

Market Linked Pension Product Disclosure Statement (Part 1)

Issued: 30 November 2023

The Product Disclosure Statement (PDS) for Brighter Super's Market Linked Pension is made up of two parts:

- This *Market Linked Pension PDS* (Part 1) contains important information on how Brighter Super's Market Linked Pension works.
- *Pension Investment choice guide* (Part 2) provides detailed information about Brighter Super's investment options, the risks of investing and fees that apply to your account.

Brighter Super respects the privacy of your personal information. You can find out how we use and protect your personal details by getting a copy of our *Privacy Policy* from our website at brightersuper.com.au or call us on **1800 444 396** and we will send you a paper copy.

PLEASE NOTE: This product is a closed product, including to existing holders of Brighter Super products. The information contained in this PDS is for members holding an existing Brighter Super Market Linked Pension. This PDS will not be updated in future and is available for information purposes only. If you have any questions about your existing holding, please contact Brighter Super on **1800 444 396**.



SUPERANNUATION INVESTMENT ADVICE INSURANCE



This document has been prepared and issued by LGIASuper Trustee (ABN 94 085 088 484 AFS Licence No. 230511) (Trustee) as trustee for LGIASuper (ABN 23 053 121 564) (Fund), trading as Brighter Super. In this document, Brighter Super may refer to the Trustee or LGIASuper as the case may be. Brighter Super products are issued by the Trustee on behalf of Brighter Super.

right by your side

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Contact Brighter Super on **1800 444 396** or visit our website at brightersuper.com.au if you would like any further information.

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Brighter Super recommends that you should, before acting on this information, consider your own personal objectives, financial needs and situation. Brighter Super recommends you consult a licensed financial adviser if you require advice that takes into account your personal circumstances. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMD's at brightersuper.com.au/about-us/governance. Brighter Super has representatives that are authorised to provide personal advice on Brighter Super products and superannuation in general.

The information in this document is up to date at the date of preparation of the document. Some of the information may change following its release. If the change is not significant we may not update the document immediately. Current information about investment performance and other issues will be published on our website and in our newsletters. We will send you a free printed copy at your request. Where there is an inconsistency between this document and the Fund's rules as per the LGIAsuper Trust Deed and Government regulations, the rules in the Trust Deed and Government regulations shall prevail.

Let's keep growing

Our super pensions are a great way to enjoy a regular, tax-effective income in retirement.

Whether you're already retired, coming up to retirement, or looking to cut back your working hours, we can help.

From solid, long-term investment performance to good governance and a unique understanding of the needs of local communities, there are many reasons why Brighter Super members choose us to look after their financial future. Read on for more.

Value for money

We don't charge you to put money in or take money out of super, and you can switch between investment options as often as you like without charge.

We're a not-for-profit fund, so we only charge fees to run the fund. We don't have any shareholders to pay dividends to, and we don't pay commissions to financial advisers. We put our profits back into the fund for the benefit of all our members.

Trusted, reliable service

Brighter Super is a Queensland-based superannuation fund that has helped members and their families achieve a comfortable retirement since 1965.

Brighter Super offers its members both accumulation and retirement income stream products. It also provides investment, insurance and advice services.

Financial advice

Our trusted and reliable financial advice team can show you how to make your retirement savings work harder and make the most of your retirement.

Financial advice fees

Brighter Super offers members intrafund advice as part of the administration fees and costs. If you engage with a financial adviser and receive personal advice, the cost of this advice may be deducted from your account. Personal advice is where one or more of your personal objectives, financial situation and needs are considered when providing the advice. The financial adviser must also disclose the details of any advice fees in the Statement of Advice they provide to you. Brighter Super may at its discretion reduce or refuse to deduct a personal advice fee. Any personal advice fee may include GST.

Pay your financial advice fees from your Brighter Super account

We recognise that it's important for you to have access to financial advice. That's why you can provide your written consent for a fee to be deducted from your Brighter Super account to pay your financial adviser to provide you with advice on your superannuation account.

Please contact your financial adviser to discuss if this option works for you. If you don't have an adviser and would like to obtain financial advice, please call us on **1800 444 396**.

