## Superannuation Recontribution strategy



NWREDESRCS

## **Important Information**

### Personal Super (accumulation) requirement

Recontributions within Netwealth have different requirements, depending on the transfer account type, destination account type and recontribution type (cash or in specie).

Under Superannuation law, additional funds cannot be contributed to an income stream account once it has commenced. There will need to be a Personal Super (accumulation) account for initial receipt of any recontributions, even where the final intended account type is an income stream. There are three options available to ensure a Personal Super (accumulation) account is opened as part of the process:

1. An existing Personal Super (accumulation) account.

OR

A new Personal Super (accumulation) application transaction is submitted.

OR

3. Consent is provided (Step 5) for Netwealth to first transfer \$1.00 cash from the transfer account listed in Step 1 to a new Personal Super (accumulation) account as an internal in specie transfer, keeping the transfer account open and carrying over all relevant details from the transfer account. Netwealth will then process the recontribution from the transfer account into the newly created Personal Super (accumulation) account and will then consolidate all funds in the final step, unless otherwise instructed. When selecting this option, the \$1.00 cash transfer is treated as an internal in specie transfer, with all tax and preservation components carried over.

### **Tax Deductions**

If you intend to claim a tax deduction for personal non-concessional contributions made to your Netwealth account in the current and/or previous financial year but have not yet done so, you must either claim online or submit a 'Notice of intent to claim or vary a deduction for personal super contributions' form to Netwealth prior to submitting this recontribution request. If you withdraw or rollover all or part of your superannuation benefit before lodging a notice of intent to claim a deduction, the deduction amount able to be claimed on those contributions will be reduced and may be eliminated entirely. A copy of the 'Notice of intent to claim or vary a deduction for personal super contributions' form is available on our website, or by contacting Netwealth. If you require any clarification, please contact your financial adviser or Netwealth prior to submitting this form.

#### In Specie recontributions

For in specie recontributions, there must also be a Wealth Accelerator (WRAP) account held. Whilst cash can be temporarily withdrawn from the superannuation environment and redeposited by Netwealth, assets cannot be withdrawn and redeposited in the same way. As such, assets will leave the super environment temporarily via WRAP, to then be deposited in the receiving Personal Super (accumulation)account. Transferring funds via WRAP this way is completed as one transaction to ensure there is no change in transfer values. As such, all relevant accounts must exist at the time of processing the recontribution.

**Cash/asset breakdown** - for partial in specie recontributions, a breakdown is required for the funds being recontributed, which can be provided within an excel document or in the notes section in step 8.

Ensuring to include the below information based on the investments being transferred:

Managed Funds	<ul><li>Fund Name</li><li>APIR Code</li><li>\$ or Unit Values</li></ul>
Equities	<ul><li>Stock Name</li><li>Ticker code</li><li>Units (\$ values cannot be accepted)</li></ul>
	****
Managed Accounts	\$ Values only  The \$ value will be taken from the underlying assets based on their individual holding % of the model.

Netwealth cannot facilitate pro rata transfers of portfolio(s) for any investment type. Inclusive of pro rata splits to spouse/third party account(s).

Additionally, where the final transfer value of the managed account is out of line with the total recontribution value requested, clarification will be sought to ensure correct processing.

## Spouse/third party recontributions

Where the from/transfer account holder is different than the destination account holder, Netwealth need to ensure that recontributions are made initially to an account in the name or joint name of the from/transfer account holder. As such all recontributions intended for a spouse or third party, must be done via a WRAP account solely or jointly in the from/transferring member's name. All recontributions are treated as personal non-concessional contributions by default. Should funds need to be allocated as a different contribution type, please use the Notes section at the end of this form or provide additional instructions.

The \$1.00 cash transfer option is not available for spouse or third-party recontributions, as the from/transfer account holder is different than the destination account holder.

## Lump sum benefit payment tax considerations

All recontributions from the transfer account must meet a valid condition of release and are processed as a lump sum benefit payment.

If you are under age 60, any lump sum benefit may be subject to tax. The amount of tax may depend on factors including your age, previous benefit payments made and the condition of release under which the benefit is being paid (e.g. tax concessions may apply for benefits paid under "permanent incapacity"). For more information about tax on lump sum payments refer to Information Guide 2: Additional Information about Superannuation. You should seek personal tax advice regarding the tax treatment of benefit payments.

## Order of processing

Depending on the type of recontribution, the time for a recontribution strategy to be completed can vary. Generally, a recontribution will be actioned in the following order of steps:

