

# Your superannuation options on leaving Nissan

JUNE 2017

When you leave Nissan Motor Co. (Australia) Pty Ltd, Nissan Financial Services Australia Pty Ltd, Nissan Casting Australia Pty Ltd, or an associated company, you will need to consider what to do with your superannuation. This flyer explains the options available to you.

Along with this flyer you will receive the following:

- The *Retained Benefits Division leaflet* – explaining the Plan's facility to allow you to leave your super in the Plan after you leave Nissan;
- A *Changing Your Investment Choice Form* – to change how your super is invested;
- An *Application for Benefit Payment* – to select how you would like your benefit paid (if applicable); and

You are also encouraged to download a copy of "Financial advice and you" – the Government's publication to assist you select a financial planner (see page 4 for details).

## What happens to your super when you resign

When you advise Nissan that you are leaving, Payroll will notify the Nissan Superannuation Plan administrator. This will include providing your final superannuation contribution and salary details. Depending on the Payroll cycle, this may take up to four to five weeks to process.

When the Plan administrator receives this information they will prepare a letter containing information about your benefit and send this to your home address. This usually happens around one week after they receive the required information from Payroll.

## Your super options

On leaving Nissan, you are entitled to receive a Leaving Service Benefit from the Plan. If your Leaving Service Benefit is more than \$10,000, you have two options. You can:

1. Leave your benefit invested in the Plan's Retained Benefit Division (RBD); or
2. Transfer your super to another complying fund of your choice.

Where you have more than \$10,000 in your super account, your super will be automatically transferred to the Plan's RBD. Your super will remain invested in the RBD until you instruct the Plan administrator otherwise (see the next page for how it will be invested). Refer to the *Retained Benefits Division leaflet* for more information on the RBD.

If your Leaving Service Benefit is less than \$10,000, you will have 90 days to nominate another complying fund for your benefit. Otherwise, your benefit will be transferred to the Plan's nominated Eligible Rollover Fund (see the latest *Annual Report* for details). You cannot leave your benefit in the Plan in this case.

## Taking a cash payment

In general, you cannot cash out your super until you reach your "preservation age" and intend to permanently retire from the workforce. Your preservation age is between 55 and 60, depending on when you were born, as shown in this table:

Date of birth	Preservation age
<b>Before July 1960</b>	<b>55</b>
<b>1 July 1960 to 30 June 1961</b>	<b>56</b>
<b>1 July 1961 to 30 June 1962</b>	<b>57</b>
<b>1 July 1962 to 30 June 1963</b>	<b>58</b>
<b>1 July 1963 to 30 June 1964</b>	<b>59</b>
<b>1 July 1964 or later</b>	<b>60</b>

Any "non-preserved" super (i.e. the part of your benefit that can be accessed in cash before your preservation age) will be shown on the information you will receive from the Plan administrator. However, if you decide to take your "non-preserved" super as cash, you need to be aware that you may pay more tax and that this money will be reducing your retirement savings.

## How your super is invested

After you leave Nissan, if you are an Accumulation member, your benefit will remain in the same investment option as when you were employed by Nissan. This includes during the time it takes for your Leaving Service Benefit to be processed by the Plan administrator, for you to seek any advice regarding your benefit and for your final benefit to be paid to another fund.

During this time, and for as long as your super remains invested in the Plan, it will earn investment returns for your chosen investment option (returns may be positive or negative depending on investment market conditions). It is possible for the value of your benefit to fall during the time you are considering your options.

Refer to the Plan's latest *Annual Report* for further information about how your super is invested.

Note: Defined Benefit members – the defined benefit portion of your benefit will be converted to an accumulation-style benefit at your date of leaving. On transfer to the Plan's RBD, this portion of your benefit will be invested in the Balanced 50/50 option. If you have additional accumulation accounts, they will continue to be invested in the investment option that applied on the date on which your employment ceased.

## Changing your investment choice

You can change how your super is invested once a month if you wish to.

To change your investment choice, you must complete a *Changing Your Investment Choice Form* and return it to the Plan administrator within five working days before the end of the month. Your change will take effect from the start of the next month. Forms are available by calling the Plan administrator on 1800 127 953.

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.

## Your insurance cover

As a member of the Nissan Superannuation Plan, while you are employed by Nissan you may be eligible to receive a benefit if you die or become totally and permanently disabled.

It is important to keep in mind that when you leave Nissan, your insurance cover will continue for up to **60 days** after your termination date.

Your insurance cover will cease earlier if you reach age 65, join a new superannuation fund or take up the continuation option described below. All cover will cease on your termination date if you leave Nissan due to total and permanent disablement. No insurance cover is provided in the Plan's RBD.

## Continuing your insurance cover

One very important issue you need to consider now is whether you would like to continue your insurance cover.