Investment choice

We offer a wide range of investment options, including single asset class and diversified options. You can select the option that suits your needs and objectives, or take more control and choose your own mix of investments. If your needs change, you can switch between options any time, without charge.

Benefits of investing in a Brighter Super Market Linked Pension

Superannuation pensions are designed to provide you with regular income to support your lifestyle leading up to, or in retirement.

A Brighter Super Pension can be a great way to invest your superannuation savings.

Here's why:

- It provides you with an automatic, regular payment direct to your bank account.
- You can choose how much income you receive each year, within guidelines set by the Australian Government.
- You can choose from fortnightly, monthly, quarterly, half-yearly or annual payments.
- If you die, your remaining account balance can be paid to a reversionary beneficiary as a pension, or as a lump sum to your dependants or the legal personal representative of your estate.

- You can choose from our 13 investment options to tailor your investment strategy, and nominate the option/s you want.
- Investment earnings are generally tax free for the Market Linked Pension.
- If you're aged 60 or more your pension payments are tax free. Before then, pension payments may be more tax effective than regular income or super lump sums.
- You don't lose access to your money.
- Being a not-for-profit fund means we aim to keep fees low.



Risks of investing in a Brighter Super Market Linked Pension

Super pensions, like all investments, carry risk.

Different investment options may have different levels of risk depending on the types of assets that make up the option.

Investment risk

Investments with a higher exposure to growth assets such as shares or property are more volatile than defensive assets such as cash or fixed interest, which means their value may go up and down in the short term. In return for this higher level of risk, growth assets generally provide higher long-term investment returns.

Legislative risk

Governments might change or introduce new legislation. This could affect your account balance, access to withdrawals from your pension, or the Centrelink or tax treatment of your pension.

Adequacy risk

How long do you expect your pension to last? Your pension may not last for the period you have planned for, or until you or your partner die. As you get older, you will need to draw a higher percentage of your account as a pension, which means your capital is likely to reduce over time.

More information on investment risks can be found in the *Pension Investment choice guide* that forms part of this PDS.

The value of your investment will vary over time, in line with fluctuating investment returns.

Future returns may differ from past returns, and are not guaranteed. It is possible that returns could be negative at times, which may result in your account balance decreasing. Historically, all asset classes have shown positive returns over the long-term, which means your account (disregarding withdrawals) should grow.

The level of risk you are comfortable with depends on a range of factors, including your age, investment timeframe, risk tolerance, and whether you have other investments.



How the Market Linked Pension works

The Market Linked Pension is designed to provide you with pension payments each year for a fixed term. Your account balance will change due to payments made to you, fees deducted and investment earnings, whether positive or negative.

Payment amounts change each year so that your remaining account balance is paid to you by the end of the fixed term.

With the exception of a few limited situations, you cannot make lump sum withdrawals from a Market Linked Pension.

Access to the Market Linked Pension is restricted by law. You may only commence a Market Linked Pension if:

- **You are the Reversionary Beneficiary* of an existing Market Linked Pension** – this will occur if you were nominated as a Reversionary Beneficiary by a Market Linked Pension member and that member has died.

*For more information on Reversionary Beneficiaries see page 14.

Please note: Market Linked Pension payments which commenced after 19 September 2007, from an existing Market Linked Pension, must meet certain conditions in order to retain any "assets test" exemptions available for Centrelink or the Department of Veterans Affairs purposes. It is recommended that you obtain advice from a licensed professional adviser before changing an existing Market Linked Pension if you wish to carry forward any such exemptions with your new Market Linked Pension.

Starting a Pension

If you are a Reversionary Beneficiary of a deceased Market Linked Pension member, their Market Linked Pension will continue to be paid to you.

A cap of \$1.9 million, known as the Transfer Balance Cap, applies to the total amount of super you can transfer into a pension account over your lifetime. This includes funds in other pension accounts you may have with other super funds, but doesn't include money transferred to a Transition to Retirement (TTR) pension. The cap will increase in increments of \$100,000, but if you already have money in a pension account (including a Market Linked Pension) you will only be eligible to use a portion of any cap increase.

The funds you use to commence your Market Linked Pension, or the balance of the Market Linked Pension you receive as a Reversionary Beneficiary, will count towards the \$1.9 million transfer balance cap.

