors to examine their fees and ensure that benefits of scale are being passed on to members.

### Actual costs may be unreasonable

While costs should represent actual costs, we consider that actual costs themselves may be unreasonable. This may occur if costs are significantly above the commercial norm, the scheme's structure unnecessarily raises costs, or the scheme fails to adopt cost-saving practices, technologies, or structures where it is reasonable to do so. Managers should take steps to ensure that actual costs are reasonable, for example negotiating wholesale rates.

### Membership fees

Annual or monthly membership fees have the potential to erode members' balances and have a disproportionate effect on members with low balances. We expect membership fees to be reviewed regularly in light of growing numbers of members, their length of time in the scheme, member account balances and total funds under management. The members' interests must be put first and they must be treated equitably. A membership fee that erodes a member's low balance is likely inconsistent with these duties.

## How a membership fee disproportionately affects a member with a low balance

As an example, a \$36 annual membership fee will translate to a fee of:

- 0.72% on a balance of \$5,000
- 0.036% on a balance of \$100,000



### Rebadged funds

If a scheme is offering rebadged funds from another manager, the scheme manager should assess how the fee levels compare, and more broadly how fees compare to similar offerings.

### Buy/sell spreads

If buy/sell spreads are implemented, they must be actively managed and regularly reviewed to ensure they result in the fair treatment of members.

Since the spread is meant to allocate trading costs to the appropriate investor, and to prevent ongoing investors from subsidising transacting investors (or vice versa), the spread should always be applied to the benefit of the fund and never to the benefit of the scheme manager. This will ensure that members are charged actual costs. As with all fees, buy/sell spread costs need to be regularly reviewed and reasonably reflect actual costs. For more information see our [FAQs](#) for fund managers on the use and disclosure of buy/sell spreads.

### Advice fees and trail commissions

Where a scheme charges or facilitates a fee to be charged that relates to financial advice, such a fee should be separately disclosed and charged to the member benefiting from that advice. It should not be incurred by the scheme and consequently all members of that scheme.

If members are charged a trail commission, it implies there is an active review process by the financial adviser, involving the client. If advice is only provided when the initial sale is made but the fee continues to be charged, the fee is likely to be unreasonable. Any ongoing advice fees charged to individual members should be reasonable and reflect the level of service provided to that member over time.

### Fee increases

If scheme fees are increased, managers have a statutory duty to notify the FMA of the increase before or as soon as is reasonably practicable after the increase takes effect. Failure to do so constitutes an offence with a fine of up to \$50,000<sup>14</sup>.

### Closing a scheme

If a scheme is closed to new investors, the same obligations regarding fees, manager and supervisor duties, and conduct apply. These obligations are ongoing until a scheme is legally wound up and ceases to exist.

## The role of the FMA

The FMA can undertake a fee assessment of a KiwiSaver scheme at any time. We will not hesitate to use our statutory powers to look into commercial arrangements and obtain information to understand scheme costs, including those of sub-managers where member scheme assets are invested.

When considering whether a fee is unreasonable, we will be guided by the process set out in the KiwiSaver Regulations and assess whether the fee is significantly higher than fees charged in relation to another scheme that we consider comparable<sup>15</sup>. The scheme used for comparison may or may not be a KiwiSaver scheme – it could for example be a restricted workplace savings scheme or other managed investment scheme. If the relevant fee is significantly higher, we will assess whether differences in certain features of the KiwiSaver scheme mean that it is

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<sup>14</sup> KSA 2006, s 117

<sup>15</sup> KiwiSaver Regulations 2006 (KSR 2006), reg 11; For the full statutory test see [Annex One](#)



reasonable for the fee to be higher. The KiwiSaver Regulations set out factors requiring consideration, and we have discretion to consider any matter we consider relevant<sup>16</sup>.

We will also consider the related overarching statutory duties when considering fees and value for money.

### Supervisors and the FMA

Supervisors have the core supervisory and compliance monitoring role in relation to the scheme. We expect supervisors to monitor fees to ensure they are not unreasonable. A manager that charges an unreasonable fee is in contravention of their issuer obligations, and the scheme's supervisor is required to advise us of the contravention and the steps they intend to take in relation to the contravention<sup>17</sup>.

