

Have you met the minimum pro-rata pension payment?

YES

NO

NOT APPLICABLE (if commutation date is 1 July)

Full commutation – the amount paid must be at least the pro rata of the minimum annual payment amount.

Partial commutation – The trustee will need to ensure that they have already satisfied the minimum requirements, or that sufficient assets remain to meet the minimum pension payment standards for that year, based on the original value of that income stream.

Financial Advice

Has the member obtained financial advice regarding this decision? (We strongly recommend you seek advice).

Yes, and I will provide a copy of the statement of advice. I confirm that I have received a statement of advice from a licensed financial planner within the last 6 months which, among other things, recommends that I commute a pension. I have based my decision to commute a pension on the advice I received from the financial planner, and for this reason, I do not require advice from SuperGuardian.

OR

No, even though SuperGuardian has strongly recommended that I obtain advice from a licensed financial planner, I do not wish to obtain advice on whether commuting a pension (specified above) is appropriate for me. I have already made a decision to commute a pension.

Disclaimer

I understand that by facilitating the commutation of the pension, SuperGuardian is merely giving effect to my instructions and not giving any recommendation or statement of opinion that commuting the pension is appropriate for me.

I understand that:

1. Commuting a pension may have tax consequences, including but not limited to capital gains tax, loss of tax-free status on certain assets, and the impact on taxable income; including affecting the taxable and tax-free components of the SMSF. Choosing to treat the commutation as a lump sum withdrawal from an accumulation balance (if applicable) may reduce the taxable portion of the SMSF, while applying it against the pension account may affect its balance and tax treatment.
2. Commuting a pension may reduce or eliminate my regular retirement income, which may affect my financial stability and standard of living.
3. Commutation may affect my eligibility for Centrelink benefits, such as the Age Pension (if applicable).
4. If there are any insurance policies associated with the commuted pension(s), these may lapse or be cancelled as a result of the commutation.
5. Once the pension(s) is commuted, it may not be possible to reverse the decision, and the pension(s) cannot be reinstated.
6. Commuting the pension may create space in my Transfer Balance Account, which may provide future tax planning benefits. However, this decision depends on my overall financial and tax circumstances.

7. If I have taken more than the minimum pension amount required for the financial year, this commutation may need to be carefully allocated to ensure compliance with superannuation regulations.
8. If the commutation relates to past transactions or withdrawals, I understand that it is my responsibility to ensure that the allocation aligns with relevant superannuation and tax laws.
9. The commutation must comply with all relevant superannuation laws, including reporting obligations to the ATO. It is my responsibility to ensure that all necessary documentation is provided to facilitate this process.

Member Authority

Signed by the **instructing member**.

Member: _____

Signed: _____ Date: _____

OR

Adviser Authority

Authorised Adviser has provided a Statement of Advice to the fund and signed Authority to Proceed.

Adviser: _____

Signed: _____ Date: _____