

Nominating a beneficiary Fact Sheet

Product Disclosure Statement

The information in this document forms part of the *QIEC Super Product Disclosure Statement (PDS)* issued 21 November 2011. This document is the *Nominating a beneficiary Fact Sheet* and is not attached to the *QIEC Super PDS*. If you would like a copy of the *QIEC Super PDS* or want more information, contact us on 1300 360 507, or visit www.qiec.com.au.

This Fact Sheet provides you with information about how to nominate a beneficiary. It was prepared and issued on 21 November 2011 by QIEC Super Pty Ltd (ABN 81 010 897 480), the Trustee of QIEC Super (ABN 15 549 636 673). If you request further information, the Trustee of QIEC 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 QIEC Super, including its investment performance.

This Fact Sheet addresses:

- To whom a death benefit can be paid
- Nominating a beneficiary.

To whom a death benefit can be paid

Superannuation in Australia is intended to provide income in your retirement, or in the event of your death, for your dependants. It is important that you consider who you would like to nominate as a beneficiary of your superannuation in the event of your death. You are encouraged to review your nomination and advise the Fund in writing each time your circumstances change, e.g. on marriage, divorce or bereavement.

Death benefits can generally only be paid to your Dependants or Legal Personal Representative.

A **dependant** includes:

- A spouse (including de facto spouse or same sex partner – see full explanation below);
- Child
- Any person with whom you have an interdependency relationship.

While a child of any age, including an adult child, may qualify as a dependent eligible to receive a death benefit, 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 in a relationship that is registered under a law of a State or Territory; and
- (b) another person 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 either be a preferred nomination or a binding nomination.

A **preferred beneficiary** 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. You may change your preferred beneficiary at any time by completing a *Change of Details* Form available at www.qiec.com.au → members → forms

A **binding nomination of beneficiary** is binding on the Trustee of the Fund provided the binding nomination is valid. 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.

Should your binding nomination expire, being more than 3 years since you made the nomination, the Trustee will use your nomination of beneficiary as guide when determining to whom your benefit will be paid in the event of your death, however, it will no longer be binding on the Trustee.

You may choose to confirm, amend or revoke the notice at any time. Nominations, amendments or cancellations can only be accepted on a form which is approved by the Trustee. A *Binding Death Nomination of Beneficiaries Form* is an approved form. Forms can be downloaded from the website at www.qiec.com.au → [members](#) → [forms](#).

QIEC Super members commencing an account based pension also have the option of nominating a reversionary beneficiary.

Reversionary beneficiary

A reversionary beneficiary will continue to receive your pension payments after your death or they can commute their pension 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.

You can only nominate a reversionary beneficiary when you commence your QIEC Super Account Based Pension. If you want to change your reversionary beneficiary at a later date you will need to cancel the pension and purchase a new pension. However, your nomination will lapse on divorce or death of the reversionary beneficiary.

Definition of a dependent for tax purposes

Please note that the Australian Taxation Office (ATO) uses a different "dependant" definition to determine whether or not the 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 QIEC Super on 1300 360 507.

General Advice Warning

This information is of a general nature and does not take account of your individual financial situation, objectives or needs. Before acting on this advice, you should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. You should obtain a Product Disclosure Statement (PDS) and consider the PDS before making any decision. If you require specific advice, you should contact a licensed financial adviser.

QIEC Super Pty Ltd ABN 81 010 897 480, the Trustee of QIEC Super ABN 15 549 636 673, is Corporate Authorised Representative No. 268804 under Australian Financial Services Licence No. 238507 and is authorised to provide general financial product advice in relation to superannuation.

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