

PENSION VARIATION – NON-REVERSIONARY TO SPOUSE REVERSIONARY

(Changing a pension from being non-reversionary to
being reversionary to the spouse of the member)

Lynn Margaret Phillips

2020-21

Important note as to use

1. This document permits the variation of a non-reversionary pension to be a reversionary pension which will be payable to the spouse of the member.
2. Only individuals who are dependants (within the meaning of the SIS Act) of the member receiving the pension can be nominated as the reversionary beneficiary.
3. This document only applies to an account pension; i.e. account-based pension or a transition to retirement pension.
4. The document is only relevant to an account based pension or a transition to retirement pension issued by a Superannuation Fund which has adopted either the SUPERCentral Governing Rules or the Townsends Business & Corporate Lawyers Governing Rules as the governing rules of the fund.
5. The document can be used by both corporate and by individual trustees.
6. The document is a general template only and may have to be modified to suit the circumstances and requirements of individual members.
7. Before varying the pension, determine (and if necessary obtain expert advice) whether the variation will have any adverse Centrelink implications – such as changing the Income Test status of the pension.

For example, will varying the pension be treated for Centrelink purposes as changing the pension from a 'pre-1 January 2015' pension (i.e. a pension which is subject to the 'deductible amount test') to a 'post-31 December 2014' pension (i.e. a pension which is subject to the 'deeming test')?

Steps to vary a pension to a spouse reversionary pension

1. Confirm that the pension is an account-based or transition to retirement pension which is not currently a reversionary pension.
2. Confirm that the individual who is to be the reversionary beneficiary is a SIS Act dependant of the member.
3. Confirm that the terms of the pension permit the pension to be varied to nominate a reversionary beneficiary.

The terms of the pension may restrict or limit the ability of the pension to be varied.

4. Complete Part A – insert details of the superannuation fund, the trustee and the pension which is to be varied.
5. Complete Part B – Pension Details.
6. Complete Part C – member request and reversionary beneficiary consent details.
7. Complete Part D – Trustee Resolutions – these resolutions may have to be modified.
8. Sign Part E – trustees/directors to sign and date.

Part A – Parties

Item 1 The Superannuation Fund

Fernbank Superannuation Fund

ABN 95 266 953 480

Item 2 The Trustee

Fern Superannuation Pty Ltd

ACN 604 427 661

Item 3 The Member

Lynn Margaret Phillips

Item 4 The Proposed Reversionary
Beneficiary

Raymond Geoffrey Adams

Part B – Pension Details

Item 5 The Pension

Account-Based pension for Lynn Margaret Phillips which commenced on 01/07/2015 payable from the Superannuation Fund

Account-Based pension for Lynn Margaret Phillips which commenced on 01/07/2016 payable from the Superannuation Fund

Account-Based pension for Lynn Margaret Phillips which commenced on 01/07/2019 payable from the Superannuation Fund

Item 6 The Pension Variation Date

(insert date on which the variation to the pension is to take place)

30 / 03 / 2024

Part C – Reversionary Beneficiary Nomination Form

By signing this Part the Member (Identified in Item 3) requests the Trustee (Identified in Item 2) to vary the terms of the Pension (Identified in Item 5) which is payable from the Superannuation Fund (Identified in Item 1) with effect on and from the Pension Variation Date (Identified in Item 6) so that on the death of the Member, the Pension will automatically transfer to the Proposed Reversionary Beneficiary (Identified in Item 4) and be payable to the Proposed Reversionary Beneficiary.

Member sign here



Member's full name

Lynn Margaret Phillips

Date of signing

30/03/2021

By signing below the Proposed Reversionary Beneficiary:

- (a) confirms that they consent to being nominated as the Reversionary Beneficiary in respect of the Pension;
- (b) understands and expressly acknowledges that their nomination as the Reversionary Beneficiary is revocable and may be altered at any time by the Member without notice being provided to the Reversionary Beneficiary;
- (c) understands and expressly acknowledges that their nomination as Reversionary Beneficiary may be altered at any time by the Member replacing them with another Reversionary Beneficiary or by removing them as the Reversionary Beneficiary without appointing a replacement Reversionary Beneficiary;
- (d) understands and expressly acknowledges that while the Member is alive, no pension payment can or will be made to them;
- (e) understands and expressly acknowledges that the Member may change the amount of pension being paid to the Member and may commute in part or in whole the pension to a superannuation lump sum payable to the Member thereby (in the case of a partial commutation) reducing the value of any pension which may be payable to them or terminating the pension entirely (in the case of a full commutation);
- (f) understands and expressly acknowledges that the pension account balance at the time of transfer to them will not be a specific amount and no guarantee or warranty is provided to them that the pension account balance at the time of transfer will be a specific or minimum amount;

