

Retained Benefits Division leaflet

MAY 2021

Now that you are leaving, you need to decide what to do with your superannuation

The Retained Benefits Division (RBD) has been created especially for the former employees of Nissan Motor Co. (Australia) Pty Ltd, Nissan Financial Services Australia Pty Ltd, Nissan Casting Australia Pty Ltd and associated companies. When you leave, you can choose to:

1. Leave your super invested in the Nissan Superannuation Plan (provided you have at least \$10,000 in your account), or
2. Transfer your super to another complying superannuation fund of your choice.

If you do not elect to transfer your super into another fund and you have more than \$10,000 in your super account, then your super will be automatically transferred to the Plan's RBD. Your super will remain in the RBD until you instruct the Plan administrator otherwise or your account is considered "inactive".

Understanding more about the Plan's RBD

What is the RBD?

The RBD is a section of the Plan for members who are leaving Nissan but would prefer to leave their super invested in the Plan, rather than transfer it to another superannuation fund.

What are the benefits of the RBD?

Benefits of the RBD include:

- It may be a convenient and cost-effective alternative for you.
- A solid commitment to sound investment management.
- An opportunity to remain in a super fund that you are familiar with and with policy committee members you know.

How do I become a member?

When you leave your employer and you have more than \$10,000 in your super account, you will automatically become a member of the Plan's RBD. If you do not wish to remain in the Plan, you can transfer your super to another complying superannuation fund of your choice at any time.

How does it work?

For most members, your super account in the RBD will work in the same way as your current super account. (If you are a Defined Benefit member, please read this entire brochure including the special section that relates to Defined Benefit members.)

Once your super is transferred to the RBD, if you are an Accumulation member, your super will continue to be invested in your chosen investment option. An administration fee will be deducted from your account, as will any taxes (see overleaf). Each year you will receive a *Personal Statement of Benefits* showing your account balance and all transaction details, as well as other publications prepared by the Trustee (such as newsletters and an *Annual Report*).

How your benefit is invested?

If you are an Accumulation member, your account will continue to receive the investment returns earned by your chosen investment option.

Please refer to the section "What happens if I am a Defined Benefit member" below for how defined benefits will be invested. Investment returns, whether positive or negative, are applied to your account each year. How the Plan's investments have performed are outlined in the latest *Annual Report*.

The investment returns, whether positive or negative, will apply to your account until the Plan administrator receives your completed payment or transfer instructions.

Please speak to a licensed financial adviser if you need advice.

Changing your investment choice

As an RBD member, you can change how your super is invested once a month if you wish to. There are three options from which to choose:

- Growth
- Balanced 50/50
- Cash

More information about the Plan's investment options are available in the Plan's most recent *Annual Report*.

To change your investment choice, you must complete a *Changing Your Investment Choice Form*. Forms can be requested by calling the Plan administrator on 1800 127 953. Forms must be received by the Plan administrator within five working days before the end of the month. Your change will then take effect from the start of the next month. A letter confirming your choice will be sent to you.

There is no buy/sell spread for switches between the Growth and Balanced 50/50 options, or switches to the Cash option. However, there is a buy/sell spread to switch from the Cash option to either the Balanced 50/50 or Growth options. Refer to your latest *Annual Report* for the buy/sell fee that applies.

What happens if I am a Defined Benefit member?

If you are a Defined Benefit member, your defined benefit will be calculated as at the date you leave your employer. Your defined benefit is then converted to an accumulation-style benefit and transferred to the Plan's RBD where it will continue to be invested in the Plan's Balanced 50/50 option.

In advance of transferring to the Plan's RBD, you may complete and lodge a *Changing Your Investment Choice Form* so your benefit is invested in your preferred option from the day of your transfer to the Plan's RBD.

If, while you were a Defined Benefit member, you had additional accumulation accounts eligible for investment choice, they will continue to be invested in the Plan's RBD in the option that applied at the date on which your employment ceased.

