



Your guide to

Death Benefit Nomination Binding Nomination

IOOF Portfolio Service Superannuation Fund

ABN 70 815 369 818

Trustee: IOOF Investment Management Limited

ABN 53 006 695 021, AFS Licence No. 230524

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1. What is a Binding Nomination?

A Binding Nomination is written direction to the Trustee which sets out the dependants and/or legal personal representative that you would like to receive your benefit in the event of your death.

If your Binding Nomination is valid and in effect at the date of your death, the Trustee must pay your benefit to the beneficiaries you have nominated in the proportions set out in your Binding Nomination.

You can make a Binding Nomination at any time.

A valid Binding Nomination remains in effect for **3 years** from the date it is first signed, last amended or confirmed. A Binding Nomination does not take effect until it has been received and accepted by the Trustee.

2. Who can you nominate in a Binding Nomination?

You can nominate one or more of your dependants and/or your legal personal representative in a Binding Nomination.

2.1 Who are my dependants?

Your dependants include:

- your current spouse (legal or de facto). De facto means a person not legally married to you but who lives with you on a genuine domestic basis as your husband or wife;
- your child including a child over the age of 18. A child includes an adopted child, step child or ex-nuptial child;
- a person who is partly or wholly financially dependent on you at the date of your death; and
- a person with whom you had an interdependency relationship¹ at the date of your death.

Please note that each dependant nominated must be your dependant at the date of nomination and at the date of your death, otherwise they will not be entitled to receive a share of your benefit.

If you nominate a person with whom you are in an interdependency relationship on your Binding Nomination form, you can provide the Trustee with a statutory declaration which sets out the nature of the interdependency relationship at the same time as your Binding Nomination. For more information please call a **Client Services Officer** on **1800 062 963**.

2.2 Who is my legal personal representative?

Your legal personal representative is the executor of your will or the administrator of your estate. You can nominate your legal personal representative to receive the whole or part of your benefit.

If you nominate your legal personal representative, your benefit will form part of your estate and be distributed in accordance with your will or for those persons who die without a will in accordance with intestacy laws.

3. Form of benefit

3.1 The Trustee has discretion as to the form in which a benefit is paid in the event of a member's death. A benefit may be paid either as a lump sum or as a pension.

3.2 If a benefit is paid to a legal personal representative, it must be paid as a lump sum. From 1 July 2007, a pension cannot be paid to a child of a deceased member unless the child:

- (a) is under the age of 18; or
- (b) is over the age of 18 but less than 25 and financially dependant on the member immediately prior to the member's death; or
- (c) has a disability that meets the definition in subsection 8(1) of the *Disability Services Act 1986*.

If a pension is paid to a child, the pension will automatically terminate on the child's 25th birthday unless the child has a disability.

3.3 The Trustee will have regard to your preference or that of your beneficiary before making its decision as to the form of payment.

4. Who should you nominate?

The most appropriate persons to nominate on your Binding Nomination will depend on your personal circumstances. As there may be taxation implications which arise from your Binding Nomination, it is recommended that you seek professional advice before making a Binding Nomination.

¹ An interdependency relationship exists between two people if they live together in a close relationship and one or each of them provides the other with financial and domestic support, and personal care. An interdependency relationship still exists between two people if they have a close personal relationship but they do not live together, because either or both of them suffer from a physical, intellectual or psychiatric disability.

5. When is a Binding Nomination valid?

There are certain conditions that must be met to ensure that your Binding Nomination is valid. These are:

- the nomination must be in favour of one or more of your dependant(s) and/or your legal personal representative;
- each dependant nominated must be your dependant at the date of nomination and at the date of your death;
- the allocation of your benefit among the persons nominated must be clearly set out;
- 100% of your benefit must be allocated. The entire nomination will be invalid if the allocation does not equal 100%;
- the nomination must be signed and dated by you in the presence of 2 witnesses both of whom are over the age of 18 years and not nominated to receive the benefit; and
- the nomination must contain a declaration signed and dated by each witness stating that the notice was signed and dated by you in their presence.

If your Binding Nomination fails to meet any one of the above conditions, it will be invalid. If any of the information provided in your Binding Nomination is unclear, the Trustee will contact you to confirm the details. An unclear Binding Nomination may be invalid.

6. How long does a Binding Nomination remain in effect?

A valid Binding Nomination remains in effect for **3 years** from the date it was first signed, last amended or confirmed. Details of your Binding Nomination will appear on your Annual Member Benefit Statement along with its expiry date. It is your responsibility to ensure that your Binding Nomination is confirmed before it expires.

7. Can I amend my Binding Nomination?

You can amend your Binding Nomination at any time. To amend your Binding Nomination you must complete a new Binding Nomination form and provide it to the Trustee.

Generally, your Binding Nomination will remain valid even if your personal circumstances change. It is important that you amend your Binding Nomination if there is a significant change in your personal circumstances to ensure that your Binding Nomination continues to reflect your wishes.

Significant changes include marriage, divorce, the death of a nominated dependant, the birth of a child or the end of a relationship.

8. Can I revoke my Binding Nomination?

You can revoke your Binding Nomination at any time. To revoke your Binding Nomination, you must give a written notice to the Trustee, signed and dated by you in the presence of 2 witnesses both of whom are over the age of 18 years. Alternatively you may complete a Revocation of Binding Nomination form which is available from the IOOF web site: www.ioof.com.au.

9. What if my Binding Nomination has expired or is invalid at the date of my death?

If you have made a Binding Nomination and it has expired or is invalid for any reason at the date of your death, the Trustee will treat your invalid or expired Binding Nomination as a Non-Binding Nomination. This means that the Trustee must pay your benefit to such of your dependant(s) and/or your legal personal representative and in such proportions as the Trustee, in its absolute discretion considers appropriate. In making the decision as to whom to pay your benefit, the Trustee will take your invalid or expired Binding Nomination into account.

10. What if I do not have a Binding Nomination in effect at the date of my death?

If you do not have a Binding Nomination in effect at the date of your death the Trustee must pay your benefit to the legal personal representative on behalf of your estate, unless your estate is insolvent. If your estate is insolvent, then the Trustee must pay your benefit to such of your dependants and in such proportions as the Trustee, in its absolute discretion, considers appropriate. If you have no dependants, the Trustee must pay your benefit to the legal personal representative on behalf of your insolvent estate. If there is no legal personal representative of your estate, the Trustee must pay your benefit to such of your dependants and in such proportions as the Trustee, in its absolute discretion, considers appropriate. If you have no dependants and no legal personal representative, the Trustee must pay your benefit to any other person(s) as permitted by law.

Contact us

To make it easy for you to keep up to date with your investment, we provide you with a number of access options:

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