

Applying for terminal medical condition benefits

The Government has special rules that allow a person with a terminal medical condition to have their money released from their super tax-free to be used as they wish. Applying for the release of super on the grounds of a terminal medical condition will allow you to quickly access this money if this situation applies to you.

How is terminal medical condition defined?

A person is considered to be suffering a terminal medical condition if two doctors certify the person is likely to die within 12 months. The legislative definition is:

- two registered medical practitioners have certified, jointly or separately, that you suffer from an illness, or have incurred an injury, that is likely to result in your death within a period (the certification period) that ends not more than 12 months after the date of certification;*
- at least one of the registered medical practitioners is a specialist practicing in an area related to the illness or injury suffered by the person;*
- for each of the certificates, the certification period has not ended.*

How much would you be entitled to?

If you are assessed as suffering a terminal medical condition, you are entitled to cash-out your entire Sunsuper account balance. Additionally, if you have life insurance cover, you could apply to receive the amount you are insured for at the date of the most recent written certification¹, generally up to a total of \$3 million (please refer to the *Product Disclosure Statement (PDS)* for more information). Any Death cover you have over this amount will remain as your new life insurance cover, provided premiums continue to be paid and a minimum balance is maintained, otherwise your insurance will stop once the benefit has been paid.

¹ Date of most recent written certification means the date your doctor signs the written certification that certifies you suffer from an illness, or have incurred an injury, that is likely to result in your death within 12 months from the date of that certification.

It's important to note that not every member of Sunsuper is insured. Check your *Annual statement*, or contact us on **13 11 84** if you are unsure. If you have insurance and you would like to access your entitlements, then you will also need to satisfy the insurer's medical certification requirements. With insurance, generally the medical certification must come from two specialists (please refer to your PDS).

If you are currently receiving an Income Protection payment through Sunsuper, it will continue to be paid, subject to the relevant benefit period, terms and conditions.

How much will I be paid?

It is important to note that the amount of any insurance benefit payable is determined at the date of the most recent written certification¹. The insurance benefit amounts shown on your *Annual Statements* or online are as at a specific time and may be different than the amount at the date of the most recent written certification*. It is also important to note that any increases to benefit levels may be subject to 'at work' certification. Refer to the PDS or contact us for further information.

Are there any tax implications?

Before taking your money early, you should investigate whether there may be tax implications for your dependents. (For example, eligibility for anti-detriment payments will change if a benefit amount is cashed out before death.) We recommend you speak to a financial advisor to discuss your options in more detail. Our qualified financial planners² in our Member Advice Centre can help on **13 11 84**.

² The financial planners in the Member Advice Centre provide general and scaled advice over the phone as representatives of Sunsuper Financial Services Pty Ltd (ABN 50 087 154 818, AFSL 227 867). More complex financial planning services are only provided by Sunsuper Financial Services, a wholly owned subsidiary of Sunsuper Pty Ltd.

Disclaimer and disclosure This fact sheet has been prepared and issued by Sunsuper Pty Ltd, referred to as 'Sunsuper'. While it has been prepared with all reasonable care, no responsibility or liability is accepted for any errors, omissions or misstatements however caused. All forecasts and estimates are based on assumptions. If those assumptions change, our forecasts and estimates may also change.

This fact sheet contains general information only and does not take into account the objectives, financial situation or needs of any particular individual. You need to apply the concepts to your own situation and consider the appropriateness of any general advice before making an investment decision. You should obtain and consider the Product Disclosure Statement (PDS) before making any decision to acquire the product. The PDS is available by calling 13 11 84 or visiting sunsuper.com.au.

Sunsuper Pty Ltd
ABN 88 010 720 840
AFSL No. 228975
Trustee and issuer of the
Sunsuper Superannuation Fund
ABN 98 503 137 921
SPIN SSR 0100 AU

 13 11 84 (+61 7 3121 0700 when overseas)
 sunsuper.com.au
 GPO Box 2924 Brisbane Qld 4001
 07 3016 7722
 twitter.com/sunsuper

THE APPLICATION PROCESS

Four steps are involved in making and assessing an application for terminal medical condition benefits.

1. Prepare your application

When you advise Sunsuper you want to apply for a terminal medical condition benefit we will:

- send you the necessary forms for completion; and
- advise you of any other documents and information you need to provide for the application to be assessed.

These documents will include:

- two medical practitioner certificates; and
- certified proof of your age and identity, such as a certified copy of your current drivers licence or passport and:
- an application form.

2. Send in your forms

Collate all the documents requested in Step 1 and send them to Sunsuper. Completing all the forms correctly will save time.

3. Coordination and assessment of your application

We will check your application is complete and contact you if we need further details. If you have insurance, your application will be forwarded to our insurer for initial assessment, and then on to the Trustee. Please note that claims officers do not review medical evidence or make any decision about applications. They will act as a liaison between you and the Sunsuper Trustee and/or the insurer, and answer any questions you may have during the process.

4. Payment of your claim

If the claim is accepted, payment will be made to you by the method you indicate on the application form. You will also receive a *Member benefit* statement.

What happens if you die before the application is processed?

You may want to consider completing a binding death benefit nomination. This will give you certainty about who will receive your death benefit, and in most cases it will also reduce the time taken to pay the benefit to your beneficiaries. Please refer to our *Safeguarding your family - binding death benefit nominations* fact sheet for more information.