

FINANCES AND THE RUGBY ENVIRONMENT

The New Zealand Rugby Players' Association (NZRPA) and its Personal Development Programme (PDP) are encouraging all players to create a financial support network, which should include as a minimum an accountant and a lawyer. During their playing careers, players often receive approaches from people regarding the management of their money, options for investments and such like. We strongly believe that players need to have quality independent advice to encourage good decision-making when it comes to their finances. This will enable them to maximise their opportunities while playing rugby and simultaneously planning for their future.

The NZRPA and Personal Development Managers (PDMs) are always available to discuss the support and services we offer players, some of which are outlined below.

NZRPA background and services

As the players' official representative body, we ensure comprehensive and quality representation on issues important to players and the game. It is important players talk with people they can trust, so we also help players access quality independent advice through our Agents Charter – an exclusive register of NZRPA accredited player agents. All agents accredited by the NZRPA's charter agree to be bound by high standards of knowledge, integrity, competence and professionalism. The NZRPA provides the education and support needed for players to better handle the demands they face, including access to a network of providers offering expert advice on a range of issues including: financial planning, banking, insurance, contracts, legal, property, personal support, personal endorsements, public relations/media (including social media), behavioural risk, anti-doping, wagering, disciplinary

matters and problem solving.

The PDMs working within the Personal Development Programme play a key role in ensuring players receive support, guidance and quality education and awareness around finance and asset protection.

Important documents for players include:

- Players' guide to the NZRPA
- A guide to rugby player agents
- Collective agreement and Memorandum of Understanding (MOU) summary
- NZ Rugby superannuation plan
- Tax info for players heading offshore
- Professional player protocols

For more information, please refer to the NZRPA Info Centre on the website. This centre also contains other interesting documents you may wish to read.

www.nzrpa.co.nz/infocentre

Rugby environment

This section is intended to give an overview of the rugby environment in terms of a financial context in order to assist in the support given to our players from providers.

Types of contracts

Provincial Union Development Contract (PUDC)

Provincial Union Contract (PUC)

NZ Rugby Sevens Contract

NZ Rugby Contract

Black Ferns Contract

NZ Rugby Draft Contract

NZ Rugby Interim Contracts

Types of income

Retainers

Players are paid a retainer under their playing contract. This is guaranteed income regardless of injury or selection for the duration of their contract.

Player agreements

This is a commercial arrangement between the union/club and the player. It is separate from their playing contract.

Third party agreement

This is a negotiated amount between a player and a third party, which is outside of their playing contract. This is usually tied to a form of commercial work.

Assembly fees

These are based on team selection and are either calculated as a weekly amount or pro-rated beyond the first week. This is paid in the monthly payroll of the team assembly. All Blacks' assembly fees can often spike a player's income at various times during the year.

Incentive payments

These performance-based incentives are contained within the playing contract. For example, they are payable if the player is named in the starting XV 60% or more in 2019. There are also a range of incentive payments relating to playing for a Provincial Union. These are paid in November and the amount payable is dependent on length of service. Please refer to the contracting structure presentation for more information.

Legacy fund payments

These apply to the All Black Sevens, Black Ferns Sevens and Black Ferns contracted players, and are payable in December of each year.

Sign-on payments

These are contained within the playing contract and are paid once elements of the contract are fulfilled, for example: medicals.

Commercial payments

These may be payable from NZR or Super Rugby Clubs, usually at the end of the year.

Personal promotions

Separate from a player's employment, these are negotiated directly between a company and the player and/or player agent.

Savings

The Rugby Players Savings Scheme

This is a type of superannuation scheme, for which players on NZ Rugby contracts, NZ Sevens contracts and Black Ferns contracts are eligible. The first deduction occurs in January.

Please refer to the Savings Scheme documentation on the website.

KiwiSaver

As players are employees, they will automatically be enrolled into KiwiSaver at the default rate unless they opt out or elect to contribute a higher percentage.

Deductions

Agent's fees

If the player has included an agent's fee in their contract, then this will be deducted from their gross retainer payment in accordance with the month stipulated in their player contract. It is important that you read and understand your contract to ensure that you can plan/budget for this deduction from your monthly retainer.

Tax

Players at Mitre10 level and players who sign NZ Rugby Interim Contracts often have secondary income tax concerns. Whilst engaged on an NZ Rugby Interim contract, a player will be paid both sources of income from NZR.

If they play in Japan during a financial year, players will receive International Tax Certificates from NZR, which need to be included in the player's IR3 income tax return.

Appearance fees from third parties (e.g. Sky) are often paid as scheduler income. These also need to be included in the player's IR3 as there may be further tax to pay. Withholding tax is 20% on these types of payments.

