

# How to claim a death benefit

This fact sheet explains how to claim a person's super and any insurance benefits they have after their death.

The process usually takes one to two months if everything was in order when they died. It may take longer if their beneficiary nomination isn't legally binding, if there is more than one beneficiary or there are other competing claims.



## 1 Call us

- You'll need proof of your ID and the member's account details.
- You'll be asked some questions so we can send you the correct paperwork. We'll also ask you to email us a copy of their death certificate.
- You'll be sent a claim pack, with the name of your case manager and a checklist showing what you need to do.

## 2 Complete the claim pack

- Getting hold of some documents can be tricky. Call your case manager if you need help.
- Make sure your supporting documents are certified so there's no delay with processing. See 'Other useful information' for how to certify a document.

## 3 We process the claim

- Your case manager will call you if they have any questions or need more information.
- We will need to confirm who should receive the death benefit. This could take some time if we don't receive the information we need, or we receive competing claims.

## 4 Money is paid to the beneficiaries

- You can choose how you would like the benefits paid:
  - into your bank account, or
  - by cheque.



We'll work with you to make this claim as easy as possible



## How we'll work with you

We'll work with you to make this claim as easy as possible – we'll oversee the process and make any relevant insurance claims, explain each step clearly and keep you updated about how it's all going. If you have questions at any time just give us a call – we're here to help.

You'll have a dedicated case manager looking after your claim. They'll keep you updated with what's happening and you'll be able to call them if you have questions.

We can help you complete the forms over the phone and give you tips on how to get hold of any supporting documents you may need.

## 1 Contact us

- Call us or email and let us know what's happened as soon as you can.
- Have information with you so we can make sure we're talking with the right person, for example:
  - the deceased's member number, account number, date of birth, death certificate or other ID, and
  - checkable ID for yourself and tell us your relationship with the deceased
- We'll ask you some questions to help us send you the correct claim pack and information.
- Once we've received proof of death we will transfer the investments into a cash fund similar to a bank account to avoid potential losses while your claim is being assessed.

## 2 Paperwork (claim pack)

- You'll receive a claim pack and this will include:
  - a claim form
  - the name and phone number of your case manager
  - whether we'll need to make an insurance claim
  - tips about what you can do to help speed up the process, and
  - information about what might delay the process and how to avoid it.
- It's important you complete the form and provide all the necessary paperwork as soon as you can. We'll only be able to pay the claim once we have all the necessary documents.
- Many of the documents you provide will need to be certified (for more information see **Other useful information** on page three).

## 3 Processing

- Once we receive your completed form and supporting documents we'll be able to start reviewing the claim, which means:
  - we'll check that all the beneficiaries are valid. If no beneficiaries were nominated we'll find out who they should be, based on our legal obligations and the fund rules
  - we'll apply for any relevant insurance benefits, and
  - we'll manage any objections or claims.
- This step may take some time to complete, especially if we are unable to get the information we need.

## 4 Payments to beneficiaries

- Payments can be made directly to you by cheque or direct to your bank account.

## Other useful information

### Is super covered by a will?

The short answer is no, unless you nominate your legal personal representative as your beneficiary or we pay the benefit to your estate. For more information go to [firststatesuper.com.au/nominate](http://firststatesuper.com.au/nominate).

### Why is super treated differently to a normal will?

Super is set up to provide a person (and their spouse, when relevant) with an income when they retire. If they die, its purpose is then to provide for the people who have a right to look to them for ongoing financial support. This means we need to determine who had a reasonable expectation of continuing financial support had the person not died. This includes considering the financial needs of any minor children.

### What is a death benefit?

This is the benefit payable from a super fund when a fund member dies. It consists of their super balance and any insurance benefit that may be payable (we'll let you know if they had insurance). It can't be called on by creditors to meet estate debts or distributed by the fund to pay funeral expenses, unless it is paid to the deceased's estate.

### Who can receive a death benefit?

Generally, a super death benefit can only be paid to:

- a) the deceased's legal personal representative (LPR), and/or
- b) one or more of their dependants.

We may pay the benefit to another person, if we haven't found a LPR or a dependant, after making reasonable enquires.

### Who is considered a dependant?

Dependants include the member's spouse or de facto spouse (regardless of gender), children and anyone who was financially dependent on the member, or in an interdependency relationship with them, when they died.

**A Spouse** is someone (whether of the same sex or a different sex) with whom the member is in a relationship

that is registered under a law of a State or Territory, or 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.

**A Child** includes:

- a) an adopted child, a step child or an ex-nuptial child of the member,
- b) a child of the member's spouse, and
- c) someone who is a child of the member within the meaning of the *Family Law Act 1975*.

There is no age limit imposed on this definition and therefore an adult child can apply for a death benefit.

**A financial dependant** is someone who relied on the member to help them meet their daily living expenses such as utility and household expenses, rent and shared financial commitments like mortgage repayments or other loans.

### An interdependency relationship

This exists between two people when 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. An interdependency relationship may also exist if two people have a 'close personal relationship' which does not satisfy the other criteria, because one or both of them suffer from a disability, or they are temporarily living apart.

### Tax on death benefits

Generally, a death benefit paid to a dependant for tax purposes attracts no tax liability. If the benefit is paid to the estate, then the legal personal representative is responsible for withholding any tax. For tax purposes a dependant includes:

- a) a spouse or former spouse (including a de facto)
- b) children below age 18
- c) a person with whom the member had an interdependency relationship, and
- d) any other person who was financially dependent on the member.

For more information about tax on death benefits, read the booklet *Tax and super* at [firststatesuper.com.au/pds](http://firststatesuper.com.au/pds).

### How do you certify a document?

A certified copy of an original document is one that is signed, witnessed and stamped as being a 'certified true copy' by an authorised person in your state or country qualified to witness Statutory Declarations such as a Justice of the Peace, Solicitor, Barrister, Notary Public and pharmacist. We can accept photocopies of original documents that have been certified but we're not able to accept photocopies of certified documents. A full list of documents that satisfy these requirements, and the people authorised to provide certified true copies, is provided on the claim form.



## We're here to help!

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Super can be quite complicated and sometimes you just want to know that you're making the right decisions. Because the right decisions about your super can make a real difference to your financial future.

So if you've got any questions, or you just want the comfort of knowing you're on the right track, getting some advice can help.

StatePlus<sup>1</sup> is our financial planning business and is wholly owned by us. The team at StatePlus can answer simple questions about your super over the phone, or if your situation is more complex, prepare a full financial plan for you. It's all up to you, no obligation. Book online at [firststatesuper.com.au/advice](http://firststatesuper.com.au/advice) or call **1800 620 305** (Monday to Friday 8.15am to 8.15pm AEST/AEDT) to arrange an appointment.

<sup>1</sup> Financial planning services are provided by our financial planning business, State Super Financial Services Australia Limited, trading as StatePlus ABN 86 003 742 756 AFSL No. 238430. StatePlus is wholly owned by First State Super.

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