

Selecting a reversionary beneficiary



A reversionary beneficiary nomination can give you greater certainty about who'll receive an income from your Flexi Pension if you die.

What this fact sheet covers



This fact sheet explains the rules that apply to reversionary beneficiary nominations.

Who is this fact sheet for?



This fact sheet is for UniSuper Flexi Pension members.



IMPORTANT NOTE

As there may be taxation, Centrelink, Department of Veterans' Affairs and other implications to consider when nominating your beneficiaries, we recommend seeking financial advice before making your nomination.

What's a reversionary beneficiary nomination?

UniSuper's Trustee is required by law to pay any remaining balance in your pension account to one or more of your dependants and/or your legal personal representative if you die.

If you'd like the balance of your pension to be paid to one of your eligible dependants after your death as a pension rather than a lump sum, you can nominate your dependant as your reversionary beneficiary. This provides both you and your nominated reversionary beneficiary with the certainty of receiving an ongoing income stream. Once the pension is converted to your reversionary after your death, the reversionary has authority to manage the account (for example, make investment switches, change the annual pension income, make withdrawals, etc.) in the same way as the original pension member.

Who can I nominate as a reversionary beneficiary?

Eligible dependants to receive a reversionary pension include:

- your spouse
- your child under 18
- a financial dependant (at the time of your death), or
- a person who is in an interdependency relationship with you (both at the time of nomination and at the time of your death).

You can't nominate a child aged 18 or over unless:

- they're between 18 and 25 and financially dependent on you immediately before your death, or
- they're disabled within the meaning of the *Disability Services Act 1986 (Cwlth)*.

Where a pension is payable to a child between 18 and 25, the child will receive the pension until they reach 25, unless the account balance is reduced to zero earlier. Once the child turns 25, a lump sum will be paid to them unless the child is disabled (as described above), in which case the pension can continue to be paid to the disabled child until the account balance expires.

Your nominated reversionary beneficiary must be an eligible dependant at the date of your death. If this isn't the case, then the Trustee will use its discretion as to who will receive your benefit.

If you choose the reversionary option, your entire death benefit will be paid as a pension to your reversionary beneficiary. You can't apportion your death benefit between your reversionary beneficiary and other dependants.

Definitions of dependants

SPOUSE

The definition of spouse for a UniSuper member is:

- a person to whom you're legally married
- a person, whether of the same sex or opposite sex, with whom you're in a relationship that is registered under an Australian State or Territory law
- a person, whether of the same sex or opposite sex, with whom you're not legally married but who lives with you on a genuine domestic basis as a couple.

CHILD

A child in relation to a UniSuper member or the member's spouse includes a child, adopted child, foster child, ward or child within the meaning of Family Law legislation.

FINANCIAL DEPENDANT

A financial dependant is any person—other than your spouse or child (irrespective of age)—who, in the opinion of the Trustee, is or was in any way financially dependent on you at the date of your death.

INTERDEPENDENCY RELATIONSHIP

An interdependency relationship may exist between two people (whether or not related by family) if:

- they live together in a close personal relationship, 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.

If two people have a close personal relationship but don't live together or provide this support or care because either or both of them suffer from a physical, intellectual or psychiatric disability, they may still be deemed to have an interdependency relationship. Before any benefit can be paid to a person with whom you had an interdependency relationship, the Trustee requires a statutory declaration that sets out the nature of your interdependency relationship. You can make this statutory declaration at the same time you make your nomination, or it can be made by the person with whom you had an interdependency relationship after your death.

What happens if I already have a binding nomination?

If you've made a binding death benefit nomination for your other UniSuper accounts, it won't apply to your Flexi Pension account once you choose the reversionary option for your Flexi Pension account(s). The binding death benefit nomination will be removed from your account.

If you've nominated a reversionary beneficiary for a Flexi or Term Allocated Pension and your reversionary beneficiary is no longer your dependant at the time of your death, payment of the balance of your pension account will be at the Trustee's discretion - even if a binding death benefit nomination applies to other death benefits in your name.

How do I nominate a reversionary beneficiary?

Before you make the decision to nominate, update or remove a reversionary beneficiary, we recommend you speak to a licensed financial adviser, as there may be Centrelink or Department of Veterans' Affairs implications. This may impact on the pension income amount that's assessable for the income test. It's your responsibility to keep Centrelink or the Department of Veterans' Affairs informed if required.

It's also important to note that your reversionary beneficiary won't start receiving the pension immediately. This is because once we've been informed of a member's death we have to verify that their nominated reversionary beneficiary is still an eligible dependant as at the date of the member's death. For example, if a member nominates a spouse as a reversionary beneficiary but they later divorce, the former spouse may no longer be entitled to the benefit. Also, assessing a reversionary beneficiary's eligibility to receive a pension can be a lengthy process.

