

It's your choice cont . . .

Option (2): Binding nomination

I wish the Trustee to be bound by my nomination and pay my whole benefit to my legal personal representative.

Your approval (for binding nominations)

I understand that:

- this nomination form will bind the Trustee for a period of three years from the date I sign this form or until another nomination form is received;
- the Trustee of the Nissan Superannuation Plan will only give effect to my nomination if:
 - (i) the nomination form is valid (i.e. it is witnessed by two persons who are over the age of 18, neither of the witnesses are my appointed legal personal representative, and the nomination has not lapsed); and
 - (ii) at the date of death:
 - (a) my Will is valid and the executor of my estate has obtained grant of probate; or
 - (b) I do not have a Will or I have a Will that is invalid and the administrator of my estate has obtained letters of administration.

- any legislation or court orders that affect the distribution of my death benefit will be observed before my nomination is considered; and
- if my nomination is invalid, the Trustee will determine the recipients of my death benefit at their discretion, in accordance with the Nissan Superannuation Plan's Trust Deed.

I have read and understood the Nissan Superannuation Plan's brochure on the treatment of death benefits and I understand that my nomination is binding on the Trustee.

I have received, read and understood the Privacy Statement for the Nissan Superannuation Plan. I consent to the use and disclosure of my personal information as disclosed therein.

/ /
Signature Date

Your two witnesses

I declare that

- in my presence, this form was signed and dated by
- I am at least 18 years old

/ /
Full name Date of birth

/ /
Signature Date

I declare that

- in my presence, this form was signed and dated by
- I am at least 18 years old

/ /
Full name Date of birth

/ /
Signature Date

Please return this form to the Plan administrator, PO Box 1442, Parramatta NSW 2124.

The information in this publication is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. You should consider obtaining professional advice about your personal circumstances before making any financial or investment decision based in the information contained in this document.

WHO WILL GET YOUR SUPER IF YOU DIE?

Introduction

In the past when you completed a *Nomination of Beneficiaries form*, the Trustee would use this form as a guide when paying your death benefit to your beneficiaries. This means that the Trustee was not bound by your nomination. The Plan's Trust Deed required the Trustee to ensure that all dependants and your legal personal representative were considered for payment and not just the persons listed on your nomination form. This was relevant if your personal circumstances had changed and you had not updated your nomination form or your list of nominated beneficiaries was not complete.

The law now allows you to bind the Trustee to your nomination if you wish. If you choose to make your nomination binding, then, **provided your nomination form has been completed correctly and is valid at the time of your death**, the Trustee must follow your nomination and pay your benefit to your legal personal representative (provided the relevant State laws permit this).

At a glance, this is how the two beneficiary nomination systems compare:

Non-Binding Nomination System

- you can nominate your dependants and/or legal personal representative.
- your nomination form is used as a guide by the Trustee. The Trustee is not bound by it and must consider all potential dependants and your legal personal representative in making a final decision.
- your nomination may be updated at any time (e.g. when your personal circumstances change).
- no witnesses are required to sign your form.

Binding Nomination System

- you can nominate your legal personal representative.
- the Trustee must follow your wishes as stipulated.
- your nomination is valid for three years, from the date you first signed, or last amended the nomination. Therefore your nomination must be updated every three years (or earlier if your personal circumstances change) to ensure it does not lapse.
- your nomination requires the signature of two witnesses over age 18 who are not your appointed legal personal representative(s).

This brochure provides a guide to assist you to understand the Plan's binding nomination system.

Who can be paid your benefit?

Under superannuation law and the Plan's Trust Deed, the Trustee must pay your death benefit to your dependants and/or your legal personal representative (the executor or administrator of your estate). A dependant is:

- your spouse (legal or de facto); or
- a child of any age (including an adopted child or step child); or
- a person who is wholly or partially dependent on you, or who has a legal right to look to you for support at the date of your death.

Providing for your family

Death is a subject everyone wants to avoid, but unfortunately it can happen at any time.

When you have loved ones who are dependent on you financially, you need to make sure that they are looked after in the event of your death.

Your Will is important

If you nominate your legal personal representative under the binding nomination system, your benefit becomes part of your estate. If you have a valid Will, the benefit will be distributed according to your Will, so it is important that you keep it up-to-date. If you do not have a Will, or it is invalid (e.g. because you have subsequently married) the relevant state rules of intestacy apply. As the laws of probate and intestacy are complicated, the Trustee recommends that you obtain professional advice in this area.





