

# NRMA Superannuation Plan

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Sunsuper is one of Australia's largest super funds, and we're proud to look after the retirement savings of more than 1 million members. Our profit for members philosophy means our members can take advantage of a broad range of services designed purely for their benefit.



**Transfer guide for Defined Benefit members of IAG & NRMA Super.**

This booklet applies to you if you're currently a Defined Benefit member of IAG & NRMA Super.

# Your super is changing

We're excited to announce that Sunsuper has been selected as the successor fund for the IAG & NRMA Superannuation Plan (IAG & NRMA Super). This means that your account will move from IAG & NRMA Super to the new *NRMA Superannuation Plan*, with Sunsuper, which is planned to occur on **14 November 2020**.

Your IAG & NRMA Super Defined Benefit account will close following the transfer to Sunsuper. There are no forms or paperwork required to make this transfer happen.

Under superannuation regulations, it's a key requirement that Sunsuper provide you with equivalent or improved benefits to those currently provided to you in IAG & NRMA Super. [Find out more](#) about the great benefits you'll get as a Sunsuper member.

## What happens if you already have a *Sunsuper for life Super-savings account*?

After the transfer, you'll have two accounts within Sunsuper. Please call **1800 319 489** if you'd like to discuss.

## Your Defined Benefits will remain unchanged

Your defined benefit entitlements are unaffected by the transfer to Sunsuper. You'll continue to be provided with the same Defined Benefit and options, including any pension options, as those you currently have in IAG & NRMA Super.

Any contribution arrangements you have in place with NRMA payroll will be carried across to your Sunsuper account from 14 November 2020.

## Your Surcharge and Offset accounts

You may currently have a Surcharge and/or Offset account, which are liability accounts that reduce your Defined Benefit entitlement.

On transfer to Sunsuper we will combine these accounts into a single Offset account.

## SGIO and SGIO Retained members

Your Guarantee will be maintained on transfer to Sunsuper with the same conditions. It's important to remember that your accounts must remain invested in the same option as the Defined Benefit assets for the Guarantee to continue to apply.

## Your *Additional accumulation account*

In addition to your Defined Benefit entitlements, you may have an *Additional accumulation account*, which may contain the following:

- any additional voluntary contributions you've made, including contributions made by your spouse or the Government,
- any amounts you have previously rolled into IAG & NRMA Super from other superannuation funds, and
- the investment earnings you have accrued on your *Additional accumulation account*.

Your *Additional accumulation account* will also transfer to the *NRMA Superannuation Plan*, with Sunsuper on **14 November 2020**.

## Superannuation Committee

Sunsuper will establish a Superannuation Committee for the new *NRMA Superannuation Plan*.

A Superannuation Committee is generally made up of employer and employee representatives. It informs the Trustee about any member or employer questions and concerns about the operations, investment strategy and performance of the plan.

The nature of the committee still needs to be agreed but we anticipate that the inaugural committee will include members of IAG & NRMA Super's Trustee Board. Elections for employee representatives will be run in due course.

## What's in this guide?

In this guide, you'll find out about the main features and benefits that will be available with Sunsuper and important considerations and actions you may need to take as a result of this change, including what to do if you would like your super managed elsewhere.

### More information

- Check and update your details with IAG & NRMA Super by 4 November 2020. Log in at [IAGNRMASuper.com.au](https://IAGNRMASuper.com.au) or call **1300 424 676** 8.30am to 7.00pm (AEST/AEDT) Monday to Friday.
- Read the *Sunsuper for life Corporate Defined Benefit Product Disclosure Statement (PDS)* (which includes the *Sunsuper for life Corporate Defined Benefit Handbook*)<sup>1</sup> at [sunsuper.com.au/NRMA](https://sunsuper.com.au/NRMA)
- Visit [sunsuper.com.au/NRMA](https://sunsuper.com.au/NRMA) for dedicated plan information and resources to help you sort your super.
- Keep reading this guide to see what actions you may need to take with your investments for your *Additional accumulation account* and beneficiaries.

<sup>1</sup>The *Sunsuper for life Corporate Defined Benefit Product Disclosure Statement (PDS)*, including the *Sunsuper for life Corporate Defined Benefit Handbook*, will be available from the Plan start date of 14 November 2020 at [sunsuper.com.au/NRMA](https://sunsuper.com.au/NRMA)

## Transfer timeline



Cut-off date for any investment switches in IAG & NRMA Super prior to the transfer date.