Keep your nomination up to date

It is important to keep your nomination up to date, especially if your circumstances change—for example, if you get married, change partner, or if someone you've nominated dies or ceases to be a dependant. You can update your nomination using the *Adding or removing a reversionary beneficiary* form at any time.

Need more information?

If you have any questions about how to make a reversionary beneficiary nomination, call us on **1800 331 685**.

What's best for me?



UniSuper members have exclusive access to comprehensive financial advice through UniSuper Advice. If you'd like advice about your pension account that's based on your specific needs and circumstances, contact UniSuper Advice on **1800 823 842**.



This information is of a general nature only and includes general advice. It has been prepared without taking into account your individual objectives, financial situation or needs. Before making any decision in relation to your UniSuper membership, you should consider your personal circumstances, the relevant product disclosure statement for your membership category and whether to consult a licensed financial adviser.

This information is current as at July 2019 and is based on our understanding of legislation at that date. Information is subject to change. To the extent that this fact sheet contains information which is inconsistent with the UniSuper Trust Deed and Regulations (together the Trust Deed), the Trust Deed will prevail.

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Trustee: UniSuper Limited, ABN 54 006 027 121, AFSL No. 492806


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SECTION 2 — Add or remove beneficiaries

I would like to:

- Add a reversionary beneficiary. Go to SECTION 3
- Remove an existing reversionary beneficiary. Go to SECTION 4

SECTION 3 — Adding a reversionary beneficiary

 Please refer to *Your guide to pensions* for details on who you can nominate as your beneficiary. You can only nominate one of your eligible dependants as your reversionary beneficiary.

If I die, I direct the Trustee to pay my benefit in line with the following direction:

Title Mr Mrs Ms Dr Professor

Other

Surname

Given name

What is the beneficiary's relationship to you?
(Select one box only)

- Spouse
- Child
- Financially dependent
- Interdependency relationship

Your beneficiary's email address
@

SECTION 3 — Continued

Address number and street (not PO box)


Suburb/Town

State Postcode

Country (if not Australia)

Date of birth (DDMMYYYY)

SECTION 4 — Removing an existing reversionary beneficiary

 If you remove your existing reversionary beneficiary nomination, if you die the Trustee must pay your benefit to one or more of your dependants and/or legal personal representative, in proportions determined by the Trustee.

I direct the Trustee to remove the following beneficiary nomination from my Flexi Pension account:


Beneficiary:

Surname

Given name

Any binding nomination which you have on other accounts will not apply to your Flexi Pension account unless you specifically request it to.

SECTION 5 — Member declaration and signature

 Please read this declaration before you sign and date your form.

In adding or removing this reversionary beneficiary, I acknowledge that:

- I have read *Your guide to pensions*.
- I can only nominate one of my dependants.
- The dependant nominated must be an eligible dependant at the date of my death.
- My reversionary beneficiary nomination won't be in effect until it has been received and accepted by the Trustee.
- It's my responsibility to ensure that my reversionary beneficiary nomination is valid.
- I can remove or amend my reversionary beneficiary nomination at any time.
- If my reversionary beneficiary nomination isn't valid for any reason at the date of my death, the Trustee must pay my benefit to one or more of my dependants and/or legal personal representative in proportions determined by the Trustee.
- I consent to my personal information being used in accordance with UniSuper's Privacy Policy.

Signature

Date (DDMMYYYY)



RETURN YOUR FORM TO:

UniSuper
Level 1, 385 Bourke Street
Melbourne Vic 3000



NEED HELP?

For more information:

- email enquiry@unisuper.com.au, or
- call 1800 331 685.

Privacy statement

We recognise the importance of protecting your personal information and are committed to complying with our privacy law obligations.

We collect your personal information to administer your account, ensure you're eligible for insurance cover, provide you with UniSuper membership benefits, services and products, verify your identity and improve our products and services. You consent to our collecting sensitive information about you, where collecting that information is reasonably necessary for us to perform one or more of our functions or activities. We usually collect personal and sensitive information directly from you, however, it may also be collected from third parties, such as your employer.

We may also collect this information from you because we're required or authorised by or under an Australian law or a court/tribunal order to collect that information.

If you don't provide this information, we may not be able to administer your account, provide you with a product or service or you may be disadvantaged in some other way.

We may disclose your information to any service provider we engage (for example mail-houses, auditors, insurers, actuaries, lawyers and research consultants) to carry out or help us provide your membership benefits, services and products. This includes overseas entities. The countries we may disclose personal information to are Japan, Canada and the United States of America. Where information is transferred overseas, we'll seek to ensure the recipient of the data has security systems to prevent misuse, loss or unauthorised disclosure in line with Australian laws and standards.

Our Privacy Policy contains information about how you can access any personal information we hold, how to correct your information and how to make a complaint about a breach of the Privacy Act. It's available at unisuper.com.au or by calling us on **1800 331 685**.