

If you have any dependants, it's vital you take out enough life insurance so they can pay off debts and maintain their living standard in the event of your death.

Once you've made the decision to purchase life insurance, you need to ensure your death benefit is paid to the right people, in accordance with your wishes.

### What options are available?

With MLC Life Cover Super, there are three different ways you can nominate how you would like your death benefit to be paid. The process and outcome will depend on your situation and the option you select.



#### Option 1: Make a non-lapsing binding beneficiary nomination

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If valid this new form of nomination option enables you to state **who** you would like the Trustee to pay your death benefit to and the proportion of your death benefit you would like them to receive. The Trustee will be bound by the nomination.

OR

#### Option 3: Make a non-binding beneficiary nomination

In the event of your death, the Trustee will determine **who** receives your benefit, usually taking into account the circumstances of your nominated beneficiaries, and other applicable factors.

OR

#### Option 2: Make a category selection using the MLC Super Estate Optimiser facility

With this option you can elect for your death benefit to be paid in accordance with one of the ten categories set out in the table to the right. These categories determine both **who** you would like the Trustee to pay your death benefit to and **how** it will be paid (ie as a lump sum or account based pension).

Category Number	How the benefit is paid	Who receives the benefit <sup>1</sup>
1	Lump Sum	Spouse
2	Lump Sum	Minor children
3	Lump Sum	Spouse/minor children (50/50)
4	Lump Sum	Dependent children and minor children
5	Lump Sum	Estate
6	Lump Sum	Partner
7	Account based pension	Spouse
8	Account based pension	Minor children
9	Account based pension	Spouse/minor children (50/50)
10	Account based pension	Partner

<sup>1</sup> Specific definitions apply to each of these categories – see the MLC Life Cover Super Product Disclosure Statement for more information.

To find out which option suits your circumstances best, you should speak to your financial adviser and, where appropriate, legal and taxation professionals. The table on the reverse side summarises some of the key features, benefits and pitfalls associated with each of these options.

# Nominating beneficiaries for your insurance



	Option 1: Non-lapsing binding beneficiary nomination	Option 2: MLC Super Estate Optimiser (SEO) facility	Option 3: Non-binding beneficiary nomination
<b>Who can you nominate to receive your benefit?</b>	You can nominate for your death benefit to be paid to your estate or your 'dependants for super purposes'. These dependants can include your spouse, a child of any age, a financial dependant and a person in an interdependency relationship with the deceased.	You can only nominate for your death benefit to be paid according to one of the ten categories outlined on the reverse side. Dependants for super purposes excluded from these categories are: <ul style="list-style-type: none"> <li>• financial dependants other than dependant children,</li> <li>• people in an interdependency relationship with the deceased other than a same sex partner, and</li> <li>• independent adult children.</li> </ul>	You can nominate for your death benefit to be paid to your estate or your 'dependants for super purposes'. These dependants can include your spouse, a child of any age, a financial dependant and a person in an interdependency relationship with the deceased.
<b>Will beneficiaries (eg new children) be automatically included?</b>	<b>No.</b> If you want to add a new beneficiary, you will need to change your nomination.	<b>Yes,</b> provided that at the date of your death the new beneficiary meets the definition of the category you've selected.	<b>No.</b> If you want to add a new beneficiary, you will need to change your nomination.
<b>Can you exclude particular beneficiaries?</b>	<b>Yes.</b> Only the beneficiaries you nominate will be eligible to receive your benefit.	You can exclude particular categories of beneficiaries. However, when you choose a category (eg minor children) then all your beneficiaries that meet that category definition at the date of your death will be eligible to receive your death benefit.	<b>Yes.</b> You can exclude particular beneficiaries in your nomination. However this may not be effective if the Trustee decides to pay some or all of the benefit to those beneficiaries.
<b>Can the Trustee override your selection?</b>	<b>No.</b> Providing the nomination is valid, the Trustee must pay the death benefit in accordance with your instructions.	<b>No.</b> The Trustee must pay the death benefit according to the rules set out in the category of membership selection under the SEO facility.	<b>Yes.</b> While the Trustee will generally take into account your nomination, depending on the circumstances at the time of death and the circumstances of potential beneficiaries, they may decide to pay some or all of the benefit to another eligible beneficiary.
<b>Can you specify the manner in which benefits are paid (ie lump sum or account based pension)?</b>	<b>No.</b> However, the Trustee may allow your nominated beneficiaries to specify whether they want to receive a lump sum and/or account based pension.	<b>Yes.</b> But because you can only choose one category, you can only choose a lump sum or account based pension (not a combination of both).	<b>No.</b> However, the Trustee may allow your beneficiaries to specify whether they want to receive a lump sum and/or account based pension.
<b>Can you specify how much of your death benefit each beneficiary receives?</b>	<b>Yes.</b>	<b>Yes.</b> But because you can only choose one category, you can only choose a lump sum or account based pension (not a combination of both).	<b>Yes.</b> However the Trustee may decide to pay the benefit in proportions that don't reflect your nomination.
<b>How long is the nomination effective?</b>	Your valid nomination continues to be effective until it is cancelled by you. However, the nomination may be ineffective if your nominated beneficiary is no longer a dependant at the time of your death.	Your valid nomination is effective until it is cancelled by you. However, the nomination may be ineffective if your nominated beneficiary is no longer a dependant at the time of your death.	Your valid nomination is effective until it is cancelled by you. However, the nomination may become ineffective if your nominated beneficiary is no longer a dependant at the time of your death.

**Note: If you don't complete one of the options, your death benefit will be distributed at the Trustee's discretion. For more information on these options, you should refer to the MLC Life Cover Super Product Disclosure Statement.**

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