Limited service period commences (short period when only limited processing of transactions will occur).



Transfer date for members of IAG & NRMA Super.



Limited processing of transactions re-commences.



Full processing of transactions re-commences (limited service period ends).



You'll receive your *Welcome email* from Sunsuper which contains your new member number and instructions on how to access your account online via *Member Online*.



You'll receive your *Welcome letter* in the mail and a separate letter confirming your final opening balance, which you'll be able to access via your *Member Online* account.

## What happens to your existing IAG & NRMA Super *Additional Accumulation account*?

Your Defined Benefits will be managed by Sunsuper from 14 November 2020.

The transition of your *Additional accumulation account* balance will occur in late November once IAG & NRMA Super have determined the final unit prices and the current administrator has calculated your final balance, effective close of business on 13 November 2020. Sunsuper will then establish your account based on these final details from the current plan.

In determining the final unit prices in IAG & NRMA Super, the current Trustee will need to make an estimate in respect of the final tax liability for the IAG & NRMA Super Plan.

When they are able to calculate the final tax liability more accurately (expected to be the first quarter of 2021), a decision will be made by Sunsuper following consultation with the IAG & NRMA Super Trustee on whether an additional allocation will be made to members' *Additional accumulation accounts*.

Any additional allocation will be based on the amount in each investment option initially transferred to Sunsuper. To be entitled to a portion of this additional allocation, if there is one, you need to still be a Sunsuper member at the time of the additional allocation. If an additional allocation occurs, we'll write to you with details about it.

We'll write to you in late November confirming your Defined Benefit and final balance of your *Additional accumulation account*. and the Trustee of IAG & NRMA Super will provide an Exit Statement with your closing account balance in due course.

# Your fees and insurance premiums with Sunsuper

## Your Defined Benefit account

Your employer will continue to make sufficient contributions to meet Defined Benefit obligations for all Plan members and to meet the cost of Administration fees and any insurance premiums (with the exception of SGIO and SGIO Retained members).

It's important to note that Sunsuper doesn't offer funeral cover. If you currently have funeral cover within IAG & NRMA Super and are under the age of 70, an additional \$15,000 fixed cover amount will be added to your Death Benefit in Sunsuper<sup>1</sup>.

<sup>1</sup>Death insurance is not the same as funeral insurance, and benefits may not be paid until some time after death, depending on the circumstances. Please check your insurance needs to determine whether you require this type of insurance in addition to your Death cover with Sunsuper.

Any investment fees and costs related to the Defined Benefit division of the Plan are deducted from the Defined Benefit Plan assets.

## SGIO and SGIO Retained members

You will continue to pay any Administration fees and insurance premiums applicable to your account.

## Your Additional accumulation account

The following table compares the fees and costs for *Additional accumulation accounts* in IAG & NRMA Super with Sunsuper, based on IAG & NRMA Super's MySuper option, and Sunsuper's Balanced option:

Fee	IAG & NRMA Super <sup>2</sup>	 Sunsuper
Administration fee	Paid by your employer	Paid by your employer
Investment fees	0.59% p.a.	0.27% p.a. <sup>3</sup>
Indirect Cost Ratio	0.41% p.a.	0.40% p.a. <sup>4</sup>
Buy/Sell spread	Nil	Nil <sup>5</sup>

<sup>2</sup>Source: IAG & NRMA Superannuation Plan Product Disclosure Statement (PDS) dated 1 April 2020 and IAG & NRMA Superannuation Plan - Fees, costs, tax and your super - Factsheet 3 - dated 1 April 2020. These amounts have been calculated based on the investment fee and indirect cost ratio for the 2018-19 financial year.

<sup>3</sup>Investment fees shown are estimated fees, and include both a base and performance-related fee. Actual investment fees can vary each financial year.

<sup>4</sup>The indirect cost ratio is calculated using actual costs and reasonable estimates of actual costs incurred in the previous financial year.

