

Estate planning

Generally, superannuation does not form part of your estate unless the trustee of the superannuation fund pays your member 'death benefits' (the balance of your superannuation account) directly to your estate.

Matters you should look into:

- > is your Will up to date?
- > does someone you trust have the authority to act on your behalf if you are unable to handle your affairs?
- > do you need to nominate a beneficiary for your superannuation fund?

Vision Super is not licensed to provide you with personal advice on your Will. However, we can provide you with some general information on estate planning. We recommend you seek legal advice prior to finalising anything in relation to your estate matters

Wills

A Will is a legal document that describes who will receive your assets, and in what proportion after your death.

For a Will to be valid it must:

- > bear your signature
- > be properly witnessed and
- > nominate an executor.

The executor is the person who takes responsibility for ensuring that the instructions contained in your Will are carried out accurately. Being an executor is a very responsible position and it can be quite onerous. In some instances, disgruntled beneficiaries can sue executors. You should appoint a responsible individual or company as your executor.

Making a Will is essential if you want your assets to be distributed in accordance with your wishes. If you die without making a Will, you die "intestate". When this occurs, the State government administers the assets you held at death. This may mean delays in the administration of the estate; assets being split up instead of remaining intact and possibly less attractive tax treatment.

It is also essential to ensure that your Will is up to date. This ensures that your intended beneficiaries gain the full benefit of your estate. There are many instances where separation or remarriage occurs, having a significant impact on the desired asset distribution at death. Such changed desires should be recorded in an updated Will. Divorce does not revoke a Will. Marriage can revoke a Will.

When a member of a super fund passes away and the member has binding nominated beneficiaries then the Trustee of the super fund will allocate the funds according to the instructions given by the member (provided they are valid according to superannuation law).

Powers of Attorney

A power of attorney allows a nominated person (the attorney) to act in your place, as though he or she were you.

A power of attorney is useful where you:

- > plan to be uncontactable (for example, on an overseas holiday) for long periods of time and need someone to manage your affairs in your absence
- > become incapable of managing your own affairs
- > wish to make provision for your medical treatment in the event that you become incapable of making such decisions for yourself.

If you become incapacitated from managing your own affairs and you don't have a power of attorney in place, one of a number of government agencies can take control of your affairs and assets.

What are three types of power of attorney?

1 General power of attorney

A general power of attorney terminates automatically upon your death or supervening mental incapacity. It is really only useful where you know that you will only require an attorney for a limited time, such as during an extended overseas or interstate holiday.

2 Enduring powers of attorney

Enduring powers of attorney continue to be effective after you cease to be competent to manage your own affairs, perhaps because of dementia or some other form of mental degeneration. Enduring powers of attorney do not authorise the attorney to make decisions concerning your medical treatment.

3 Enduring powers of attorney (medical treatment)

An Enduring power of attorney (medical treatment) allows the attorney to make decisions about your medical treatment in the event that you become incapacitated from making those decisions yourself. This power doesn't become effective until you become incapacitated from making decisions about medical treatment for yourself.

Please note: The power of attorney will specify when the Attorney can commence acting on behalf of the Principal (i.e., you). Powers of attorney automatically ceases immediately on the death of the Principal and no longer be validly used by the Attorney.

Need more help?



We know super inside out, so you don't have to worry!

If you would like further information about boosting your super, or any of our products and services, please call our Member Services team on **1300 300 820**. You can also refer to our website for forms and other fact sheets.

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