Selecting your pension term

If you are the "Reversionary Beneficiary" of a Market Linked Pension that commenced before 20 September 2007, the age-based minimum annual payment levels set by the Federal Government does not apply. The minimum is a percentage of your account balance based on your age and is measured at commencement and each following 1 July.

Please note the Brighter Super Market Linked Pension is a closed product. The below information is for how members selected their pension term when the product was an open product.

You can select the term (how long your Market Linked Pension will last) within certain ranges set by the Federal Government.

These ranges are based on:

- your life expectancy; or
- your "Spouse's" life expectancy if you nominate your Spouse as a Reversionary Beneficiary and they have a longer life expectancy than you.

You can choose the term* of your Market Linked Pension as either:

- 1 your life expectancy; or
- 2 your life expectancy calculated as if you were up to 5 years younger at the time of commencement of your pension; or
- 3 a period not less than your life expectancy and not more than the greater of:
 - a. your life expectancy calculated as if you were up to 5 years younger at the time of commencement of your pension; and
 - b. the difference between your age last birthday and 100.

If you nominate your Spouse as your Reversionary Beneficiary and he or she has a longer life expectancy than yours, you have the following options for choosing the term* of your Market Linked Pension:

- your Spouse's life expectancy; or
- your Spouse's life expectancy calculated as if your spouse were up to 5 years younger at the time of commencement of your pension; or
- a period not less than your Spouse's life expectancy and not more than the greater of:
 - a. your Spouse's life expectancy calculated as if your spouse were up to 5 years younger at the time of commencement of your pension; and
 - b. the difference between your Spouse's age at their last birthday and 100.

**Market Linked Pension terms are based on life expectancies from the Federal Government Actuary's Australian Life Tables. These are updated periodically, however for reference the 2015/2017 are shown on page 7.*

To nominate your Spouse as a Reversionary Beneficiary, you must indicate this on the *Member Application form* before your pension commences. Once you have nominated a Reversionary Beneficiary, the nomination cannot be changed.

The permissible terms for a Market Linked Pension are shown in the table on page 7. Different figures apply to males and females. If your Spouse has a longer life expectancy than you and you nominate them as your Reversionary Beneficiary you may choose a term from the permissible range for either yourself or your Spouse.

If you are a Reversionary Beneficiary of a deceased Market Linked Pension member, your pension will continue for the remainder of the term of the original pension. However, if the term of the pension selected by the Brighter Super member was based on the member's life expectancy (not your life expectancy), you can choose to receive a lump sum.

You should seek financial and legal advice prior to determining the term for your Market Linked Pension or nominating a Reversionary Beneficiary.

EXAMPLE

Kerry is a 60 year old single female who has a Market Linked Pension in another super fund and elects to roll it over to a Brighter Super Market Linked Pension. Electing to use her life expectancy to choose the term of her Market Linked Pension and with reference to the table below, she has a range of 27 to 40 years from which to choose her term (based on average life expectancy statistics set by the Government).

Kerry chooses her life expectancy range, this means she can choose how many years her pension will last within the 27 to 40 years range. In this case she chooses a 28 year term. This term is fixed at the outset and cannot change once payment commences.

When the 28 year term is completed, Kerry will have exhausted her Market Linked Pension account and it will have a nil balance.

Permissible term in years

Age*	Male	Female
50	33-50	37-50
51	32-49	36-49
52	31-48	35-48
53	31-47	34-47
54	30-46	33-46
55	29-45	32-45
56	28-44	31-44
57	27-43	30-43
58	26-42	29-42
59	25-41	28-41
60	25-40	27-40
61	24-39	27-39
62	23-38	26-38
63	22-37	25-37
64	21-36	24-36
65	20-35	23-35
66	20-34	22-34
67	19-33	21-33
68	18-32	20-32
69	17-31	20-31
70	16-30	19-30
71	16-29	18-29
72	15-28	17-28
73	14-27	16-27
74	13-26	15-26
75	13-25	15-25
76	12-24	14-24
77	11-23	13-23
78	11-22	12-22
79	10-21	12-21
80	10-20	11-20
81	9-19	10-19
82	8-18	10-18
83	8-17	9-17
84	7-16	8-16
85	7-15	8-15