<sup>5</sup>It's important to note that Sunsuper does not currently charge a buy-sell spread but may introduce a buy-sell spread in future. The latest buy-sell spreads for each investment option can be found at [sunsuper.com.au/NRMA](https://www.sunsuper.com.au/NRMA)

The investment fees and costs that apply to you depend on the option(s) you're invested in and are calculated as a percentage of your investment balance and reduce your investment return. Other fees and costs may apply. Please refer to the *Sunsuper for life guide* available at [sunsuper.com.au/NRMA](https://www.sunsuper.com.au/NRMA) for full details.

# Sunsuper investments

## How your Defined Benefit account will be invested

Your employer bears the investment risk on the assets supporting the Defined Benefit portion of your benefit<sup>1</sup>. These assets will be initially invested in the Sunsuper Balanced option which most closely matches the current Defined Benefit option in IAG & NRMA Super.

<sup>1</sup>For some Defined Benefit members, accumulation benefits apply on leaving before a specified age and/or as a mandatory minimum underpinning Defined Benefit formula. If this is the case for you, you bear some of the investment risk yourself.

IAG & NRMA Super have used a **crediting rate** to calculate investment performance. This is a '3-year smoothed' rate calculated based on the earnings of the Defined Benefit assets. It is an annual rate but is recalculated every quarter. The current rates are published each year in the Plan's Annual Report.

We will follow a similar methodology of using a 3-year smoothing process but will express the investment returns as a **daily unit price**. This unit price will be used to calculate the balance of your Defined Benefit accounts at the end of the year or when a benefit is paid.

For Surcharge and Offset accounts, including SGIO members, the returns will be calculated as described above.

SGIO members who previously received returns based on the Consumer Price Index for Perth +2% will now receive the higher of the Consumer Price Index for Perth +2% and the return of the Defined Benefit investment option in Sunsuper.

For SGIO Retained members, the accounts supported by and supporting your Guarantee will receive returns based on the Defined Benefit accounts.

## How your *Additional accumulation account* will be invested

Your existing *Additional accumulation account* balance and future contribution allocation in IAG & NRMA Super will be transferred to the Sunsuper investment option/s that most closely match your existing IAG & NRMA Super investment option/s, as at close of business on **13 November 2020**.

If you have chosen to invest in more than one of IAG & NRMA Super's investment options, your *Additional accumulation account* opening balances in the Sunsuper option/s and/or future contribution allocation will be weighted in the same proportion to your IAG & NRMA Super balance. It's important to note that while they may be similar, the IAG & NRMA Super and equivalent Sunsuper options are not the same.

The following table shows IAG & NRMA Super's investment options, mapped to the equivalent options with Sunsuper:

IAG & NRMA Super	 sunsuper
Australian Shares	Australian Shares
Overseas Shares	70% International Shares - Index (unhedged) 30% International Shares - Index (hedged)
MySuper	Balanced
Balanced	Retirement
Conservative	Conservative
Cash	Cash

## How have investments performed?

The following table compares the performance of IAG & NRMA Super's MySuper option with the Balanced option in Sunsuper and the SuperRatings SR50 Balanced Index<sup>1</sup> - after investment fees, costs and taxes, over 1 year, 3 years, 5 years and 10 years to 30 June 2020.

<sup>1</sup>The SuperRatings Fund Crediting Rate Survey provides comprehensive coverage of superannuation investment performance for Australia's major Master Trusts and Not for Profit funds. The SR50 Balanced Index represents diversified investment options with a growth assets ratio between 60% and 76%.

Investment option	Investment returns to 30 June 2020 (net of investment fees, costs and taxes)			
	1 year% p.a.	3 year% p.a.	5 year% p.a.	10 year% p.a.
Sunsuper Balanced	-1.69%	5.71%	6.47%	7.97%
IAG & NRMA Super MySuper <sup>2</sup>	0.30%	4.60%	5.30%	7.20%
SuperRatings SR50 Balanced Index <sup>3</sup>	-0.82%	5.17%	5.83%	7.43%

**Warning:** Past performance is not a reliable indication of future performance.

<sup>2</sup>Source: IAG & NRMA Super dated 30 June 2020.

<sup>3</sup>Source: SuperRatings Fund Crediting Rate Survey Median over 1, 3, 5 and 10 years up to 30 June 2020.