## Enforcement

If we determine that a fee is unreasonable, a wide range of enforcement options are available under the FMC Act. Some of these enforcement options overlap with those available if a manager (and, in some cases, a supervisor) is in breach of their overarching statutory duties to act in the best interests of members and treat members equitably.

For more information on the enforcement options available to the FMA, please refer to our [Regulatory Response Guidelines](#).

### Stop orders

We may issue a stop order on the basis that a KiwiSaver scheme with unreasonable fees is no longer meeting its registration requirements<sup>18</sup>. A stop order can, for example, prevent schemes with unreasonable fees from advertising, and prevent transfers of new members.

If we consider that it is in the public interest to do so, we may issue an interim stop order while we consider the grounds for a stop order.

Failure to comply with a stop order is an offence and can result in a conviction and a fine of up to \$300,000<sup>19</sup>. Stop orders must be published.

### Direction orders

We may also issue a direction order<sup>20</sup>. A direction order may, for example, direct the manager to comply with the requirement not to charge an unreasonable fee, or stipulate steps that must be taken for compliance (for instance, undertaking a review of fees). We have discretion as to whether we publish direction orders. Failure to comply with a direction order is an offence and can result in a fine of up to \$300,000.

Direction orders are also available if we are satisfied that a manager or supervisor has contravened, or is likely to contravene, one of their overarching statutory duties, including the duty to act in the best interests of scheme members<sup>21</sup>.

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<sup>16</sup> KSR 2006, regs 10(3) and 12; KSA 2006, s 118(b); Replicated in [Annex One](#)

<sup>17</sup> FMCA 2013, s 203

<sup>18</sup> FMCA 2013, s 462(1)(e)

<sup>19</sup> FMCA 2013, s 479(2)

<sup>20</sup> FMCA 2013, ss 228(4)(e) and (h), 468, 469

<sup>21</sup> FMCA 2013, ss 143(1)(b), 153(1)(b), 468(1)(c)



## Censures, action plans and directions to a licensee

If we are satisfied that a licensee (i.e. the KiwiSaver manager) has or is likely to materially contravene a market services licensee obligation (which includes a contravention of the obligation not to charge an unreasonable fee), we may censure the licensee, require them to submit an action plan, give a direction to the licensee, or suspend or cancel their licence<sup>22</sup>.

## Court action

The KiwiSaver Act contains a specific statutory power that allows the FMA (and scheme members) to apply to the High Court for an order annulling or reducing the fee within one year of the fee being debited or imposed<sup>23</sup>. As fees are regularly debited from members' accounts, each and every debit will carry a one-year time limit. The Court may make any order it thinks fit to give effect to the annulment or reduction, which could include ordering excess fees to be paid back to members.

The FMC Act specifies a number of provisions that, if contravened, may give rise to civil liability<sup>24</sup>, enabling the FMA to apply to the courts for orders, including pecuniary penalty orders (of up to \$600,000) or compensatory orders<sup>25</sup>. The following contraventions may give rise to civil liability orders:

- A manager contravenes the issuer obligations not to charge an unreasonable fee<sup>26</sup>
- A manager contravenes the duty to act in the best interest of members and treat them equitably<sup>27</sup>
- A supervisor contravenes the duty to act in the best interest of members<sup>28</sup>

Civil liability orders can be made not only against the person in contravention, but also against those involved in the contravention. The aim of such orders may be to sanction the issuer, deter behaviour, and/or potentially to seek redress for affected parties.

## Supporting documents

This guidance note should be read alongside these related pieces of guidance:

- [Unreasonable Fees](#) guidelines issued by the Government Actuary detailing expectations in relation to fee levels, particularly relevant to new KiwiSaver schemes
- [Performance Fees and Ethical Fund Fees](#) guidelines issued by the Government Actuary detailing three specific characteristics that performance fees should reflect
- our [KiwiSaver Performance Fees Guidance](#) which builds on the three characteristics identified by the Government Actuary in the guidelines above

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<sup>22</sup> FMCA 2013, s 414

<sup>23</sup> KSA 2006, s 119

<sup>24</sup> FMCA 2013, s 228(4)

<sup>25</sup> Under s 494 of the FMC Act the FMA or any other person may apply for a compensatory order.