*Age of the applicant or "Reversionary Beneficiary"

Australian Life Tables 2015-2017

Age*	Male	Female
50	32.84	36.14
51	31.93	35.21
52	31.03	34.27
53	30.13	33.34
54	29.24	32.42
55	28.35	31.49
56	27.47	30.57
57	26.60	29.66
58	25.73	28.75
59	24.87	27.84
60	24.02	26.93
61	23.17	26.03
62	22.33	25.14
63	21.50	24.24
64	20.67	23.36
65	19.86	22.47
66	19.04	21.60
67	18.24	20.73
68	17.45	19.87
69	16.67	19.02
70	15.90	18.18
71	15.14	17.35
72	14.39	16.53
73	13.66	15.73
74	12.95	14.93
75	12.25	14.15
76	11.57	13.39
77	10.90	12.64
78	10.25	11.90
79	9.63	11.18
80	9.02	10.49
81	8.44	9.81
82	7.89	9.16
83	7.36	8.54
84	6.86	7.94
85	6.39	7.37

*Age of the applicant or Reversionary Beneficiary

How much will I be paid?

You can choose how much income you are paid each year between minimum and maximum amounts that are determined by a formula set by the Federal Government. A standard payment amount is calculated by dividing your account balance by a payment factor that depends on the number of years remaining for the term of your Market Linked Pension (see the *Payment factors* table on page 9). This standard payment amount is then used to work out the minimum and maximum payment amounts that you can choose between.

The payment amount options available include:

- the standard pension payment; or
- an amount between 90% of the standard pension payment (the minimum) and 110% of the standard pension payment (the maximum).

The age-based minimum does not apply if you are the “Reversionary Beneficiary” of a Market Linked Pension that commenced before 20 September 2007. The minimum is a percentage of your account balance based on your age and is measured at commencement and each following 1 July.

Please see the below table for more information.

Age at 1 July each year	Minimum annual payment percentage
55-64	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95+	14%

If you nominated an annual pension payment less than the minimum requirements, we will increase your payment to the minimum requirement. If you do not nominate a payment option, you will receive the standard pension payment.

Payments are rounded to the nearest \$10.

Payment factors

Remaining term in years	Payment Factor	Remaining term in years	Payment Factor
50	23.46	25	16.48
49	23.28	24	16.06
48	23.09	23	15.62
47	22.90	22	15.17
46	22.70	21	14.70
45	22.50	20	14.21
44	22.28	19	13.71
43	22.06	18	13.19
42	21.83	17	12.65
41	21.60	16	12.09
40	21.36	15	11.52
39	21.10	14	10.92
38	20.84	13	10.30
37	20.57	12	9.66
36	20.29	11	9.00
35	20.00	10	8.32
34	19.70	9	7.61
33	19.39	8	6.87
32	19.07	7	6.11
31	18.74	6	5.33
30	18.39	5	4.52
29	18.04	4	3.67
28	17.67	3	2.80
27	17.29	2	1.90
26	16.89	1 or less	1.00

Choice of the Frequency of Your Regular Income Payments

You can choose from five regular payment frequency options:

- fortnightly,
- monthly,
- quarterly,
- half-yearly and
- annually.

We will write to you each year in July and ask you to select your preferred payment frequency option for that financial year. The Fund's pension payments will be processed in time to be credited to your bank or other financial institution account monthly, around the 28th day of each month, unless you choose another regular payment period. If you have nominated to have your pension payments made fortnightly, payments will be processed in time to be credited to your bank or other financial institution every second Wednesday.

If you choose either the quarterly, half-yearly or annual payment frequency options, we will ask you to specify which month you would like your payments to commence.

Can I vary my Pension Payments?

You can vary the amount of your pension payments on an annual basis within the minimum and maximum limits.

In July each year you will be notified by the Fund of your payment options for the coming financial year. These will be based on your account balance and the remaining term of your pension in whole years. If you commenced your pension between 1 January and 30 June, your remaining term in years will be rounded up. If you commenced your pension between 1 July and 31 December, your remaining term will be rounded down.

