Info sheet
March 2025

right by your side

Guide to Claiming a Death Benefit

This guide is designed to help you understand the death claims process and complete all the paperwork with the minimum amount of stress.

What's included in a death benefit?

A death benefit is usually the Brighter Super member's account balance, plus any insurance benefits they were entitled to at the time of their passing.

A defined benefit death benefit may differ and you should refer to the relevant guide on our website for further information about how the death benefit is calculated.

Role and duties of the Fund and Insurer

The purpose of a superannuation death benefit is to provide for those who would have continued to rely on the member for financial support, but for the member's untimely death.

It is Brighter Super's duty is to independently review and consider each claim and determine how to distribute the death benefit in line with our Trust Deed and superannuation law.

It is the insurer's duty is to consider whether a claim meets the terms and conditions of the insurance policy and make relevant enquiries to ensure it has sufficient information to do so.

Who can apply for a payment?

The Fund must pay the death benefit according to the rules set down in the Superannuation Industry (Supervision) Act 1993 (SIS Act) and the Brighter Super Trust Deed.

These rules generally restrict the payment of death benefits to either:

- a dependant of the member, or
- the legal personal representative of the late member's estate.

A death benefit can only be paid to someone who is not a dependant or legal personal representative in the event that Brighter Super has been unable to locate any valid beneficiary.

Who will receive the death benefit?

Who will receive the death benefit depends on the type of beneficiary nomination that is in place on the members account at the time of their passing.

Where there is a valid binding death benefit nomination (lapsing or non-lapsing) or a reversionary nomination the benefit will be paid in accordance with the member's instructions.

Where as if there is a preferred nomination, no nomination, or an expired/invalid binding nomination, then Brighter Super will determine the distribution of the benefit, subject to the requirements outlined in the legislation and our governing rules. Where a member's death occurs on or after 1 January 2025 and we do not have a valid nomination, a prescribed hierarchy will be used to determine the beneficiaries of the death benefit.

It is important to note that a superannuation death benefit does not form part of the member's estate and therefore is not automatically distributed in accordance with the member's Will. Brighter Super may use the Will as a guide to inform their decision however, we are not legally obligated to make any payments in accordance with the Will.

How we determine the distribution?

To provide greater certainty to potential beneficiaries and improve timeframes for claims decisions where we do not have a valid binding or reversionary death

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benefit nomination from a member we have prescribed a hierarchy that is to be used to determine which beneficiaries are eligible to receive the death benefit.

Where a member's death occurs on or after 1 January 2025 and we do not have a valid nomination, the benefit will be paid as follows:

- To a qualifying spouse (or one or more qualifying spouses, where more than one person meets the relevant definition of qualifying spouse).
- If there is no qualifying spouse, then one or more qualifying children (this includes children under 18, as well as children over 18 with a financial dependency on the member, or in an interdependency relationship with the member, or with a prescribed disability).
- If there are no qualifying children, then the legal personal representative (executor of the member's Will or person who has letters of administration of the member's estate).
- If no legal personal representative is identified, or the estate is insolvent, then to other dependants.

If the member passed away before 1 January 2025 then Brighter Super will prioritise claims for any beneficiaries who are determined to be financially dependent on the deceased.

What is a dependant, financial dependant and interdependent?

A person is considered as a dependant if they are:

1. a spouse or partner (whether legal or de facto)
2. a child, including an adopted child, an ex-nuptial child, a step-child and a child of the deceased member's spouse
3. any person who had an interdependency relationship with the deceased member
4. any person who was financially dependent (whether wholly or partially) on the deceased member.

Financial dependent:
You would be considered as a financial dependent if you relied on the deceased for some or all your financial needs and without this assistance your standard of living could not be maintained. If you wish to be considered on financial dependency grounds, you will need to provide evidence to support your claim.

Interdependent:
According to the Australian Government, two people (whether related to each other or not) have an interdependent relationship if:

- They have a close personal relationship; **and**
- They live together; **and**
- One or each of them provides the other with financial and domestic support, and personal care.

To satisfy the criteria for interdependency **all three criteria must be met**.

Alternatively, if two people have a close personal relationship and do not meet the above criteria due to one or both having a physical, intellectual, or psychiatric disability, they are still considered to be in an interdependency relationship.

A relationship is not interdependent if one person provides domestic support and personal care under an employment contract or a contract for services, or on behalf of another person or organization such as a government agency or charitable organization.

Can I still claim as an adult child?

You can submit a claim if you are an adult child. However, if your parent passed away on or after 1 January 2025, you will not be eligible to receive a benefit if there is a qualifying spouse.

If you were not financially dependent on the deceased at the time of their passing and there are no other qualifying children, the death benefit will generally be paid to the estate. However, if no legal personal representative is identified, or the estate is insolvent, you may be eligible to receive a benefit as a dependant of the deceased.

What's the process for making a claim?

If you think you are eligible to receive a death benefit you will need to complete the following steps.

Step One: Notify the fund (optional)

It is recommended that before completing the Death benefit application forms you notify Brighter Super by completing our online death notification form on our website **brightersuper.com.au**. If you would prefer to talk to someone you can also call one of our Case Manager's on **1800 444 396**.