The investment earnings of the Growth and Balanced 50/50 options may be positive or negative. Your *Personal Statement of Benefits* will show how your super is performing in the RBD each year as at 31 March.

When can I access my super?

You can make partial or full withdrawals from your account at any time. However, any withdrawals will be subject to the Government's preservation rules. If you make a withdrawal, the remaining balance in your account must be at least \$10,000.

Can I transfer other amounts into my RBD account?

Yes. You can make rollovers into your account at any time at no cost. However, employer contributions cannot be accepted into this account.

What fees will apply?

The following fees apply to your account:

- An administration fee of 0.70% p.a. of your account balance (debited monthly).
- Investment fees for your chosen investment option will be deducted from investment returns before they are applied to your accounts. Refer to the latest *Annual Report* for the investment fees that apply.
- A buy/sell fee will only apply if you change from the Cash option to either the Balanced 50/50 or Growth options. Refer to the latest *Annual Report* for the buy/sell fee that applies.

Other fees for specific services (such as family law matters) may also apply.

How long will my super remain in the RBD?

You can leave your super invested in the RBD until you decide to close your account. However, if your account balance falls under \$6,000 and is considered "inactive" for 16 months, it must be transferred to the Australian Taxation Office (ATO). The ATO will consolidate the account with your active super account.

You will be considered inactive if, in the last 16 months, you have not received a contribution or rollover, changed your investment choice, changed your insurance, made or changed a binding nomination of beneficiary, or notified the ATO that you do not wish to be treated as a low balance inactive account.

What else should I know about being a member of the RBD?

Voting rights – You will no longer have voting rights in any Policy Committee member elections, nor can you be nominated as a candidate for the Policy Committee member elections.

Life insurance – As you will no longer be an employee, the Plan cannot provide you with life insurance cover. Contact the Plan's administrator for more information (see below).

Death benefit – If you die while a member of the RBD, the balance in your account can generally be paid only to your dependants and/or your legal personal representative (the executor or administrator of your estate). The Trustee encourages all members of the Plan to have a valid nomination. To update your beneficiaries, you are required to complete a *Nomination of Beneficiaries* form and return it to the Plan administrator as instructed. Forms are available from the Plan administrator by calling 1800 127 953.

Lost member – If, over time, the Plan loses contact with you and you become a "lost member", your super will be transferred to the ATO. The ATO will attempt to consolidate your benefit with your active superannuation account.

What if my super account is less than \$10,000?

If, when you leave your employer, your super account is less than \$10,000, you will have 90 days in which to instruct the Plan administrator how you would like your benefit to be paid. If you do not provide instructions, your super will be transferred to the ATO.

In the meantime, your super will remain invested in the Plan for 90 days or until you notify the Plan administrator of your wishes, whichever comes first.

What do I do next?

If you have **more than \$10,000** in your super account (check your *Personal Statement of Benefits*) and you would like to leave your super invested in the Plan, **you don't have to do anything**. You will automatically become a member of the Plan's RBD. If you wish to remain in the RBD but want to change your investment option, please complete and return a *Changing Your Investment Choice Form*.

If you have **less than \$10,000** (check your *Personal Statement of Benefits*) as outlined above, you will have 90 days in which to provide transfer instructions to the Plan administrator, otherwise your super will be transferred to the ATO.

Your insurance cover will cease **60 days** after your termination date (or earlier). During this period you will need to consider whether you would like to continue your insurance cover. If you choose to continue your insurance cover or require more information, please contact the Plan administrator.

Who can I call if I have any questions?

If you have any questions about the Plan's RBD or transferring your super, please contact:

Marcus Wappet

Nissan Motor Co.
(Australia) Pty Ltd
1 Peters Avenue
Mulgrave VIC 3170
Phone (03) 9797 4290
Fax (03) 9797 4409

OR

The Plan administrator

Nissan Superannuation Plan
PO Box 1442
Parramatta NSW 2124
Phone 1800 127 953