### More information

- Read the *Sunsuper for life Investment guide*, available at [sunsuper.com.au/NRMA](https://www.sunsuper.com.au/NRMA) for full details of Sunsuper's investment options.
- Review the investment performance of all of Sunsuper's investment options and pools at [sunsuper.com.au/performance](https://www.sunsuper.com.au/performance)
- When you receive your *Welcome email*, register for *Member Online* to review and update your investment choice.
- If you need help with choosing an appropriate investment strategy for your *Additional accumulation account* once you become a Sunsuper member, call **13 11 84**.

# What actions you need to take

There are a few important considerations and actions you may need to take as a result of this change.

## Before the transfer

### Consider if you intend to split contributions with your spouse

If you intend to 'split' any of your super contributions from the current or 2019/2020 financial years into your spouse's account, submit your forms to IAG & NRMA Super before 30 October 2020 to ensure the correct paperwork is completed. If you don't take action by this date, your opportunity will be lost for this period.

### Want to opt out of the transfer

Following the completion of the transition to Sunsuper, IAG & NRMA Super will close. All Defined Benefit members of the IAG & NRMA Super will transition to the *NRMA Superannuation Plan*, with Sunsuper.

If you don't wish to transition your *Additional accumulation account* to Sunsuper, you can choose another fund and roll your account over.

You'll need to do the following by 4 November 2020:

- let your employer payroll know by emailing your completed *Standard choice* form, available at the Australian Taxation Office (ATO) website at [ato.gov.au](http://ato.gov.au) (only required if you're making or receiving contributions to your *Additional accumulation account*); and
- completing a *Payment instructions* form available at [IAGNRMASuper.com.au](http://IAGNRMASuper.com.au) and returning this to IAG & NRMA Super.

The decision to join another fund is up to you. However, we encourage you to review the information contained in this guide, so you can make an informed comparison before making a decision.

## After the transfer

### Redirect your additional contributions

If you're currently making additional contributions to your IAG & NRMA Super account (other than through NRMA payroll deductions, which will continue automatically), you'll need to redirect these to Sunsuper after 14 November 2020 (unless you choose a different fund).

## We're here to help

If you have any questions, please email [transition\\_requests@sunsuper.com.au](mailto:transition_requests@sunsuper.com.au) or give us a call on 1800 319 489.

## Review your beneficiaries

Your beneficiaries will be carried across as follows:

IAG & NRMA Super	sunsuper
Non-lapsing <sup>1</sup>	Preferred <sup>2</sup>
Preferred	Preferred

<sup>1</sup>Sunsuper doesn't offer non-lapsing nominations.

<sup>2</sup>Will only be used as a guide and ultimately the Trustee of Sunsuper will decide how to pay your death benefits.

After the plan start date, if you would like to change your nomination, you can via *Member Online* or by using the *Change of details form*, available at [sunsuper.com.au/forms](http://sunsuper.com.au/forms)

### Sunsuper offers Binding<sup>3</sup> beneficiary nominations.

<sup>3</sup>You have control over who the Trustee will pay your death benefits to. Unlike non-lapsing nominations, Binding nominations need to be renewed every three years. This is our way of ensuring you review your nomination regularly and update it appropriately when there's been a change to your circumstances.

After the plan start date, if you would like to change your nomination, you can via *Member Online* or by using the *Change of details* form, or make a Binding beneficiary nomination by completing the *Binding death benefit nomination* form available at [sunsuper.com.au/forms](http://sunsuper.com.au/forms)

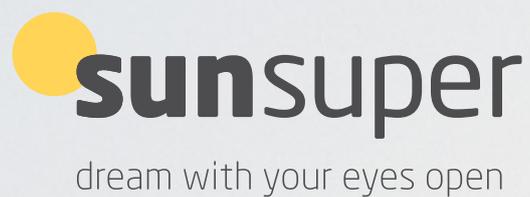
## Renew your third-party authority

If you have previously authorised another person (e.g. your spouse, financial planner or solicitor) to act on your behalf in relation to your benefits in the IAG & NRMA Super, that authority will lapse from the transfer date. To continue this arrangement, you'll need to complete the *Authority to Access Information* form available in *Member Online*, after 14 November 2020.

## Keep your email address up to date

We recommend that you use your personal email (not a work email address), so we can still get in touch with you if you change jobs.

At Sunsuper, we provide most of your important documents digitally, unless you let us know otherwise. You can change your Preferences (to print) and contact details in *Member Online*, and request hardcopies at no additional cost by contacting us.



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