

Nominating a beneficiary

Product Disclosure Statement



The information in this document forms part of the *Club Super Product Disclosure Statement (PDS)* issued 13 August 2018. This document is called *Club Super Additional Information – Nominating a beneficiary* and is not attached to the *Club Super PDS*. If you would like a copy of the *Club Super PDS*, go to our website to download a copy, or contact us.

About Club Super Additional Information – Nominating a beneficiary

This *Additional Information* document provides you with detailed information about how to nominate a beneficiary. *Club Super Additional Information – Nominating a beneficiary* was prepared and issued on 13 August 2018 by Club Plus Qld. Pty. Ltd. (ABN 30 010 892 396), the Trustee of Club Super (ABN 12 737 334 298). If you want more information about Club Super you can contact us on **1300 369 330**, or visit **clubsuper.com.au**. If you request further information, the Trustee of Club Super will provide all the information that it reasonably believes you may require to make an informed assessment of the management and financial condition of Club Super, including its investment performance.

Making a nomination is important

A lot of our members assume that their house is their biggest asset, but this is not always the case. Your superannuation, together with any death cover insurance held could be almost as valuable – or even more so.

It is also important to remember that your superannuation entitlements are not automatically included in the value of your estate and paid out via your Will. Who superannuation benefits can be paid to is strictly defined by legislation, as outlined below. You will need to make a separate nomination in writing to Club Super to let the Trustees know who should receive your benefits in the event of your death.

Who can a death benefit be paid to?

Death benefits can generally only be paid to your Dependants or Legal Personal Representative. Under superannuation law, your dependants are:

- a spouse (including de facto spouse or same sex partner – see full explanation below);
- a child of any age;
- any person with whom you have an interdependency relationship (this includes someone who depends on you financially).

Whilst a child of any age may qualify as a dependant, for tax purposes, only children under 18 are eligible for tax-free death benefits (unless financial dependency can be established with the deceased).

Spouse of a person includes:

- (a) another person (whether of the same or a different sex) with whom the person is legally married; and
- (b) another person (whether of the same or a different sex) who, although not legally married to the person, lives with the person on a genuine domestic basis in a relationship as a couple.

Child, in relation to a person, includes:

- (a) an adopted child, step-child, or an ex-nuptial child of the person; and
- (b) a child of the person's spouse; and
- (c) someone who is a child of the person within the meaning of the *Family Law Act 1975*.

An **interdependency relationship** is one in which two people:

- have a close personal relationship; and
- live together; and
- one or each of them provides the other with financial support; and
- one or each of them provides the other with domestic support and personal care.

Interdependency can also arise between two people if they have a close personal relationship but are unable to satisfy the other requirements because either or both of them suffer from a physical, intellectual or psychiatric disability.

Legal Personal Representative means:

An executor or administrator of your estate, the Trustee of your estate if you are under legal disability, or a person who holds a general power of attorney granted by you.

Nominating a beneficiary

Your nomination of beneficiary can be a preferred nomination, binding nomination or non-lapsing binding nomination.

- A **preferred beneficiary** option is NOT BINDING upon the Trustee of the Fund. However, the Trustee will refer to your nomination of beneficiary and your Will in determining to whom your benefits will be paid in the event of your death.
- A **binding nomination** is binding on the Trustee of the Fund provided the binding nomination is valid at the time it was signed and at the time of your death. For a binding nomination to be valid the beneficiary must be your Legal Personal Representative or a Dependant. The nomination must be signed by 2 witnesses who are at least 18 years of age and are not nominated as beneficiaries. The nomination must have been made or affirmed within the past 3 years. If your binding nomination expires, the Trustee will use your nomination of beneficiary as a guide only when determining to whom your benefit will be paid in the event of your death and it will no longer be binding on the Trustee.

Your binding nomination is invalid if any of the following scenarios apply:

- the form is not correctly signed and witnessed;
- your nomination was made more than 3 years ago;
- anyone nominated on the form dies before you;
- anyone nominated on the form does not qualify as a dependant at the time of completing the form;
- anyone nominated on the form no longer qualifies as a dependant at the time of your death.

Nominating a beneficiary

Product Disclosure Statement



- A **non-lapsing binding nomination** is binding on the Trustee provided the nomination is valid at the time it was signed and at the time of your death. The Trustee will pay your Death benefit in accordance with your instructions if the Trustee has consented to the nomination and it is still valid. For a non-lapsing binding nomination to be valid, the beneficiary must be your Legal Personal Representative or a Dependant. A non-lapsing binding nomination can be made or updated at any time. The nomination must be signed by 2 witnesses who are at least 18 years of age and are not nominated as beneficiaries. We will notify you after receiving the nomination to let you know whether the Trustee has consented to the nomination.

