

DEATH BENEFIT CLAIM



This fact sheet provides basic information on the process involved in making a claim for a death benefit following the death of a fund member.

WHAT IS THE DEATH BENEFIT?

A death benefit is generally made up of two parts as follows:

- 1. Superannuation Account Balance** - The member's account balance made up of personal contributions (if any), employer contributions, and accumulated earnings, less fees and taxes.
- 2. Life Insurance** - The insured amount (if any) that the member held at the date of death. However where a death is deemed to be due to a self inflicted act, benefits are limited to the level of one (1) unit of cover.

Who can be paid a death benefit?

The Trustee is bound by the provisions of the Superannuation (Industry) Supervision Act 1993 and Superannuation (Industry) Supervision Regulations 1994 and the Fund's Trust Deed when determining who can be paid a death benefit.

The order in which the Trustee will consider entitlement to payment is:

- 1) Dependant** (as defined in the Act) - which includes:
 - The spouse of the deceased, either by marriage or de facto spouse of either sex,
 - Any natural, adopted or step-child of the deceased,
 - Any person who was in an "interdependency" relationship at the time of the member's death.
 - Any other person who in the opinion of the Trustee was wholly or partially financially dependent upon the deceased at the date of death.



- 2) Legal Personal Representative (LPR);** who will normally be the Executor of the member's estate (either appointed as the executor in the member's will, or by the Courts where the person has been named as the administrator in Letters of Administration).

It should be noted that a LPR has equal standing with regard to consideration as a dependant (e.g. the Trustee may split the payment between dependant(s) and the LPR, although it is unusual to do so).

- 3) Non-Dependants;** any applicant who did not satisfy 1) or 2) above is a non-dependant. Under the Trust Deed, only if the Trustee is unable to identify any Dependants or any LPR, they may make payment to one or more Non-Dependants. It should be noted that payment to non-dependants is only possible where there are no Dependants or LPR, the benefit cannot be shared between a Non-Dependant and a Dependant or LPR.

How to claim a death benefit?

In order to fulfil its duty to decide who should be paid a death benefit, and to claim the Life Insurance (if any), the Trustee must gather certain information about the late member, their dependants and potential beneficiaries. The information required includes, but is not limited to:

- A correctly completed and signed death benefit claim form identifying all potential claimants. This form may be requested by calling 1800 808 614 or via email at service@ausfoodsuper.com.au
- A certified copy* of the member's Death Certificate, plus any additional reports if applicable (e.g. Coroner's Report). The Certificate should include the cause of death; otherwise it will be necessary to obtain some other form of official documentation that provides that information. The Death Certificate must be in English. Where the Certificate is not in English the beneficiary is responsible for arranging for a certified translated version in English.

Death Benefit Claim - continued



- › A certified copy* of the member's Birth Certificate or other evidence of age,
- › A certified copy* of the member's Marriage Certificate if applicable,
- › A certified copy* of any documentation confirming a member's divorce or separation if applicable,
- › A certified copy* of Birth Certificates for any children for whom a claim has been received,
- › Any Statutory Declarations received from or in relation to any claimant or potential beneficiary,
- › Any correspondence from a claimant, potential beneficiary or any person on behalf of a claimant or beneficiary.

* A certified copy is a copy of an original document that an authorised person (e.g. Justice of the Peace) has certified as being a true copy of the original. For details of who might be qualified to make this certification please refer to the Australian Food Super fact sheet "Statutory Declaration and Certified Copy".

Why does the Trustee have to gather this information?

In addition to determining who should receive the death benefit, any insurance cover is subject to the terms and conditions set out in the insurance policy, so the Trustee must prove to the insurer that the late member was entitled to the insurance by providing information including proof of age, proof of death, evidence that the member was eligible for cover and that the level of cover provided is correct.

Where a death is deemed to be as a result of a self inflicted act, benefits are limited to the level of one (1) unit of cover. Therefore it is important that the Death Certificate shows the cause of death. Where no cause of death is shown, it will be necessary to obtain a copy of the Coroner's Report, results of any Inquest, or documentation of some form of formal enquiry that provides a conclusion regarding the circumstances of the member's death. In order to avoid any unnecessary delays, where a beneficiary acknowledges in writing that a member's death was self-inflicted, we can refer the matter to the insurer without waiting for confirmation of the cause of death (i.e. a Death Certificate without cause of death).