Notifying Brighter Super allows us to answer any questions you may have about the process and make some changes to the account such as holding correspondence.

We understand this may be an emotional time for family and friends and you may not be ready to speak about the member's passing. If it is too difficult for you to contact us that is okay, anyone can notify Brighter Super on your behalf to assist with the claim.

While it does not matter who contacts us, they will need to know some basic information such as:

- The member's name and date of birth
- The date of their passing

It also helps in they know the name, relationship status and contact details for the claimant(s).

Step Two: Complete application

As part of the application you will need to provide copies of the following documents:

- Completed *Death benefit claim* form
- A certified copy of the death certificate which includes the cause of death (a copy of the coroner's report is required if cause of death is not listed on the death certificate)[1]
- Identification documents for the deceased.
- A Will (if applicable)
- Letters of Administration or Probate.

1. Brighter Super is unable to make payment where the cause of death is not recorded on either a Death Certificate and/or a Coroner's report.

In addition to the above requirements *all* potential claimants seeking a share of the death benefit may need to submit copies of the following documents:

- Certified copy of current identification documents
- Evidence of relationship or separation e.g. marriage certificate (spouse/partner)
- Evidence of financial dependency (adult children)
- Birth certificate (children)
- Payment details (if claim approved).
- *Adult Child Claim Statement* from all children over 18.

Use the *checklist* on page 5 of this document to make sure you have included everything we need.

All claim forms and supporting documents can be sent to **claims@brightersuper.com.au**.

It is important to note that you should **never send us an original document** such as the actual death certificate or your actual passport, licence etc.

Step Three: Fund assessment

Once the fund has received the completed application form and supporting documents, we can begin assessing the application to determine how the benefit should be distributed.

If the fund requires additional information to assist with the assessment, we will contact the beneficiaries or their nominated representative directly to request any additional evidence.

To determine how the benefit should be distributed, we generally ask all potential beneficiaries to confirm their intention to claim a portion of the benefit and provide information to support their claim. However, this may not be required in all cases, depending on the deceased member's circumstances and date of their death.

Step Four: Insurance assessment (if applicable)

If the deceased holds Death cover with Brighter Super, the Fund will lodge the death claim with the relevant insurer once the death certificate has been received.

The Insurer will complete an assessment to ensure the member is eligible to receive the insurance benefit. Once their assessment has been finalised any applicable death benefit insurance will be applied to the account and included in the final distribution of funds.

Step Five: Fund review

Once the fund has completed their assessment and any insurance has been applied, the application is reviewed and signed off by Brighter Super under delegated authority. This ensures the death benefit is distributed in accordance with the legislation, our governing rules and any valid death benefit nomination that is binding on the Trustee.

Step Six: Claim staking (where applicable)

Where there are multiple potential beneficiaries who apply to receive a death benefit payment, we will notify all parties of the decision. All potential beneficiaries then have 28 days to lodge an objection with the Fund. This process is called 'Claim Staking' and is used in certain circumstances only.

For example, an adult child has requested 100% of the benefit when there is a legal partner who is eligible to receive 100% of the benefit.

If an objection is received within the Claim Staking period, the Fund will review the original decision and will either uphold their original decision or propose a new decision.

Where applicable, the death benefit is unable to be paid until the Claim Staking period has been finalised.

If any of the potential beneficiaries don't agree with the final decision, they may be able to take their complaint to the Australian Financial Complaints Authority (AFCA).

Step Seven: Claim outcome and payment

Once Brighter Super has approved the distribution of the death benefit and the Claim Staking period is over (if applicable), we will pay the death benefit as per your instructions in the *Death Benefit Claim* form or *Death Benefit Payment Request* form.

How is the death benefit paid?

Where the deceased member has nominated a reversionary beneficiary on their Pension account, Brighter Super will revert the deceased's Pension account to the nominated reversionary beneficiary. For all other payments, once all parties have accepted our decision and provided payment instructions, Brighter Super will make payment within five business days directly to the beneficiary's nominated bank account.

If you're a person that Brighter Super has decided can be paid some part or all the death benefit payment, you can also choose to receive the payments as an income stream if you are an eligible dependant.

An eligible dependant for this purpose includes:

- a spouse,
- a child who is:
  - under the age of 18,
  - under 25 and financially dependent, or
  - a disabled child (irrespective of age)
- someone in an interdependent relationship, or
- a financial dependant.

Please refer to the *Pension accounts Product Disclosure Statement* for more information on Pension accounts.

It's possible a death benefit payment may result in financial or tax implications so you should consider obtaining independent financial advice.

Will the death benefit be taxed?

Death benefits are tax free if paid to a dependant as defined under taxation law.

For tax purposes, a dependant is:

- a spouse (married, de facto or same sex partner)
- a child under 18 years of age (including step-children, adopted children, ex-nuptial children or anyone who fits the definition of a child under the *Family Law Act 1975*)
- anyone who was financially dependent on the member at the time the member died.

If paid to someone other than a dependant for tax purposes, the taxable portion of the benefit is taxed at 17% including the Medicare levy. The tax-free component is paid tax free.