1	Establishment of any new accounts (where applicable) – This may include:
	<ul> <li>Establishing any new applications submitted to facilitate the recontribution (Personal Super (accumulation) or WRAP) or;</li> <li>Transferring \$1.00 cash from income stream to a new Personal Super (accumulation) or;</li> <li>Transferring and income stream to a new Personal Super (accumulation);</li> <li>Tax deduction(s) may also take place prior to Step 1, or between Steps 1 and 3.</li> </ul>
2	Asset trades (where applicable) – Where a full cash recontribution is requested, or where sell down trades have been placed to facilitate the recontribution, Netwealth must wait for any relevant trades to settle prior to proceeding to the next step.
	Rebalance suspension and transfer of managed account (where applicable) – where an account holds managed account(s) and you are in specie transferring assets held in a managed account as part of the recontribution, Netwealth must first suspend rebalancing and move assets out of the managed account to the platform account. Netwealth will also need to wait for any unsettled transactions to finalise before proceeding to step 3.
3	Recontribution:
	- For <u>cash</u> recontributions, funds will be debited from the from/transfer account and deposited to the destination account.
	- For <u>in specie</u> recontributions and all spouse/third party recontributions, funds will be debited from the from/transfer account, temporarily deposited into WRAP, immediately debited from WRAP, and deposited into the destination account in succession.
4	Tax Deductions and/or additional instructions (where applicable) – Where a tax deduction is intended following the recontribution, the claim can be processed at this point. If any other action is required after the recontribution, before any further transfers, it will take place in this step.
5	Internal transfer(s) (where applicable) – Where a request is made to transfer funds to a new income stream account, and/or consolidate accounts, this will be completed last, after all relevant other action has been taken.

## How to complete this form

From/Transfer	Destination	Cash Only Recontribution	In specie Recontribution	Spouse/third party Recontribution
Personal Super (accumulation) or Income Stream	Personal Super (accumulation)	Complete all steps except 4 & 7.	Complete all steps except 7.	Complete all steps except 7.
Personal Super (accumulation)	Income Stream	Complete all steps except 4 & 7.	Complete all steps, plus the Transfer from Personal Super/Income stream form.	Complete all steps, plus the Transfer from Personal Super/Income stream form for the receiving client.
Income Stream	Income Stream	Complete all steps except 4.	Complete all steps.	Complete all steps, plus the Transfer from Personal Super/Income stream form for the receiving client.

# Superannuation **Recontribution strategy**



Please use pen and BLOCK letters.

In this form references to 'I', 'me', 'my' and 'you' apply to each client, and where applicable, to each signatory.

This transaction is not available online and the offline transaction fee will not apply to this transaction.

1 You should read the current Product Disclosure Statement for the product in which your account is held as there may have been changes to the terms and conditions governing this transaction. The current Product Disclosure Statement is available on our website.

Ste	p 1. Provide member details (from	/transfe	r accc	ount)																					
Clie	nt name																		$\overline{\Box}$					T	=
					Ť			Ť							İ		T							$\overline{}$	-
Clie	nt number				İ		А	nuoso.	nt n	umbe	r														
A	If you are doing a recontribution whaccept the recontribution (please s						ne st	tream	aco	count	, you	ı mu	st h	ave a	Pers	onal	Sup	er (a	ccur	mula	ation	) ac	cou	nt to	
Ste	p 2. Recontribution amount and n	nethod																							
Tot	al recontribution amount:	8 .			,				0	(p	oleas	se se	elect	a wit	:hdr	awal	met	hod	belo	w)					
<b>A</b>	The amount listed above will be adh a full withdrawal option is selected. actioning the request.	_												_				-							
Cas	sh Only If you are electing for a cash transfe listed in Step 5.	r only, a Wi	RAP ac	coun	t is no	ot red	quire	d. Net	twe	alth w	/ill pı	roce	ss tl	ne pay	/me	nt int	erna	illy to	o the	e rec	eivir	ng a	CCOI	unt	
	Full cash withdrawal 1 – you instruction received. Orders to redeem list																								
OR	Partial cash withdrawal <sup>2</sup> – you (Please ensure there is sufficien							isted	tota	l reco	ontril	butio	on a	moun	t fro	m yo	ur av	/aila	ble c	ash					
	Total cash recontribution amour	nt is	Gro	ss of t	axes	(whe	ere a	pplica	ıble)	)			Vet	of tax	es (v	vhere	e app	olica	ble)						
Cas	sh & In specie																								
Δ	A WRAP account will be required, as	s elected ir	step 4	4.																					
	Full in specie & cash withdrawa	ı <b>l 1-</b> Netwea	lth will	trans	fer all	your	inve	stmer	nts a	ınd wi	ithdr	aw y	our	cash l	oene	fits o	nce	all tra	ansfe	ers a	re co	omp	lete.		
OR	Partial in specie withdrawal on the required investment break													ovide	a se	para	te lis	ting,	/exce	el do	ocun	neni	t wit	h	
OR	Partial in specie & cash withdre						-							provi	de a	sepa	rate	listii	ng/e.	xcel	doc	ите	ent v	vith	

and the total recontribution amount elected.

THEN Netwealth will meet the total recontribution amount by transferring available cash for the difference between the in specie value

<sup>1</sup> Where your account is an income stream, you instruct Netwealth to continue to pay your established income stream payments and where required make an additional income stream payment to ensure you meet the annual pro-rata minimum payment required to maintain your account's income stream status until closure.

<sup>&</sup>lt;sup>2</sup> You must ensure that you maintain the required minimum balances in your cash account and Netwealth Superannuation Master Fund account. Where we receive a request which is likely to result in these balances falling below minimum, we may be unable to action your instruction.