<sup>26</sup> FMCA 2013, ss 143(2), 133(b), 228(4)(e)

<sup>27</sup> FMCA 2013, ss 143(1)(b), 228(4)(h)

<sup>28</sup> FMCA 2013, ss 153(1)(b), 228(4)(j)



## Annex One

### The obligation not to charge an unreasonable fee is an ongoing obligation

Clause 2 of the KiwiSaver rules prescribes that a fee must not be unreasonable:

**2 Fees must not be unreasonable**

(1) The following persons must not charge a fee that is unreasonable:

- (a) the manager of the scheme:
- (b) the supervisor or the scheme:
- (c) the administration manager of the scheme:
- (d) the investment manager of the scheme:
- (e) any other person who charges a fee for services in relation to the provision of a KiwiSaver scheme.

The KiwiSaver rules are implied in the trust deed despite anything to the contrary as per section 116 of the KiwiSaver Act:

The KiwiSaver scheme rules set out in Schedule 1 are implied in every trust deed that establishes a KiwiSaver scheme...

The KiwiSaver scheme rules...apply despite anything to the contrary in the trust deed; and are enforceable by the manager, the supervisor, or any member of the scheme.

The obligation not to charge an unreasonable fee is implied into the governing document under section 135(2) of the FMC Act:

The governing document is treated as containing any provision that is implied into it by or under this Act or the KiwiSaver Act 2006.

Section 128(1)(i) of the FMC Act prescribes that an “additional and ongoing” registration requirement for KiwiSaver schemes is that a fee charged is not unreasonable:

**128 Additional initial and ongoing registration requirements for KiwiSaver schemes**

(1) Every KiwiSaver scheme must meet the following registration requirements in addition to those in section 127:

...

- (i) The FMA must be satisfied that the fees charged in accordance with any information provided in the application will comply with clause 2 of the KiwiSaver scheme rules under the KiwiSaver Act 2006.

The scheme manager must ensure that the scheme “continues to comply” with the registration requirement that a fee charged is not unreasonable as per section 133(b) of the FMC Act:

The manager of a registered scheme must ensure that... the scheme ... continues to comply with the additional registration requirements for that type of scheme...

### The obligation not to charge an unreasonable fee is incorporated into the FMC Act as an issuer obligation and a market services licensee obligation

The manager of a KiwiSaver scheme is an “issuer” as per section 11(1)(b)(iii) of the FMC Act:

**Issuer** means, in relation to ... a managed investment product, the manager of the managed investment scheme to which the product relates.

The obligation not to charge an unreasonable fee is an issuer obligation as per section 6 of the FMC Act:



**issuer obligation** means an obligation imposed on the issuer of a financial product by or under any of the following:

...

- (d) this Act (including, in relation to a managed investment product, all obligations as a manager)
- (e) the KiwiSaver Act 2006

The obligation not to charge an unreasonable fee is a “market services licensee obligation” as per section 6 of the FMC Act:

**market services licensee obligation** means an obligation imposed on a licensee or an authorised body by or under any of the following:

...

- (e) in the case of a manager or an independent trustee of a registered scheme, -
  - (i) a governing document:
  - (ii) the KiwiSaver Act 2006

### Managers’ duties that are particularly relevant to the obligation not to charge an unreasonable fee

A manager must:

- Act in the best interests of the scheme participants – s 143(1)(b)(i) FMC Act.
- Treat the scheme participants equitably – s 143(1)(b)(ii) FMC Act.
- Carry out the functions of a manager in accordance with the governing document and all other issuer obligations – s 143(2) FMC Act.
- Ensure that the scheme continues to comply with the additional ongoing registration requirements in section 128, one of which is to comply with clause 2 of the KiwiSaver scheme rules – not to charge unreasonable fees – s 133(b) FMC Act.
- Exercise the care, diligence, and skill that a prudent person engaged in that profession would exercise in the same circumstances - s 144(1) FMC Act.