If the deceased member was aged 60 or over, they may still have a taxable component for death benefit purposes. Death benefits taken as a reversionary pension are taxed differently based on age. The Australian Taxation Office (ATO) website contains more information about paying superannuation death benefits.

Collecting your Tax file number (TFN)

Under the *Superannuation Industry (Supervision) Act 1993*, Brighter Super is authorised to collect your TFN, which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. Brighter Super may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request to the Fund of your superannuation fund in writing that your TFN not be disclosed to any other superannuation provider.

It is not an offence to withhold your TFN. However, providing your TFN to your superannuation fund ensures that, aside from the usual tax, no additional tax will be deducted when you begin withdrawing your superannuation benefits.

More information on Tax File Numbers for superannuation purposes can be obtained from the ATO on 13 10 20.

How long does it take?

We understand the loss of a loved one is an incredibly difficult time and as such we aim to finalise our decision as quickly as possible. However, each claim is unique, and the time taken to process the claim will vary and may take months to be finalised. The quicker the required information is provided to Brighter Super by **all** claimants, the sooner we will be able to finalise our decision.

It may take longer if:

- there are multiple claimants, and we need to try to and locate them or obtain contact details for them
- claimants take a while to return the required paperwork
- there's an objection about Brighter Super's decision that requires an additional review
- Brighter Super's decision isn't accepted by all claimants and the claim is referred to AFCA.

If there's more than one claimant, we'll need to write to each party to advise them of the decision and allow each claimant 28 days from the receipt of the notice to lodge an objection.

What happens to the benefit while the claim progresses?

To guard against negative investment earnings during the claims process the existing investment options will be switched into the Cash investment option on the date we receive a copy of the Death Certificate (excludes pensioners who have chosen a reversionary beneficiary).

Any Death benefits received from an insurer will also be paid into the Cash investment option. We do this to protect the benefit as the Cash option is designed to have a very low risk level and is suited to the shorter period of time until a benefit is paid.

Disputing the Fund's decision

If a claimant wishes to lodge a complaint, we will consider the complaint and then either affirm or change our decision and advise all claimants accordingly.

Please note that any objection:

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

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

If any claimant is dissatisfied with the Funds' decision following objection, they have the right to refer the matter to the External Dispute Resolution (EDR) body.

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

External dispute resolution

Anyone dissatisfied with the decision of the Fund 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:

- **Address**:
  Australian Financial Complaints Authority
  GPO Box 3
  MELBOURNE VIC 3001
- **Phone**: 1800 931 678
- **Email**: 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.

Collection of personal information

All personal information collected as part of the claim is protected in line with *Brighter Super's Privacy Policy*. To find out more about how we collect and manage your personal information, please refer to our *Privacy Policy* available from our website **brightersuper.com.au**.

Checklist

Before submitting your application, please ensure you have included all the information and/or supporting evidence outlined below.

Requirements for all claims

- ☐ Certified copy of the death certificate including cause of death.
- ☐ Photo Identification document(s) for deceased member e.g. driver licence or passport
- ☐ Certified copy of current photo Identification document(s) for all claimants e.g. driver licence or passport
- ☐ Copy of the birth certificates for any minor children.
- ☐ Copy of the deceased's Will (if any).
- ☐ Copy of Probate or Letters of Administration (if any).
- ☐ Completed *Death benefit claim* form available at **brightersuper.com.au/-/media/public/files/forms and info sheets/my death benefit/death benefit claim**.
- ☐ Completed *Death benefit payment request* form (if applicable, where the death benefit has been approved for multiple beneficiaries). This form is available at **brightersuper.com.au/-/media/public/files/forms-and-info-sheets/death-benefit-payment-request**.

Please note:
Where the cause of death is missing from the death certificate (including Tasmanian Death Certificate) you will also need to provide copies of the official documentation showing cause of death e.g. coroner's report.

If the deceased's spouse or child (of any age) passed away prior to the late member, you will also need to provide a copy of their death certificate.

Additional requirements for married spouse

- ☐ Copy of marriage certificate.
- ☐ Documentary evidence of separation or divorce (if applicable).

Additional requirements for *de* facto partner

- ☐ Documentary evidence to substantiate relationship.

  Evidence supporting a bona fide de facto relationship may include various documents and declarations such as mutual Wills, private health insurance reflecting partnership, government documents indicating de facto spouse status (e.g. centrelink/medicare/tax returns etc), joint bank accounts, joint utility bills, lease applications, joint ownership of property, or statutory declarations from third parties confirming the details of the relationship.

Additional requirements for adult children wanting to claim a portion of the benefit

- ☐ Copy of birth certificate
- ☐ Completed *Adult child claim statement* - If this is not provided, we will contact the beneficiary directly to request additional information if needed. This form is available at **brightersuper.com.au/-/media/public/files/forms and info sheets/my death benefit/adult child claim statement**.

Additional requirements for interdependent or financial dependant

- ☐ Documentary evidence of financial dependence.
- ☐ Documentary evidence of interdependent relationship.

! Important Information

Brighter Super will be unable to finalise the claim and proceed to payment until all requested documents have been received from **ALL** potential claimants.