

## NOMINATING BENEFICIARIES

### Defined Benefit scheme

Nobody likes to think about what would happen when they die. Your super will grow to become one of your most valuable assets so it's important to think about who it would go to in the event of your death.

**Please note:** As a member of the Defined Benefit Scheme, you may make a valid binding nomination only for the following benefit types:

1. Deferral of a benefit as a lump sum benefit at or after attaining age 65.
2. Benefits that have been compulsorily preserved as a lump sum following termination of employment.
3. The basic benefit.

The Trust Deed that governs Active Super has specific rules about the payment of death benefits.

As a member, you have the option to make:

- a binding death benefit nomination, or
- no nomination at all.

### WHAT IS A BINDING DEATH BENEFIT NOMINATION?

If you make a valid binding death benefit nomination (BDBN) in favour of your dependant(s) and/or legal personal representative(s), the Trustee must distribute the benefit on your death in accordance with the BDBN provided the nomination is still valid at the time of your death.

### WHO CAN I NOMINATE?

Each person you nominate must be one or more of the following at the time of your death:

- Your spouse;
- Your child or children;
- Any other person who is financially dependant on you;

- Any other person with whom you had an 'interdependency relationship': Two persons have an interdependency relationship if:
  - They have a close personal relationship; and
  - They 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.

(Two people may be in an interdependency relationship if they have a close personal relationship but do not satisfy the other requirements of an interdependency relationship because either or both of them suffers from a disability); or

- Legal personal representative(s). For the purposes of the BDBN, a legal personal representative is taken to be someone who holds grant of probate or letters of administration. If that person has not lodged an application with Active Super within 12 months of your death, the binding nomination will be rendered invalid and the Trustee will decide how the benefit is to be distributed.

### HOW DO I MAKE A VALID BINDING DEATH BENEFIT NOMINATION?

There are strict legal requirements for a BDBN to be validly made. For your BDBN to be valid:

- you must make sure that each person you have nominated is either your dependant or your legal personal representative; and
- the form must state the proportion of the benefit that you wish to pay each nominated beneficiary, and the total allocation must equal 100% of the benefit; and
- you must sign and date the form in the presence of two witnesses who are at least 18 years old and are not a person nominated on the form. The witnesses must sign and date their declaration on the same date that you sign the form; and
- the form must be provided, and accepted, by the Trustee prior to your death; and
- the BDBN must not have expired.

If you submit a BDBN that we identify to be invalid on its face, we will write to you advising that we are unable to accept it. However, as the legal rules about the eligibility of nominated dependants are complex and your circumstances may change, we cannot guarantee that each nominee listed above will be eligible to receive payment of your death benefit at the time payment is to be made.

## HOW LONG DOES A BINDING NOMINATION LAST?

A BDBN will remain valid for three years after it's made. Before it expires, you can [confirm a BDBN in writing](#) and it will be valid for another three years after confirmation. You can amend or revoke your nomination at any time.

## WHAT HAPPENS IF I DO NOT HAVE A VALID BINDING DEATH BENEFIT NOMINATION?

If you do not make a BDBN, or you don't have a valid BDBN when you die, the Trustee will exercise its discretion and pay your benefit to one or more of your dependants or legal personal representative(s).

Examples of when a BDBN is invalid include:

- Your BDBN had expired; or
- Your BDBN form was incorrectly signed or witnessed; or
- Your BDBN form has been altered; or
- Your BDBN nominates a person who is not eligible to receive your benefit.

## PAYMENT TO A LEGAL PERSONAL REPRESENTATIVE

Where benefits are paid to your Legal Personal Representative, the lump sum will form part of your estate. Your estate will be distributed according to your Will if you have left one, or otherwise in accordance with law.

## WHAT IF I WANT MY SUPERANNUATION DEATH BENEFIT TO GO TO AN ORGANISATION LIKE A CHARITY?

The Trustee cannot pay your death benefit to an organisation like a charity. However, if you make a binding nomination to your Legal Personal Representative and you have included the charity in your Will, your estate would be distributed accordingly.

## MORE INFORMATION

If you would like to discuss any of this information or would like further details, please call Member Services on 1300 547 873.

This has been issued by LGSS Pty Limited (ABN 68 078 003 497) (AFSL 383558), as Trustee for Local Government Super (ABN 28 901 371 321) (Active Super). The information in this document is general only and does not take into account your personal objectives, situation or needs. You should consider obtaining professional financial taxation and/or legal advice tailored to your personal circumstances and refer to the relevant Product Disclosure Statement available at [activesuper.com.au](http://activesuper.com.au) before making a financial decision. Date issued: 9 September 2021