

Separation, divorce and super

Separation or divorce can be difficult emotionally, and financially. While it may be the last thing on your mind, it's important to understand the impact it can have on your retirement savings and finances.

This fact sheet provides information to help you navigate the complexity of splitting up your super.

Relationship breakdown and your financial future

With about 30% of first-time marriages and up to 60% of second-time marriages ending in divorce*, it's important to understand the impact a relationship breakdown can have on your finances and your ability to save for retirement.

Super can be one of the most valuable assets you accumulate in your lifetime. And like other assets – such as the family home, valuables and investments – many couples choose to split their super during the process of separation or divorce. And whether you have dependent children or were the primary income earner, can affect your financial situation too.

Different living standard measures, such as income, super, housing, assets and financial hardship, indicate that this financial impact can continue to affect you later in your life.

Divorced individuals aged 55 to 64 years old often earn less than married individuals. When you're earning less and on a single income, it can be challenging to keep your super growing.†

* ABS Divorces Australia, 2018

† Based on data from the Australian Bureau of Statistics, 2016 Census



Your first steps

The end of a relationship doesn't have to mean the end of your financial plans. But you may need to develop a new approach. It might take some time to adjust to your situation, but there are a few important things you can do to stay on track.

1. Assess your financial situation

When a relationship breaks down, it can help to take a good look at your financial position.

The first step is getting across all of your financial assets and debts. Having copies of bank account statements, super balances, bills, financial commitments and other legal documents can give you a clear picture of your financial situation.



If you're an AustralianSuper member, you can check your super balance and track down your lost super in the mobile app or via your online account.



Financial advisers who work with AustralianSuper are required to:

- › act honestly, with integrity, and in your best interest at all times
- › obey all relevant laws including the Financial Planner and Adviser Code of Ethics
- › comply with industry standards and community expectations of professional practice and conduct
- › maintain a program of ongoing professional development
- › provide advice on a fee-for-service basis only after agreement with you
- › help you make alternative arrangements if it's in your best interests to receive advice from another provider or it's not in your best interests to keep your AustralianSuper account.

2. Seek expert financial advice

Making important decisions can be overwhelming at a time of significant change and heightened emotions. A financial adviser can provide you with knowledge and guidance to help you feel more confident about the decisions you make.

AustralianSuper members have access to professional financial advice and your first consultation is at no extra cost.

A financial adviser can help you:

- › understand what to expect once an agreement on splitting your assets (including super) has been reached
- › decide what to do about your super contributions going forward – as you may need to adjust to a change in income
- › decide on how to invest your part of any super payment made.



3. Get legal help

It may be best to seek legal advice before deciding what to do next. A lawyer can help you understand your rights and responsibilities, and explain how the law applies to your particular case. They may be able to help you reach an agreement with your ex-partner without having to go to court.



When coming to an agreement about super, some possible approaches include:

- › One partner may get part of their settlement in the form of their ex-partner's super.
- › One partner may receive more super now and less of the other assets like the family home.
- › Where one partner has super and the other has little or none, the super may be split 50/50 along with the other assets.

Even if you don't need to go to court, certain parts of the super splitting process require you to declare that you have received independent legal advice – AustralianSuper can't split a separating couple's super until we receive confirmation of this, or a court order.

Financial advisers[‡] who work with AustralianSuper members always put your best interests first. We never pay advisers incentives, bonuses or commissions.

Call **1300 300 273** or visit findadviser.australiansuper.com to make an appointment with an adviser near you.



Community legal centres and Legal Aid agencies offer free legal advice, with services available in every state and territory. You can find a list on the Australian Government's MoneySmart website at moneysmart.gov.au



[‡] The financial advice you receive will be provided under the Australian Financial Services Licence held by a third party and not by AustralianSuper Pty Ltd (AustralianSuper) and therefore is not the responsibility of AustralianSuper. With your approval a fee may be charged if a Statement of Advice is provided.

Access information and support

There is plenty of information and support available to help you understand and cope with the difficulties of going through a separation or divorce. Ranging from the financial strain of living on a reduced income to the practical and emotional challenges of adjusting to your new situation.

- › You can visit familycourt.gov.au for information on how to:
 - › apply for divorce
 - › get legal advice
 - › deal with property and money, and
 - › make arrangements for children during and after separation.
- › Family Relationships Australia is the Government's main resource about family relationship issues, including the range of services to help people who separate. Visit familyrelationships.gov.au to find out more.
- › To access information on Government support for separated parents, visit The Department of Human Services: Child Support at humanservices.gov.au
- › Women's information and referral services are available in each state and territory. These services provide women with free and confidential support, referrals, information and advice for women on the financial impact of separation and divorce.
- › Mediator locator is a simple tool for locating a mediator to help you come to an agreement with your ex-partner, without going to court. Visit familymediator.com.au to find your nearest family mediator.



The process of splitting your super

To help navigate the process for splitting super, we've outlined the steps you'll need to take and what will happen if your super is being split.

1. Find out about the super accounts

Before you can work out how to split the super you both have (and whether to split it at all), you need to find out how much super is available.

> Your super

Your ex-partner has the right to request information about your super from your super fund. And if an agreement is made to split your super, your ex-partner will be asked where their part of your super should be paid.

If you're with AustralianSuper, it's easy to find your super account balance – log into your online account, use the mobile app or call us.

> Your ex-partner's super

You're entitled to ask your ex-partner's super fund to inform you how much they have in their super account. You can request this by filling out a form on the Family Court of Australia website or visiting your nearest family law registry – you may need to pay a fee.

If your ex-partner's super is with AustralianSuper, you'll need to complete and return the *Request family law information* form at australiansuper.com/forms before we can tell you how much super they have. Or, you can use the form from Family Court of Australia.



2. Decide how you will split super

There are a number of ways to do this. The most efficient way is to prepare a formal written agreement with the help of a lawyer. This is likely to cover super as well as other family assets.

The agreement must be accompanied by a signed certificate, stating both you and your ex-partner have taken independent legal advice about the agreement. You can also seek a consent order to split super.

> If you and your ex-former partner have reached an agreement

You can file an application for consent orders in the Family Court, together with a consent order recording the agreement. The orders can be made without either of you going to court.

> If you can't reach an agreement with your ex-partner

You'll need to file an application for a court order. Family law registry staff can tell you what forms you need to file. And if you have super with AustralianSuper, you must tell us in writing that you are seeking a court order, and provide yours and your ex-partner's member numbers. You can send us an email enquiry via our website at australiansuper.com/email or send a letter to GPO Box 1901, Melbourne VIC 3001.

Even when an application is made to a court, it is possible to reach an agreement at any stage without the need for a court hearing.

3. Apply to AustralianSuper

If your ex-partner's super is with AustralianSuper, once an order is made or you reach an agreement, you'll need to:

> complete an *Apply for a payment (family law)* form.

When the super becomes available you'll have these choices:

- > Add the money to your AustralianSuper account. If you aren't a member, transfer your part of the super into a new AustralianSuper account.
- > Transfer the super to another super fund.
- > Take the super as cash if you're eligible for a cash payment – generally you can't take super as cash, unless you've reached preservation age or if you have super money which is 'unrestricted non-preserved'.

Contact us

Call **1300 300 273**
8.00am to 8.00pm AEST/AEDT weekdays

Visit australiansuper.com/contact-us for more contact details about how to message or email us.

Web australiansuper.com

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