**If you leave Nissan before age 50**, you may take out an individual policy with the Plan's insurer (AMP), at the same level of Death and Total & Permanent Disablement (TPD) insurance you had in the Plan, without providing medical evidence about your health (subject to certain conditions). The option to take out TPD insurance is only available to those who are at work and permanently employed, working at least 25 hours per week at the time the application is made.

**If you leave Nissan after age 50 but before age 65**, you may take out an individual policy for the same level of death insurance with the Plan's insurer. No medical evidence about your health will be required (subject to certain conditions).

In either case, you must apply within 60 days of your termination date, and these options are not available if you left Nissan as a result of sickness or injury. Any loadings or exclusions that applied to your cover in the Plan will continue under the personal policy. Other conditions may also apply. Of course, you must pay the premiums for this policy yourself.

If Nissan doesn't tell the Plan administrator that you have left employment in time to meet the above requirements, cover may be denied. Therefore, if you want to continue your insurance cover, or require more information, please contact the Plan administrator as soon as possible (refer to page 4 for contact details).

## Fees payable when you leave the Plan

If you leave the Plan, you will be charged an Exit fee which covers the processing of your benefit from the Plan. Refer to the latest *Annual Report* for details on current fees.

No fee is charged to transfer your super to the Plan's Retained Benefits Division.

## Timeline of significant events on resignation

Event	Action	Timing
You give notice to HR that you are resigning.	You receive an information pack from HR outlining your super options.	Within 3-4 business days.
<p>At this time, you have the option to decide whether to:</p> <ul style="list-style-type: none"> <li>● Leave your super in the Nissan Superannuation Plan: <ul style="list-style-type: none"> <li>– Continue with your current investment option or change your investment option;</li> </ul> </li> <li>● Roll over your benefit to another fund; or</li> <li>● Have it paid in cash (if appropriate).</li> </ul> <p>You may also wish to consider whether to apply to continue your insurance cover.</p> <p>You may wish to seek financial advice (see page 4 for tips).</p>	<p>Complete your <i>Application for Benefit Payment and/or Changing Your Investment Choice Form</i> (if you wish to change how your super is invested) and forward these documents to the Plan administrator.</p> <p>Contact the Plan administrator if you wish to continue your insurance cover.</p>	Note: your instructions can generally only be processed once you have ceased employment and Payroll has advised the administrator.
Your final pay is processed by Payroll.	Payroll will advise the Plan administrator.	Can take up to 4-5 weeks depending on your notice period and pay cycle.
<p>The Plan administrator will process your termination based on instructions provided by you.</p> <p>If you have not previously provided instructions for your benefit, it will automatically be transferred to the RBD on your cessation date and invested in your chosen investment option.</p>	<p>The Plan administrator will send you information about your benefit and confirmation of any payment instructions.</p> <p>If you have advised the Plan administrator you wish to roll over your benefit to another fund, have it paid in cash, or change how your super is invested, the administrator will process your benefit accordingly.</p>	Within 5 business days of receiving notice from Payroll.

## Next steps

Please read this flyer carefully, along with the accompanying *Retained Benefits Division leaflet*, to understand the options available to you as a Nissan Superannuation Plan member.

Importantly, you should immediately think about the options available for your insurance cover as no insurance cover is available in the Plan's RBD.

The Trustee also recommends you seek the advice of a licensed financial adviser regarding the most appropriate options for your super benefit. If you're unsure of what to look for in a financial adviser, here are some tips to help you find one:

- Deal only with professional financial advisers and planners who hold an Australian Financial Services Licence (AFSL), which is provided by ASIC, the Government regulator. Towers Watson Australia Pty Ltd offers financial planning services through qualified financial advisers – contact (03) 9655 5222 to speak with one. Alternatively, to find a financial adviser near you, visit the Financial Planning Association of Australia's website at [www.fpa.com.au](http://www.fpa.com.au) or call 1300 337 301.
- Speak to a few financial advisers from different firms and ask each one to send you their Financial Services Guide, which they must produce by law. Check if the services offered suit your needs.
- Ask about the financial adviser's experience and qualifications.
- Ask what the advice will cost. Do they charge a flat fee for service or rely on commissions from the products you invest in?
- Find out whether there are any restrictions on the products that the financial adviser can recommend.

In addition, you can also download a copy of the Government's "Financial advice and you" brochure which may further assist you in selecting a financial planner. This is available at [www.moneysmart.gov.au](http://www.moneysmart.gov.au) under "Tools & resources", then click on "Publications" and scroll down to the "Investing" category.

### Who can I call if I have any questions?

If you have any questions please contact:

#### **Marcus Wappet**

Nissan Motor Co. (Australia) Pty Ltd  
260-270 Frankston Dandenong Road  
Dandenong South VIC 3175  
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

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**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.**

Issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049), as Trustee of the Nissan Superannuation Plan (ABN 24 774 305 410). June 2017.