NOMINATION OF BENEFICIARIES

It's your choice

- **You can choose to nominate** some or all your dependants and/or legal personal representative as a guide for the Trustee and leave the final decision to Trustee discretion in accordance with the Trust Deed (i.e. a non binding nomination); or
- **You can choose to nominate** your legal personal representative and request that your nomination is binding.
- The Trustee will follow or use as a guide the nomination form it has received from you most recently.

If you die without having made a nomination, or your nomination is invalid at the date of death, the Trustee has the final decision as to how to pay out the death benefit as between your potential beneficiaries.

What to consider when making a binding nomination

Some issues to consider:

- **Greater certainty**
You can have greater confidence that your death benefit will be distributed according to your nomination.
- **The responsibility is yours**
If you make a binding nomination, you are responsible for ensuring that your:
 - nomination form does not lapse; and
 - Will is always up-to-date or if you do not have a Will or your Will is invalid, you are happy for the rules of intestacy to apply.

If you die and your nomination is valid and hasn't expired, the Trustee will be bound by your decision to pay your benefit in whole to your legal personal representative. The Trustee will not have the discretion to make any changes to the distribution of your benefit, even if your circumstances have changed.
- **Taxation consequences for beneficiaries**
You should consider the tax issues relating to death benefits. For example, a death benefit paid to your spouse or children under 18 is tax free in the hands of the recipient. However, if the same benefit is paid to non-financially dependent adult children, it generally attracts tax. We recommend that you consult your financial advisor for further information.

How can I make my nomination binding?

Making a binding nomination is a bit like making a Will. You need to have your nomination witnessed by two people who are both over the age of 18 and neither of them is the nominated legal personal representative.

You will also need to ensure that your nomination is made on the attached *Nomination of Beneficiaries form*.

Your nomination will not be binding unless:

- you follow the procedures set out in this brochure and on the form; and
- you update your nomination at least every three years.

What you should do now

Your decision is important and you will need to make a choice. Before you fill out the **Nomination of Beneficiaries** form, you should decide whether or not you want to make your nomination binding.

If you want to make your nomination binding:

- you must complete Option 2 of your form in the presence of two witnesses;
- your witnesses must be at least 18 years old and must not be the nominated legal personal representative;
- your witnesses must sign the form.

If you don't want to make your nomination binding, you can complete Option 1 of the form. In this instance, you don't need a witness.

Updating your nomination

Each year you will receive your Personal Statement of Benefits which will indicate your chosen nomination. If, at any time, your personal circumstances have changed and you wish to update your nomination, please complete a new form. Nomination forms can be obtained from the Plan administrator.

You are reminded that a binding nomination is only valid for three years. If you do not update your nomination within that time, your nomination will lapse, in which case the decision as to who receives your death benefit will revert to the Trustee at its distribution.

Your details

Title (Mr / Mrs / Ms / Miss) _____

Last name (please PRINT) _____ First name _____

Home address _____
 _____ State _____ Postcode _____

Your beneficiaries

Please tell us who you would like to nominate as your beneficiaries.

Name of beneficiaries	Relationship to you (please circle one)	Share of benefit (must total 100%)
Name of dependants		
_____	spouse / child / financial dependant	_____ %
_____	spouse / child / financial dependant	_____ %
_____	spouse / child / financial dependant	_____ %
_____	spouse / child / financial dependant	_____ %
_____	spouse / child / financial dependant	_____ %
Legal personal representative		_____ %
Total		100 %

It's your choice

You must choose from one of the two options below:

Option (1): Non-binding nomination

- I wish the Trustee to use its discretion when paying my benefit, taking into account my full circumstances. In exercising its discretion, I wish the Trustee to take into account my nomination below:

Your approval (for non-binding nominations)

I have read and understood the Plan's brochure on the treatment of death benefits and I understand that the Trustee will use my nomination as a guide.

I have received, read and understood the Privacy Statement for the Nissan Superannuation Plan. I consent to the use and disclosure of my personal information as disclosed therein.

_____/_____/_____
Signature **Date**

Reminder

Under Option 1, the Trustee can only pay your death benefit to your dependants and/or your legal personal representative.

Your **dependants** means:

- your spouse (legal or defacto);
- a child of any age (including an adopted child or a step-child);
- a person who is wholly or partially dependent on you, or who has a legal right to look to you for support at the date of your death.

Your **legal personal representative** is the executor or administrator of your estate.

