

Fact Sheet for individuals

Russell SuperSolution Master Trust

Nominating your beneficiary(s)

Ensuring your beneficiary nomination is up to date and appropriate is important. You could save your family from unnecessary problems in the event of your death.

- » Who you can nominate
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Who you can nominate as a beneficiary

Dependants

Your dependants may include:

- » your spouse (including de facto of the same or different sex);
- » your children (including step, adopted, and ex-nuptial children, or a child of your spouse);
- » any person who is financially dependent on you;
- » any person with whom you have an interdependency relationship including:
 - › any person with whom you have a close personal relationship and live with where, one or both of you also provides ongoing financial support, domestic support and personal care; and

- › any person with whom you have a close personal relationship where, because of a disability, the above requirements of living together, financial support, domestic support and personal care are not able to be satisfied.

Legal personal representative or estate

You may nominate your legal personal representative (the executor or administrator of your estate) or estate. If you do this, your super benefit will be paid into your estate and distributed according to your will.

When deciding who you would like to receive these benefits, consider the difference between a payment going directly to a dependant or via your estate. If a payment is made to an individual it does not form part of your estate. Payments made to your estate can be subject to family provision claims (challenges to your will) and to claims from your creditors. Any payment made directly from your super fund to a dependant cannot be subjected to these claims.

» Have any questions?

Helpline:
1800 555 667

Website:
www.russell.com.au/super

Email:
yoursupersolution@russellsuper.com

Different types of nominations

Russell SuperSolution offers two types of beneficiary nomination.

Preferred nomination

A preferred nomination is not binding on the Trustee of the Fund. If you die, the Trustee will collect all the relevant information about your personal situation before deciding who the benefit should be paid to. The Trustee will consider the wishes you expressed in your nomination as part of this process. It is possible that your benefit will not be paid as you had nominated.

Example

Tom nominates his current spouse to receive his full benefit. Before his death, Tom and his spouse separate and he forms a new de-facto relationship. A child is born from the new relationship. Tom has not updated his beneficiary nomination, and is still legally married.

When the Trustee considers Tom's personal situation and nomination, it is decided that it is no longer appropriate to pay his full benefit to his spouse. Instead the benefit is split between his de-facto, child and the separated spouse.

Binding nomination

A binding nomination is binding on the Trustee of the Fund. So long as valid beneficiaries are nominated, your benefit will be paid as you instruct. A binding nomination can result in a faster payment, because the Trustee must simply confirm that your nomination is valid and collect certain administrative documentation before paying your benefit.

Let's consider the same example

When the Trustee considers Tom's nomination, it is found that it is still valid. Tom is still legally married, and therefore his separated spouse is a dependant. His benefit must be paid to his spouse, and his de-facto and child receive nothing.

Keeping your nomination up to date

It is important to keep your nomination up to date so the right people receive your benefit. A binding nomination can be effective because you can be sure how your benefit will be paid, and that it can be processed quickly. The downside is that if you have not updated your nomination as circumstances change, it may no longer best reflect your wishes.

Binding nominations expire every three years. If the binding nomination expires, the nomination remains in place but becomes a preferred nomination. You should update your nomination at least every three years to keep it binding, and when your circumstances change.

How to make a nomination

If you're making a preferred nomination you can do this online or by logging in to your account at www.russell.com.au/super or over the phone by calling our Helpline on 1800 555 667.

If you're making a binding nomination, you must send in the *Nomination of Beneficiaries Form* as two people are required to witness your signature. You can get a copy of the form at www.russell.com.au/forms or call our Helpline. Both people must see you sign the form and sign and date their sections immediately afterwards. The witnesses can not be nominated as beneficiaries.