

While it may be a topic many people are reluctant to think about, it is important you determine who will benefit from your superannuation or pension if you die. There are a number of options you can choose from and different ways you can decide who will get what.

What happens to your funds after you die?

Upon your death, your death benefit may be paid to one or more of the following beneficiaries:

Your dependents (any spouse¹ any child, any person in an interdependency relationship² with you or any person who the Trustee considers was dependent on you for maintenance or support at the date of your death);

Your legal personal representative (executor) to distribute as stated in your will or under the applicable intestacy rules if you have no will or the will does not deal with the benefit; or

A combination of:

- Your dependents; and
- Your legal personal representative.

Your funds will remain invested in your nominated investment option until your benefit payments have been finalized. The value of your investment will reflect movements, both up and down, in the unit price for the option in which your funds are invested.

¹ Including same-sex couples.

² An interdependency relationship is a relationship in which a person and the member have a close personal relationship, whereby they live together and one of them provides the other with financial support, domestic support and personal care. If they do not live together due to physical, psychiatric or intellectual disability, an interdependency relationship may still exist.

Death benefit nomination options

1. No nomination

The Trustee will consider your family situation, including dependents and provisions in your will when making a decision about the payment of a death benefit.

2. Non-binding death benefit nomination

Non-binding death benefit nominations are non-binding on the Trustee. Your nomination serves as guidance to the Trustee when considering the payment of a death benefit.

The Trustee will make a decision based on the circumstances of your nominated beneficiary or other claimants at the time of your death, as these may have changed since you completed your nomination.

You can update a non-binding death benefit nomination at any time by sending your completed form to Smartsave, PO Box 1282, Albury NSW 2640

3. Binding death benefit nominations

Binding death benefit nominations provide one of the most certain ways to ensure a death benefit is paid to your intended beneficiaries.

If a binding death benefit nomination has been completed with appropriate beneficiary nominations³, has been signed and witnessed, and is still current at the date of death, the Trustee must direct the death benefit payment to the nominated beneficiaries.

The binding nomination under Smartsave is non-lapsing, i.e. it will remain in place until it is amended or revoked.

You can update a binding death benefit nomination at any time by sending your completed form to Smartsave, PO Box 1282, Albury NSW 2640

4. Reversionary Death Benefit Nomination (Pension only)

A reversionary death benefit nomination provides for your intended beneficiary (provided they are an eligible dependent at death) to receive a death benefit payment in the form of an ongoing pension.

A reversionary death benefit nomination can only be made during the pension application process.

You cannot change a reversionary beneficiary nomination, however making a non-binding or binding nomination will revoke a reversionary death benefit nomination.

³ Requirements for a binding nomination: Legislation is quite specific about the requirements for a binding nomination to be legally effective.

- The benefit must be paid to a dependent, legal representative or a combination of both (as outlined earlier).
- The proportions for payment must be certain.
- Nominations must be in writing, signed and dated by you in the presence of two witnesses who are at least 18 and not beneficiaries. The nomination must contain a declaration signed and dated by the witnesses stating that you signed the notice in their presence.
- Nominations must be renewed at least every three years. The Trustee will treat a lapsed binding nomination as reverting to a non-binding nomination.
- The Trustee has a duty to seek clarification if the nomination is not clear.
- If you make a binding death nomination, your annual statement will include information about the nomination and its effect.
- Nominations can be confirmed by giving the Trustee a written notice to that effect, which is signed and dated by you. Alternatively, notices can be amended or revoked at any time by giving the Trustee a notice, which is signed and witnessed in the same way as the initial notice.

Contact Us

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