Unlike a binding nomination, a non-lapsing binding nomination will not expire after three years. Your non lapsing binding nomination is invalid if any of the following scenarios apply:

- the form is not correctly signed and witnessed;
- anyone nominated on the form dies before you;
- anyone nominated on the form does not qualify as a dependant at the time of completing the form;
- anyone nominated on the form no longer qualifies as a dependant at the time of your death.

Therefore it's important that you review your non-lapsing nomination regularly to ensure that it is still valid and reflects your wishes.

Club Super members commencing a Club Income Stream also have the option of nominating a reversionary beneficiary.

- A **reversionary nomination** is only available to Income Stream accounts. A reversionary beneficiary will continue to receive your Club Income Stream payments after your death or they can commute their income stream and be paid a lump sum benefit. A reversionary beneficiary must be a dependant.

Please note that if you nominate a child as a reversionary beneficiary, the child must be less than 18, or financially dependent and less than 25, or disabled.

How to make a nomination

You can make a beneficiary nomination when you commence your new Club Super accumulation and/or an income stream account, or at any time thereafter. You are also entitled to amend, renew or revoke (cancel) your nomination at any time.

A preferred, binding or non-lapsing binding nomination will only apply to the specific account you list on the nomination form, unless you indicate on the form that the nomination is to be applied to all of your superannuation and/or Income Stream accounts within the Fund. In this case, you will need to nominate all relevant account numbers on the form. Please note that a preferred, binding or non-lapsing binding nomination will not override any existing reversionary nomination you may have in place in relation to an Income Stream account.

Binding, non-lapsing and reversionary nominations, amendments and cancellations can only be accepted in writing and on approved forms.

Please go to clubsuper.com.au/forms-and-resources/forms to download a form or call us on **1300 369 330** to obtain the required forms.

To make or amend a nomination, please complete the following forms:

- For preferred nominations - *Change of personal details form* or call us on **1300 369 330**;
- For binding nominations - *Binding nomination of beneficiaries form*;
- For non-lapsing binding nominations - *Non-lapsing binding nomination form*;
- For reversionary nominations - *Reversionary beneficiary nomination form*.

Please go to clubsuper.com.au/forms-and-resources/forms to download a form or call us on **1300 369 330** to obtain the required forms.

Preferred nominations can be made by calling Club Super on **1300 369 330** or via the Member Online portal, which you can access at secure.clubsuper.com.au/memberonline

Important warnings - Please read BEFORE you make a nomination

- If you don't make a nomination, the Trustee of Club Super will decide which dependant(s)/legal personal representative will be paid your death benefit, in accordance with legislative requirements.
- It is very important to review your nomination regularly to make sure that it remains valid and reflects your wishes.
- Your nomination may become invalid in the event of divorce, marriage or death of the beneficiary.
- For all of these reasons, you should carefully consider and regularly review your needs and current personal financial situation to make sure that your beneficiary nomination remains both appropriate and valid.

Definition of a dependant for tax purposes

Please note that the Australian Taxation Office (ATO) uses a different "dependant" definition to determine whether or not a nominated beneficiary is a tax dependant. Anyone not seen as a tax dependant may be liable to pay tax on the benefit. For more information about nominating a beneficiary, please call Club Super on **1300 369 330**.

Nominating a beneficiary

Product Disclosure Statement



General Advice Warning

Club Super Additional Information – Nominating a beneficiary contains general information only. It is not intended to contain any recommendations or statements of opinion or advice and it does not take into consideration your individual objectives, financial situation or particular needs. Therefore, before making a decision regarding your super benefits in Club Super, you should consider the appropriateness of any information provided in your *Club Super PDS* and this document.

If you need more detailed and personal advice, you can be referred to Club Super Financial Planning (FP) advisers who are well equipped to assist you with advice regarding estate planning and superannuation. Club Super FP can provide advice across both super and non-super related needs and issues. Fees may be charged for the provision of personal advice.

For more information or to book an advice appointment, please call **1300 369 330**.

Club Super Financial Planning is provided by MySuperFuture Pty Ltd (MSF) (ABN 38 122 977 888) Australian Financial Services Licensee (AFSL no. 411440). MSF is authorised to provide personal advice.

Club Plus Qld. Pty. Ltd. (ABN 30 010 892 396), the Trustee of Club Super (ABN 12 737 334 298) is Corporate authorised representative No. 268814 under Australian Financial Services Licence No. 238507 and is authorised to provide general financial product advice in relation to superannuation.

Contact details for Club Super

Postal address: PO Box 10726
Brisbane Adelaide Street QLD 4000

Phone: 1300 369 330

Email: info@clubsuper.com.au

Business address: Level 2 - West Tower
410 Ann Street Brisbane QLD 4000

Fax: (07) 3236 0555

Website: clubsuper.com.au

Club_IBR07_Aug18