If you do not notify us of a change to your payment option, your annual pension payment will be based on your annual pension payment for the previous financial year, unless your annual pension payment needs to be adjusted so it remains within the minimum and maximum limits. If your payment amount is above the maximum limit, it will be reduced to the maximum. If it is below the minimum limit then it will be increased to the minimum.

Can I make a lump sum withdrawal?

Lump sum amounts can only be withdrawn from your account in limited circumstances, for example, if we receive a superannuation surcharge assessment for you or to give effect to a family law split.

You can however choose to roll over your pension to another fund's Market Linked Pension that provides Market Linked Pensions (or term allocated pensions), or you may be eligible in some circumstances to recommence a Market Linked Pension in the Fund.

If you are the recipient of a family law split from a member who has a Market Linked Pension, we will pay the amount of your split as a lump sum.

Please note: Members should obtain personal financial advice before changing their Market Linked Pension arrangements. The Fund provides access to a team of financial advisers who can provide members with professional financial advice services.

How pensions are taxed and Centrelink treatment

Super is generally subject to lower tax rates than investments held outside super which are taxed at your marginal tax rate.

To avoid paying more tax than you need to, it is important that:

- you provide your tax file number (TFN) to Brighter Super. If you don't provide your TFN, Brighter Super is required to withhold 47% of the tax element of a pension if you are under age 60.

Brighter Super will only use your TFN for purposes that the law allows. These purposes include calculating tax on your benefits, providing your TFN to the Australian Taxation Office (ATO), providing your TFN to another superannuation provider if you transfer your benefit (unless you tell us in writing not to pass on your TFN) or for identifying if you have other accounts and consolidating them.

The following is a brief summary of the current taxation rules related to Market Linked Pensions. Taxation rules are complex and can vary according to individual circumstances.

Please note: It is important for you to seek professional advice before you make changes to your Market Linked Pension. One of our financial advisers can assist with any queries you may have.

Tax Treatment on Payments

If you are age 60 or more - Any pension payments you receive will be tax-free. Therefore, you will not have to include them in your income tax return.

If you are a Reversionary Beneficiary and the member was age 60 or more at time of death - Any pension payments you receive will be tax-free. Therefore, you will not have to include them in your income tax return.

If you are under age 60 - Any pension payments you receive will be split into a tax-free component and a taxable component on a proportional percentage basis. These proportions were established when your Market Linked Pension was commenced. Thereafter, you can only withdraw amounts from your Market Linked Pension on this proportional basis.

How your Market Linked Pension payments or lump sum withdrawals are taxed if you are under age 60

PAYMENT TYPE	YOUR AGE	MAXIMUM TAX RATES (INCLUDING 2% MEDICARE LEVY)	
		TAX-FREE COMPONENT	TAXABLE COMPONENT
Regular Pension Payments	55 to 59	0%	Marginal tax rates with a 15% tax offset
	Under 55	0%	Marginal tax rates. If your pension payment includes a disability benefit you may also be entitled to a 15% tax offset
Lump Sum Withdrawal	55 to 59	0%	Up to the low rate cap ¹ : 0% Above the low rate cap ¹ : 17%
	Under 55	0%	22%

¹ The low rate cap is \$235,000 for 2023/24. If you have previously received benefits that have been applied to the low rate cap, the amount of the cap available to you will be reduced by those amounts.

Tax on Investment Earnings

Investment earnings on your Market Linked Pension account are tax free.

Tax Offset

Members under the age of 60 who commence a pension may be eligible to receive the 15% tax offset on the taxable component of their Market Linked Pension. Members eligible for the 15% offset have:

- attained their preservation age; or
- are receiving the Market Linked Pension as a result of invalidity; or
- are receiving the Market Linked Pension as a result of the death of the primary Beneficiary.

Taxation on Death Benefits

The tax that is payable on your benefits in the event of your death, if any, depends on who receives the Death benefit and in what form it is paid (lump sum or pension).

Benefits paid to Dependants (as defined under tax law) on the death of a member are currently tax-free.

However, anyone who is not a Dependant for tax purposes, may be required to pay some tax on the amount they receive.

