

Nominating beneficiaries

June 2021

Nominating a beneficiary lets us know who you want to receive the balance of your super or pension account, along with any insurance payable (your death benefit), when you die.

Why nominate a beneficiary

Who receives your death benefit depends on your instructions to us. Superannuation law determines who is able to be nominated as a beneficiary as well as the claim process that has to be followed.

It is common to think that the balance in your account will automatically go to who you want in the event of your death. However, the rules governing super are quite different to estate planning laws.

Nominating a beneficiary for your pension or super account can help make sure your benefit is paid according to your wishes.

You can nominate 'preferred' or 'binding' beneficiaries on super and pension accounts.

A 'reversionary' beneficiary can also be nominated on pension accounts.

Preferred beneficiary nomination

If you make a preferred beneficiary nomination, the Trustee of Prime Super will use your nomination as a guide, but will also apply super law and use the Fund's Trust Deed to decide who receives your benefit.

Binding beneficiary nomination

If you make a binding beneficiary nomination, the Trustee is bound to distribute your benefit according to your wishes, provided your nomination is legally valid and current at the time of your death.

There are two types of binding beneficiary nominations:

- a general binding beneficiary nomination, and
- a non-lapsing binding beneficiary nomination.

A general binding beneficiary nomination expires after three years, when we write to you for an updated nomination. A non-lapsing binding beneficiary does not expire.

call 1800 675 839

visit primesuper.com.au

email administration@primesuper.com.au

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Reversionary beneficiary nomination

If you have a pension, you can nominate a reversionary beneficiary which instructs the Trustee to pay your account balance to your nominated beneficiary as regular income and/or as a lump sum.

A reversionary beneficiary nomination may affect your Centrelink benefits. Contact the Department of Social Services at dss.gov.au about your Centrelink entitlements.

Who is a valid dependant?

Under superannuation law, a dependant includes:

- a spouse (including a same-sex partner and de-facto), regardless of whether the spouse is financially dependent on you
- a child including a biological, adopted, or stepchild, regardless of whether the child was financially dependent on you. This includes adult children
- any person who was financially dependent on you at the time of death
- a person with whom you have an interdependent relationship, eg, you have a close personal relationship, live together, and one or each of you provides the other with financial and domestic support and personal care.

There are some restrictions on who can be a reversionary beneficiary. Only one person can be your reversionary beneficiary, and they must be:

- your spouse (including de facto and same sex spouse)
- a child (including a stepchild) who:
 - > is under 18
 - > is between 18 and 24 (inclusive) and financially dependent on you, or
 - > has a qualifying disability, or
- another person who is cared for by you or financially dependent on you when you die, where permitted by law.



Prime Super

How many beneficiaries can you have?

You can nominate as many preferred or binding beneficiaries as you like, but the percentage of your benefit you apportion to your beneficiaries must total 100%.

You can only nominate one reversionary beneficiary.

Example



Pete wants to make sure all his super death benefit goes to his wife, and is not split between her and his two adult children.

As he has more than one dependant, he may want to formally nominate her via a binding beneficiary nomination.

Example



Bill and Betty are separated but still legally married. Betty has a de-facto partner Andre and would like all of her super death benefit to go to Andre in the event of her death.

What's a possible solution?

Betty completes a binding nomination with her de-facto as her beneficiary.

Make or change a nomination

1. Log in to [MemberOnline](#) to nominate a preferred beneficiary or a reversionary beneficiary.
2. Complete the [Beneficiary nomination form](#) on our website to make a binding beneficiary nomination, including a non-lapsing binding beneficiary nomination.

To make a binding beneficiary nomination, the [Beneficiary nomination form](#) needs to be signed by two witnesses who are over 18 AND who are not beneficiaries nominated on the form. Mail the form to us when complete.

See primesuper.com.au/member/publications/forms.

Reminder

A general binding nomination lasts for three years. After that time we write to you and ask if you would like to update your nomination. A non-lapsing binding beneficiary does not expire, but we will remind you of your nomination each year on your Annual Statement.

More information

You can find more information about beneficiaries in the [Nominating beneficiaries](#) section of our website and in your [Product Disclosure Statement](#).

We're here to help. If you would like more information about any aspect of your super, you can call us on 1800 675 839, visit the website or email administration@primesuper.com.au

Remember

Nominate a valid beneficiary

Consider making it binding

Keep it up to date