

Your
Money
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The role of a Binding Death Nomination

Did you know you can choose who will receive your superannuation benefits completely separate to your will? This is achieved through a Binding Death Nomination (BDN). As the title implies this is a written direction to the Trustee of your superannuation fund instructing the Trustee to pay your benefits to your nominated beneficiaries. These directions are binding on the Trustee and override their discretionary power to distribute the superannuation assets normally contained within the superannuation trust deed.

You can nominate one or more of your dependants and/or your Legal Personal Representative (LPR) as a beneficiary. Your LPR is the executor of your will or the administrator of your estate. If you make a BDN which is not valid at the time of death, the benefits will be paid to your LPR, who will distribute them under the terms of your will. Your dependants include:

Your spouse, whether married, de facto, or same sex

- Any person who was in an interdependency relationship with you at the date of death
- Any person who was financially dependant on you at the date of death

The most appropriate beneficiary will depend on your personal circumstances. As there may be tax implications, it is advisable to seek professional advice.

Be aware that a BDN is valid for only three years from the date it was last signed, amended, or confirmed by you. Therefore, you must confirm it prior to the expiry of the three year term if it is to remain valid.

A BDN is not invalidated by changes in your circumstances. To retain your peace of mind, you should ensure that your BDN is amended any time you experience a major change such as marriage, divorce, birth of a child or death of a nominated beneficiary.