Tax will be applied to Death benefits as per the table below:

TYPE OF DEATH BENEFIT	AGE	MAXIMUM TAX RATES (INCLUDING 2% MEDICARE LEVY)		
		TAX-FREE COMPONENT ¹	TAXABLE COMPONENT ¹	
Lump sum paid to a tax Dependant	Any age	0%	Tax element	Untaxed element
			0%	0%
Lump sum paid to a non-tax Dependant	Any age	0%	17%	32%
Pension Death benefit	Either the deceased OR the Beneficiary is aged 60 or more	0%	0%	Marginal tax rates with 10% tax offset
	Both the deceased AND the Beneficiary are under 60	0%	Marginal tax rates with a 15% tax offset	Marginal tax rates

¹ Assumes Beneficiary has supplied their TFN.

If the benefit is paid to your Legal Personal Representative and is to be distributed to your tax Dependants, the benefit will still be received tax-free by the tax Dependants. However, if the ultimate beneficiaries of your estate are non-dependants for tax purposes, the taxable component of the Death benefit will be taxed as if they had been paid the benefit directly.

Deducting Tax from Your Payments

Generally, where tax may be payable on Market Linked Pension payments, lump sum withdrawals or Death benefits, the Fund is required to withhold tax before making the payment. As with tax deducted from your wages through the Pay As You Go (PAYG) system, any tax withheld will be listed on a PAYG Payment Summary issued to you at the end of the year and you will receive a tax credit for this money. The final amount of tax you will pay, if any, is dependent on any income you might receive from other sources and is worked out when you lodge your tax return.

Tax Deductions

Any tax deductions obtained by the Fund, benefit members indirectly by affecting the Fund's total assets. Each year the Fund prepares and lodges a statement of accounts, which includes any applicable tax deductions and refunds of GST.

Centrelink treatment

If you apply for a pension or other payments from Centrelink or the Department of Veterans' Affairs these government departments will take into account your Market Linked Pension and apply an Income test and an Assets test. For more information please visit the ATO website.

Using a Financial Adviser

For help managing your Brighter Super account, you may wish to speak to a registered financial adviser. Brighter Super have a team of in-house financial advisers who can assist you, or you can also nominate another registered adviser of your choice.

You do not need a financial adviser to open or maintain a Brighter Super account, however you may appoint a financial adviser as your Listed Adviser, and provide them with limited transaction authority to make changes to your account via the adviser online portal.

By providing your financial adviser with limited transaction authority, you authorise the named adviser, and their authorised delegates, access to the details of your account(s) to perform the following activities on your behalf via the adviser online portal:

- Make additional contributions
- Change current and future investment strategies
- Search for your lost super and consolidate
- Change pension payment amounts and frequency
- Request information about your account and copies of any documents provided by us in relation to it

With a limited transaction authority, your adviser cannot:

- Transact via your online personal account
- Request a withdrawal or transfer on your behalf
- Request a payment to someone other than you
- Appoint other authorised third parties
- Change any fees or charges without your written authority
- Change your address or contact details

If your circumstances change and this authority is no longer consistent with your needs, you can cancel or change your nomination at any time by contacting us.

As part of normal business practice, advice businesses may be sold, a new adviser may take over a book of clients, or an adviser may transfer from one licensee to another. Where this occurs, a new adviser may be nominated on your account, or the licensee attached to your account may change without your direction.

Where your account is transferred to a new licensee or adviser they (and their delegates) will be authorised to access information regarding your account(s).

Your periodic statement and other communications will contain details of the adviser nominated on your account.

What happens to your pension if you die?

In the event of your death, the remaining balance of your pension account, if any, is payable as a Death benefit. The benefit payable will comprise the value of your pension account less any outstanding fees and taxes.

Who you can nominate

You can nominate the following people as beneficiaries:

- Your spouse — married, de facto or same-sex partner.
- Your children — including step-children, adopted children, mature-age children or the child of a spouse.
- Someone in an interdependent relationship with you (someone who lives with you and shares a close personal relationship where one or both of you provide financial and domestic support, and personal care of the other).
- Your legal personal representative (i.e. Executor of your Will or the administrator of your Estate).
- Financial dependants (such as someone who relies on you financially).