ACC

ACC levies may be relevant for Provincial Union players, who often have more than one source of income during the year, when they are also contracting, for example as builders/labourers or if they're self-employed. The first ACC levy invoice is triggered after the player files

their first IR3 and is based on their applicable earnings. After the first invoice, they will be invoiced yearly until they are no longer contracting/self-employed; at which point they should contact ACC.

Donations/gifts

- Church
- Community
- Family

It is important that advisers are cognisant and respectful of all family, faith and/or cultural expectations while working with a player to develop a sustainable financial plan to contribute what is appropriate in his or her context without placing the player under financial strain.

NZ Rugby payslips

If a player has signed a PUC and a NZ Rugby Contract, then both retainers will be paid through a central payroll operated by NZR. This payroll occurs on the last working day of every month. Below is an example of a payslip which players receive via email. Any questions regarding player payroll can be directed to payroll@nzrugby.co.nz and someone will come back to you about your query.

This is the same process for NZ Sevens and Black Ferns contracted players.

Name:	Name	Period Ending:	31/01/17
	Address	Direct Credit Date:	31/01/17
Earnings This Period	\$ Value	Year To Date	\$ Value
Total Taxable Payment	xxxxxx.xx	Gross Taxable	xxxxxxx.xx
LESS Deductions	xxxxxx.xx	PAYE	xxxxxx.xx
		Super	xxxxx.xx
TOTAL Net Pay	xxxxxx.xx		
Full salary details follow			
Payment	Description	\$ Value	Deductions \$ Value
NZR RugRet		xxx.xx	RPA Levy xx.xx
WAIK RET	xxx.xx FIXE	xxx.xx	Kiwi Empee xxx.xx
ONE OFF PY	xxx.xx FIXE	xxx.xx	TAX xxxxx.xx
PSS MbrSac	xxx.xx FIXE	-xxx.xx	Student Loan xxxxx.xx
Total Taxable		xxxxxx.xx	
Total Gross		xxxxxx.xx	
Miscellaneous Information			
TAX CODE		M/MSL	
IRD Number		xxx-xxx-xxx	
Direct Credited To	\$ Value		
xx-xxxx-xxxxxxxx-xx	xxxxxx.xx		

Other benefits

Accommodation and relocation

Under the Collective Employment Agreement or an MOU, a player who relocates from their home to play rugby in Mitre10 Cup, Super Rugby or Sevens is entitled to accommodation and relocation costs. The maximum amount able to be claimed for an individual and family are shown on the table below. Application for reimbursement is done via a form sent to NZ Rugby. Relevant supporting documentation (e.g. invoices/receipts) must be provided to claim these amounts.

The table below outlines the maximum reimbursement levels for each region.

Tier	Relocating to:	Maximum reimbursement levels per week	Maximum total reimbursement
3	Auckland City (Blues, North Harbour, Auckland)	Single \$500 Family \$650	Single \$ 9,500 Family \$11,600
2	Christchurch; Wellington; (Hurricanes, Crusaders, Canterbury or Wellington)	Single \$400 Family \$550	Single \$ 8,100 Family \$10,200
1	All other regions	Single \$350 Family \$500	Single \$ 7,400 Family \$ 9,500

Insurance

Most contracted players automatically receive insurance (medical, life and trauma) under the CEA and MOUs. The key contact person for this is Gema Hill at InsureYou (gema@insureyou.co.nz).

As an NZRU, Franchise, Seven's (men & women) and/or Provincial Union contracted player *, you automatically receive Health, Life & Trauma cover from nib and Fidelity Life under the CEA (men) and MOU (women) as follows.

*** Excludes Interim Training Contract, Interim Contract, Provincial Union Development Contract.**

nib Premier Health Business Base nil excess + Specialist

- Includes cover for \$300,000 Surgical Hospitalisation
- \$200,000 Medical Hospitalisation, Specialist consultations
- X-rays, Scans
- \$20,000 non-Pharmac

Fidelity Life: Life Cover

- \$500,000 Lump sum payment if you die or are diagnosed with a terminal illness

Fidelity Life: Trauma Cover

- \$200,000 Lump sum payment if you suffer for the first time from one of 43 defined serious conditions

Contacts for more information:

Kevin Senio - NZRPA Player Services Manager 0800 PLAYER Kevin.senio@nzsra.co.nz

Emily Downes - NZRPA National Personal Development Programme Manager 027 245 3499 Emily.downes@nzsra.co.nz

For team-specific Personal Development Managers, please refer to NZRPA website.

<http://www.nzsra.co.nz/our-people>



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