- (g) understands and expressly acknowledges that if they survive the Member and have remained nominated as the Reversionary Beneficiary in respect of the Pension, then they will become a member of the Superannuation Fund, in which case they agree to be bound by the terms of the Governing Rules of the Superannuation Fund as they are amended from time to time;
- (h) understands and expressly acknowledges that should the Pension transfer to them they must, if not already a trustee or director of the corporate trustee, be appointed as a trustee or as a director of the corporate trustee within six months of the transfer of the Pension;
- (i) understands and expressly acknowledges that the terms of the Pension (as proposed to be modified) will apply to the Pension when the Pension transfers to them;
- (j) understands and expressly acknowledges that the total pension payments in any financial year must not be less than the minimum statutory amount calculated in accordance with Schedule 7 of the SIS Regulations;
- (k) understands, accepts and agrees that the Trustee may increase the pension payments in any financial year to ensure that the minimum statutory amount has been paid in respect of that year;
- (l) understands, accepts and agrees that the Pension will not transfer to the Reversionary Beneficiary if, at the time of the death of the Member, they are not a dependant of the Member as that term is defined in s10(1) of the *Superannuation Industry (Supervision) Act, 1993*;
- (m) expressly authorises the Trustee to use their Tax File Number for superannuation purposes.

Reversionary Beneficiary sign here



Reversionary Beneficiary's full name

Raymond Geoffrey Adams

Date of Signing

22/4/2021

Reversionary Beneficiary's current
residential address

48 Ford Street BELLINGEN NSW 2454

Reversionary Beneficiary's date of birth

08/09/1943

Part D – Trustee Resolutions

Background

1. **Noted** that the Pension is currently being paid from the Superannuation Fund in respect of the Member.
2. **Noted** that the Member has requested the Trustee to vary the terms of the Pension so that the Pension will automatically transfer to the Reversionary Beneficiary on the death of the Member.
3. **Noted** that the current terms of the Pension permit the requested variation.
4. **Noted** that Rule 15.7 of the Governing Rules of the Superannuation Fund permit the requested variation.

Substantive Resolution

5. **Resolved** that the terms of the Pension (identified in Item 5) are, on and from the Pension Variation Date (identified in Item 6), varied so as to include the following term:

“Transfer of Pension to Reversionary Beneficiary

On the death of the Member the Pension will automatically transfer to and be payable to the Reversionary Beneficiary if the following conditions are all satisfied as at the date of death of the Member:

- (i) the Reversionary Beneficiary has survived the Member;
- (ii) the Reversionary Beneficiary has not prior to the death of the Member been removed or replaced as the Reversionary Beneficiary; and
- (iii) the Reversionary Beneficiary is a dependant of the Member as that term is defined in s10(1) of the *Superannuation Industry (Supervision) Act 1993*.”

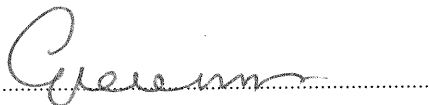
6. **Resolved** that in all other respects, the terms of the Pension are unchanged.

Consequential Matters

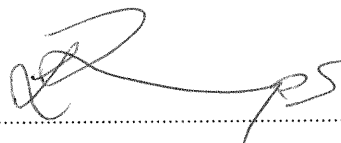
7. **Noted** that a Pension PDS is only required to be issued to the Reversionary Beneficiary if and when the Pension transfers to the Reversionary Beneficiary.
8. **Noted** that the variation of the pension from non-reversionary to being reversionary is not an event which has any transfer balance account impact.

Part E – Signing & Dating

Signed as a Written Resolution of Fern Superannuation Pty Ltd ACN 604 427 661 the Trustee of Fernbank Superannuation Fund



Raymond Geoffrey Adams
Director



Lynn Margaret Phillips
Director

Dated: 30 / 3 / 2021

Note: In the case of companies the written resolutions will be effective only if the constitution of the company permits written resolutions to be made or if s248A or s248B of the *Corporations Act 2001* applies.