Different conditions apply for reversionary beneficiary nominations.

Nominating who will receive your benefits

Before we pay a death benefit, Brighter Super will look at whether you have advised us who you would prefer to receive your money. You can do this in one of four ways:

- **Preferred beneficiary nomination:** A preferred beneficiaries nomination is not binding, meaning that we will have discretion to decide who will receive your Death benefit. Upon your death, we will consider your nomination but will take into account a range of other factors (such as the personal circumstances of your dependants) when making a decision about who will receive your benefit.
- **Binding death benefit nomination:** A valid binding Death benefit nomination is binding. This means that we must pay your Death benefit to your nominated dependents or legal personal representative in accordance with your instructions, without taking into account any other factors. A binding death benefit nomination lapses after three years.
- **Non-lapsing death benefit nomination:** A valid non-lapsing Death benefit nomination is also binding. We will pay your Death benefit in accordance with your instructions if we have consented to the nomination and it is still valid.
- **Reversionary beneficiary nomination:** A valid reversionary beneficiary nomination allows you to have your pension continue to be paid as a pension to your beneficiary (generally your spouse).

Before nominating a reversionary beneficiary, you should discuss the implications with Brighter Super or your financial adviser, as the pension payment may affect the reversionary beneficiary's overall financial position including their taxation situation and/or Centrelink entitlements.

You can only nominate one of the people listed under the *Who you can nominate* section as your reversionary beneficiary, except your estate or legal personal representative. If you nominate a child over 18 years old, they must be:

- permanently disabled, or
- younger than age 25 and financially dependent on you immediately before your death.

Unless your child has a qualifying disability the reversionary pension must cease and be paid out as a lump sum when the child turns age 25.

Death of Primary Pension Recipient

If you are receiving a Market Linked Pension as a member of the Fund (as a result of a "Rollover" or recommencement), in the event of your death the Trustee must pay your benefit to one or more of your "Dependants (under superannuation law)" and/or your "Legal Personal Representative".

To choose who will receive your benefit in the event of your death, you have four estate planning options (only one option can be selected per pension account):

- a "Reversionary Beneficiary" option;
- a binding Death benefit nomination;
- a non-binding Death benefit nomination; or
- a non-lapsing Death benefit nomination.

Death of Reversionary Beneficiary

If you are receiving a Market Linked Pension as a "Reversionary Beneficiary" after the death of a member of the Fund, in the event of your death the Trustee must pay your benefit either:

- to one or more of your "Dependants (under superannuation law)" and/or your "Legal Personal Representative"; or
- to one or more of the "Dependants (under superannuation law)" of your deceased "Spouse" or to the "Legal Personal Representative" of your deceased "Spouse".

Your estate planning options are:

- a non-binding nomination;
- a binding Death benefit nomination; or
- a non-lapsing Death benefit nomination.

The most appropriate nomination will depend on your personal circumstances, and the eligibility rules are complex. As there may be taxation and other implications to consider, we recommend that you seek professional advice before making your nomination.

Reversionary Beneficiary

Where you are eligible to nominate a Reversionary Beneficiary, you may only nominate your Spouse. If you do nominate a Reversionary Beneficiary, in the event of your death, we must continue to pay the remaining balance of your pension account (if any) to your nominated Reversionary Beneficiary. The pension will automatically continue to be paid until the account balance is exhausted, or for the remaining term, whichever occurs first. If the term of your pension is based on your Spouse's age, the pension must revert to your Spouse on death and cannot be commuted until after the death of your Spouse. Alternatively, if the term of your pension is based on your age, your Reversionary Beneficiary may choose to take a lump sum, rather than continue to receive the pension payments upon your death.

A Reversionary Beneficiary nomination can only be made when you start your Market Linked Pension, and cannot later be changed without you commuting your pension and starting a new one.

If the Reversionary Beneficiary can no longer receive a Death benefit (e.g. your Spouse dies before you), you cannot nominate a new Reversionary Beneficiary. However, you can make a binding, non-binding or non-lapsing nomination in favour of another Dependant (under superannuation law). If you wish to select the Reversionary Beneficiary option, you must make the nomination on the Market Linked Pension Application Form before your pension commences.