Beneficiary Nominations

Australian Food Super allows members the opportunity to advise of their preferred beneficiaries in the event of their death. This is not a binding nomination and whilst the Trustee will take the nomination into consideration the ultimate responsibility on the Trustee is to pay the benefit in accordance with the Federal Government regulations and its Trust Deed.

What happens to the benefit while the claim progresses?

Although the Trustee cannot guarantee positive investment earnings, in an effort to guard against negative investment earnings during the claims process the Trustee will invest the death benefit as follows:

- 1) **Choice members** – The superannuation account balance + Life Insurance proceeds are invested in the Secure Option from the date that we are notified of the member's death.
- 2) **MySuper members** – The Trustee is bound by law to leave the funds in the MySuper investment option so the superannuation account balance remains invested in the MySuper option. Once received from the insurer, the Life Insurance proceeds are invested in the Secure Option.

Notice of Trustee decision

Following the Trustee's decision, all persons that have lodged a claim for consideration will be sent a Claim Staking Letter advising of the Trustee's decision.

Where the only claimant is the person to whom the Trustee is directing payment then it is not necessary to send Claim Staking letters. For example, where claim forms are submitted by a member's spouse and children, and the children have indicated that they do not wish to be considered, then there is no need to send Claim Staking Letters.

How long can the benefit payment process take?

As detailed previously there is a significant amount of information required in order to make a decision about paying a benefit. This can take some time and varies due to different personal circumstances, whether the claim documents provided are correctly completed, signed and certified by all claimants, the complexity of cases and whether additional information is required. The Trustee is obliged to identify all potential claimants to a benefit and provide them with the opportunity to submit an application for consideration.

The more quickly and accurately the required information is provided to the Trustee by all claimants, the sooner the Trustee will be able to make a decision. Whilst the Trustee tries in all cases to pay a benefit quickly, sometimes the process may take several months.

Death Benefit Claim - continued

Disputing the Trustee's decision

Any claimant may dispute a decision of the Trustee. If a claimant wishes to lodge a complaint, the Trustee will consider the complaint and then either affirm or change its decision and will advise all claimants accordingly.

Please note that any objection:

- 1) Must be in writing clearly stating the reason why you object to the decision and include any information that you wish to provide to support your objection, and
- 2) Be received by the Trustee no more than 28 days after you receive the letter advising of the Trustee's decision.

If no complaint is lodged within 28 days the Trustee will pay the benefit in accordance with its decision.

If any claimant is dissatisfied with the Trustees' decision following objection they have the right to refer the matter to the External Dispute Resolution (EDR) body - see details below.

Lodging a complaint with the Trustee is free to the complainant but the Trustee will not pay a complainant's cost of legal or other advice.

External dispute resolution

Australian Financial Complaints Authority (AFCA)

Anyone dissatisfied with the decision of the Trustee may have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA).

AFCA is an independent body set up by the Federal Government to assist members or beneficiaries to resolve disputes with financial service providers including superannuation funds.

AFCA's contact details are:

Australian Financial Complaints Authority
GPO Box 3
MELBOURNE VIC 3001

Phone: 1800 931 678

e-mail: info@afca.org.au

Website: www.afca.org.au

Lodging a complaint with AFCA is free to the complainant but AFCA will not pay your costs of legal or other advice.

Please note:

Any death claim objection must reach the Trustee no more than 28 days after the date you received notification of the Trustee's decision.



NEED FURTHER INFORMATION?

If you would like further assistance, or have any other concerns, please contact the Member Hotline on 1800 808 614 (toll free call from fixed a fixed line) between 8:00am and 6:00pm (Sydney time) each weekday or via email at service@ausfoodsuper.com.au.

If you require a printed copy of this Fact Sheet please contact the **Member Hotline** on **1800 808 614**.



Member Hotline
1800 808 614



ausfoodsuper.com.au



service@ausfoodsuper.com.au



Locked Bag 5390
Parramatta NSW 2124

This document is issued by Australian Meat Industry Superannuation Pty Ltd ABN 25 002 981 919, AFSL No. 238829, as Trustee for the Australian Meat Industry Superannuation Trust (the "Fund"), ABN 28 342 064 803 (Australian Food Super). The information in this document is general information only. It does not take into account your particular objectives, financial situation or needs. Before acting on information in this document you should consider the appropriateness of the information having regard to your particular objectives, financial situation and needs. You should obtain financial advice tailored to your personal circumstances.

The governing rules of the Fund are contained in the Trust Deed, which is available online at ausfoodsuper.com.au. From time to time the Trustee may alter the provisions of the Trust Deed.