FACT SHEET

INDIVIDUAL MEMBERSHIP

When you leave employment, you have the option of leaving all or part of your **unlocked** benefit in the Scheme and becoming an **individual member**.

The key features of individual membership are set out below. Refer to the Scheme's product disclosure statement and other material information document for the full terms and conditions of individual membership.

What are the advantages of individual membership?

1) **Easy access to your savings**:
   - up to three lump sum withdrawals per year;
   - regular monthly withdrawals;
   - full withdrawal from the Scheme.
2) **Investment choice** – access to seven investment options designed to suit your personal savings strategy.
3) **Flexibility** – gives you the freedom to choose the best time for you to make a withdrawal depending on market returns and your personal circumstances.

More information is available in the 'Other material information' document, page 18.

What happens to my money if I become an individual member?

You can choose to leave all or part of your ***standard accounts*** (including Member's Account and Employer's No 1 Account) with the Scheme.

Locked-In Accounts must be either withdrawn (if you are entitled to do so) or transferred to another complying superannuation fund or KiwiSaver scheme.

Will my Member's Account continue to earn interest?

Interest which may be positive, nil or negative, will continue to be allocated to your Member's Account at the rate applicable to the investment option you have chosen.

Can I still change my investment option(s)?

Yes. You can continue to switch between investment options as usual.

Can I continue contributing to the Scheme when I become an individual member?

No, once you become an individual member, neither you nor your employer can contribute.

As an individual member, do I qualify for the Scheme's insured permanent incapacity and death benefits?

No, individual members do not qualify for any insured benefits.

What conditions apply to withdrawals from the Scheme if I become an individual member?

You may make:

- up to three lump sum withdrawals per year, each must be for a minimum of $2,500;
- regular monthly withdrawals, which must be for a minimum of $250 per month. There is a $92.96 fee for creating a regular withdrawal;
- full withdrawal from the Scheme. There must be a minimum balance of $5,000 in your account, otherwise you will be paid the full balance of your Member's Account.

Who is my account balance payable to if I die while I am an individual member?

Existing members (those who joined the Scheme before 31 July 2020) can still nominate or update their beneficiaries by completing the nominated beneficiaries form (available on request from dairy@mercer.com). While we will take your nominated beneficiaries into account, the Trustee Directors have absolute discretion as to how and to whom your benefit is paid. If your death occurs on or after 1 February 2021, your death benefit will be paid to your personal representatives.

New members who join the Scheme on or after 1 August 2020 will have any death benefit paid automatically to their personal representatives.

After 1 February 2021, all members' death benefits will be paid automatically to their personal representatives.

What are the charges and fees?

The same charges and fees apply to individual members as to all other members of the Scheme.

How do I apply to withdraw my funds?

To apply for the withdrawal of your funds, you will need to complete an Individual Member Withdrawal Request form. To request this form, please contact the Scheme Helpline at 0800 355 900 or send an email to dairy@mercer.com.

Is there anything else I should take into account if I am considering becoming an individual member?

Note that:

- withdrawals will normally be paid within 10 days of the Scheme receiving your application. However, the Trust Deed does allow the Trustee to defer full or partial withdrawals for a longer period. This could occur, for example, if there was a stock market crash, or if there were other exceptional circumstances;
- if the Scheme was to be wound up, you would only be entitled to your account balance, that is, you would not be entitled to a share of any surplus. On a winding up, payments to individual members rank behind payments to pensioners, Scheme expenses and the payment to employee members of the amounts in their Member's and Employer's Accounts;
- any power of the Trustee to increase benefits in the event of an actuarial surplus will not apply to individual members.