Please note: *Your nomination cannot be changed once your Market Linked Pension commences.*

How is a Death benefit taxed?

If your Death benefit is taken as a pension it will be tax-free as long as it is paid to a dependant, and one or both of you are aged 60 or more at the time of your death. In other circumstances tax may be payable. For example, when paid to someone who was not financially dependent on you at your time of death, such as an independent adult child, the taxable component will be taxed at up to 17% including the Medicare levy.

After your death

Once Brighter Super is notified of your death, we will write to the person who contacted us or your known next of kin outlining our requirements for claiming a death benefit. We will also transfer the balance of your account into the Cash investment option once the death certificate is received, except where your benefit is to be paid to a reversionary beneficiary.

Insurance

Brighter Super's pension products do not provide insurance cover. If you have another Brighter Super Accumulation account you may have insurance through that account. See the Product Disclosure Statement that relates to your account for more information.

Family law and superannuation

Superannuation held by couples who have separated or divorced can be divided by agreement or court order. If you were to split your superannuation in this way, a separate account would be created for your former spouse, and they could then remain a member of Brighter Super or transfer this money to another fund. Contact us on **1800 444 396** for more information.

Other information

Who manages Brighter Super

Trustee

Brighter Super products are issued and managed by LGIASuper Trustee (ABN 94 085 088 484) (AFSL 230511) (Trustee) as trustee for LGIASuper (ABN 23 053 121 564), trading as Brighter Super.

Trustee directors

The Trustee has Employer Representative Directors, Member Representative Directors and Independent Directors.

The directors are named on the Fund's website at brightersuper.com.au.

Trust Deed

The Trust Deed is the legal document that sets out the rights and duties of the Trustee, the members and contributing employers. It also sets out the rules for payment of benefits from the Fund.

The Trust Deed can be amended, for example, to reflect changes in legislation (you will be informed of significant amendments to the Trust Deed in the Annual Report).

Trustee liability insurance

The Trustee is covered by insurance in respect of claims made against the Trustee. The Trustee is not insured for liability arising from dishonest conduct on their part.

Service Providers

The Trustee uses a range of specialist, professional service providers (e.g. banker, auditor, actuary, investment managers etc.) to look after the Fund and its investments. A list of the Fund's service providers is available at brightersuper.com.au.

Keeping in touch

The information in this PDS is up to date at the date it is prepared. However at the time you receive the PDS, some information in the PDS that is not materially adverse may have changed.

Updated information can be found on our website at brightersuper.com.au or by contacting us on **1800 444 396**. We will send you a free paper copy of any updated information on request.

Complaints

We hope you are happy with Brighter Super and the service we provide. If you are unhappy we have a complaints handling process. Contact details for our Complaints officer are:

Email complaints@brightersuper.com.au
Phone **1800 444 396**
Post Complaints Officer
Brighter Super
GPO Box 264 Brisbane Qld 4001

If you believe our internal complaints process has not satisfactorily resolved your complaint, you can contact the Australian Financial Complaints Authority (AFCA). This is an independent body set up by the Australian Government to help members resolve certain types of complaints with fund trustees.

To find out whether AFCA is able to handle a complaint you can contact them on the details below.

Post Australian Financial Complaints Authority
GPO Box 3
MELBOURNE VIC 3001
Website www.afca.org.au
Email info@afca.org.au
Phone 1800 931 678

You can find out more on our procedures by downloading a copy of our *Enquiries, concerns and complaints info sheet* from our website or call us and we can post a free copy to you.

Privacy

Brighter Super respects the privacy of your personal information. You can find out how we use and protect your personal details by getting a copy of our *Privacy policy* from our website at brightersuper.com.au, or call us on **1800 444 396** and we will send you a paper copy.

Need advice or
help completing a form?
Call our trusted and reliable team
on **1800 444 396**.





right by your side

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SUPERANNUATION | INVESTMENT | ADVICE | INSURANCE

LGIAsuper Trustee (ABN 94 085 088 484 AFS Licence No. 230511) (Trustee) as trustee for LGIAsuper (ABN 23 053 121 564) (Fund), trading as Brighter Super. Brighter Super products are issued by the Trustee on behalf of the Fund.