### Supervisors’ duties that are particularly relevant to the obligation not to charge an unreasonable fee

A supervisor must:

- Act in the best interests of the scheme participants in exercising its powers and performing its duties as a supervisor – s 153(1)(b) FMC Act. One of the supervisor’s functions includes supervising the manager’s performance of its functions and issuer obligations – s 152(1)(b)(i) FMC Act.

### The unreasonable fees test

Section 118 of the KiwiSaver Act concerns the exercise of functions by the FMA about unreasonable fees and gives us discretion to consider any matter we consider relevant:

In considering whether a fee is unreasonable in relation to the provision of a KiwiSaver scheme or a complying superannuation fund, the FMA –

- (a) must have regard to any prescribed matter; and
- (b) may have regard to any other matter that the FMA considers relevant; and
- (c) may make decisions in accordance with any prescribed process.



Regulations 10-12 of the KiwiSaver Regulations 2006 set out the statutory test:

#### 10 Purpose of regulations on KiwiSaver fees

- (1) Regulations 11 and 12 deal with the FMA's functions under the Act and a court's function under the KiwiSaver scheme rules of considering whether a KiwiSaver scheme complies with clause 2 of the KiwiSaver scheme rules (which requires fees not to be unreasonable) (the **fees assessment**).
- (2) The purpose of these regulations is to prescribe a process for the FMA's fees assessment and the matters to which the FMA or a court must have regard in carrying out a fees assessment (*see* section 118 of the Act and clause 2 of the KiwiSaver scheme rules).
- (3) Neither regulation 11 nor regulation 12 prevents the FMA or the court from considering any other matter that the FMA or the court considers relevant.

#### 11 Process for fees assessment by FMA

The FMA may follow the following process in making a fees assessment:

- (a) compare the relevant fee or fees in relation to a scheme (**A fees**) to fees charged in relation to other schemes or classes of schemes (whether or not KiwiSaver schemes) that the FMA considers comparable, having regard to the relevant matter in regulation 12(a); and
- (b) determine on that basis that—
  - (i) the A fees are not unreasonable; or
  - (ii) the A fees may be unreasonable; and
- (c) if the FMA determines that the A fees may be unreasonable, further assess the A fees having regard to all the relevant matters in regulation 12; and
- (d) determine on that basis whether or not the A fees are unreasonable.

#### 12 Relevant matters for fees assessment by FMA or court

The following matters are relevant to a fees assessment by the FMA or a court:

- (a) whether the relevant fee or fees in relation to the scheme are significantly higher than the fees charged in relation to other schemes or classes of schemes (whether or not KiwiSaver schemes) that the FMA or the court considers comparable; and
- (b) if the relevant fee or fees are significantly higher, whether or not differences in the following matters mean that it is reasonable for the fee or fees to be higher:
  - (i) the cost of the services to which the relevant fee or fees relate; and
  - (ii) the structure of the scheme; and
  - (iii) the number of members and the number of members actively contributing to the scheme; and
  - (iv) the value of the scheme assets at the commencement of the fees assessment and how those scheme assets are invested; and
  - (v) the employer contributions in respect of members and employer subsidisation of fees charged in relation to the scheme (if any); and
  - (vi) how the relevant fee or fees are charged and the basis on which the relevant fee or fees are calculated; and
  - (vii) other costs of the scheme; and
  - (viii) any other matter that the FMA or the court considers relevant.



## Consultation questions

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1. Do you agree with the factors we have identified as being relevant to an assessment of whether KiwiSaver fees are unreasonable? If not, please outline your reasons.
2. Are there any other factors you consider relevant to an assessment of whether KiwiSaver fees are unreasonable, or inconsistent with the related overarching statutory duties?
3. Do you agree with the examples we have identified of when KiwiSaver fees may be unreasonable, or inconsistent with the related overarching statutory duties? If not, please outline your reasons.
4. Are you aware of any other examples of when KiwiSaver fees may be unreasonable, or inconsistent with the related overarching statutory duties? If so, please provide details.
5. Do you think this guidance will help managers and supervisors to understand their ongoing obligation not to charge unreasonable fees and their statutory duties that relate to fees and value for money? Please outline the reasons for your answer.
6. Do you have any examples of any costs or fee levels that you think are unreasonable/reasonable? If so, please provide details.
7. Are there any additional matters that you think the guidance should address? If so, please provide details.