### Step 3. Condition of release for benefit payment and income stream establishment (if applicable)

If you are <b>NOT</b> an Australian citizen,	New Zealand citizen, or a permanent resi	dent of Australia ple	ase con	tact us p	rior to	subn	nitting t	nis fo	rm.		
I declare that I am an Australian citizen, N of the following conditions of release (plea		nt and I satisfy one	*Date	of birth				Pre	eserv	/ation	age
		uarl/faraa	Before	e 1 July 19	60					55	
	and have permanently retired from the v	vorkiorce	1 July	1960 to 30	) June	1961				56	
I am aged 60 or more and ceased ga	1 July	1961 to 30	57								
employer on DD/MM	1 July	1962 to 30	June '	1963		58					
I am aged 65 or more	1 July	1963 to 30	) June	1964		59					
			On or	after 1 Ju	y 1964					60	_
	reserved benefits (this condition of release not for a subsequent transfer to an incom	, ,	until or	unless a	furthe	r cond	dition o	f relea	ase	is met	t)
Other approved reason (i.e. financial	hardship, compassionate grounds, perma	anent incapacity)									
Step 4. Nominate a WRAP account (re	equired for in specie recontributions,	and all spouse / th	ird part	y recon	tribut	ions)					
In specie recontributions and/or cas transferring member's name.	h recontributions made to a third party or	r spouse must be do	ne via a	WRAP a	ccoun	t held	solely o	or joir	ıtly i	n the	
Transfer using the following WR	AP account:										
Wrap account name											
Client number	Ac	count number V	V R A	ı P				ī			_
OR I will be supplying a WRAP application recontribution is completed.	ation form to create a new WRAP account fo				s WRA	AP acc	ount aff	ier the	9		
Application transaction ID (if ap	pplicable):										
Step 5. Personal Super (accumulation	) account for receipt of recontribution	on (new or existing	)								
Recontributions must initially be paid account once the recontribution is of	d into a Personal Super (accumulation) accompleted.	ccount, even where	the inter	ntion is t	o trans	sfer to	a new	incon	ne s	tream	1
Transfer the recontribution to the	ne following existing Personal Super (accu	ımulation)account:									
Client name											
Client number	Ac	ccount number	0 0	1							_
OR I have prepared and submitted a	a new Personal Super (accumulation) app	lication:									
Application transaction ID (	of applicable):										
OR I wish to transfer \$1.00 cash to a where the destination account i	NEW Personal Super (accumulation) acc s for a spouse or third party):	ount & I agree to the	e below i	nstructio	ons (th	is opt	ion is n	ot av	ailal	ole	
	alth will transfer \$1.00 from the income si ntribution from the income stream listed		-				-				
After this, if you are transferring	g to a new income stream account, Netwo	ealth will proceed as	per the	instruct	ions p	rovide	ed in ste	ер 7.			

NW-S-RCS 0924

Step 7.3 will remain on the new account from the transferring income stream account listed in step 1.

If you are not recommencing an income stream, the Personal Super (accumulation) account will be left open and all applicable details listed in

Step 6. Do you intend to claim a tax deduction on personal contributions	
1 You should read the important information section regarding tax deduction claims before pro	oceeding.
Please tick one or more from the following options:	
Yes, I intend to claim a deduction and I have either already claimed online or have attached a personal super contributions' form. Please tick relevant box(es) below:	'Notice of intent to claim or vary a deduction for
For the account listed in Step 1 <u>prior</u> to the recontribution	
For the Personal Super (accumulation) account listed in step 5 <u>after</u> the recontributi	ion
No, I do not wish to claim a tax deduction for my personal contributions.	
Step 7. Commencing a new income stream following the recontribution (where applicable	le)
If the recipient of the recontribution is a spouse or third party, or the from/transfer accounts the member, a separate Transfer Between Accounts (transfer from Personal Super, or T completed and submitted, and you will need to proceed to step 8)	
7.1 Amount to transfer from Personal Super (accumulation) to income stream	
Full account balance – please close my Personal Super (accumulation) account. (Any cur Super (accumulation) account.)	rent insurance cover will cease upon closing my Personal
OR Partial amount – Please transfer a partial amount <sup>3</sup> to my new income stream account an	d keep my Personal Super (accumulation) account open.
Transfer \$,, . 0 0 to my	new income stream account;
	Personal Super (accumulation) account (\$10,000 num applies) <sup>4</sup> .
7.2 Confirmation of the intention to consolidate funds, or transfer to a new income strea	.m account
Complete an income stream consolidation into one new income stream account (all deta can proceed to step 8).	ils listed in step 7.3 will be carried over by default, and you
OR Complete a transfer to a new, separate income stream account with the recontributed fu income stream account(s) (If selected, you MUST complete step 7.3).	nds, without consolidating funds from any other existing
7.3 Retention of income stream details (complete this step if you are not consolidating fu	nds with an existing income stream account)
⚠ All account details can be amended after the income stream transfer & recontribution has occavailable on the Netwealth website.	curred, either online or by completing the relevant form
<ul> <li>Frequency and value of income stream payments.</li> <li>Nominated &amp; Income Stream bank account details</li> <li>Adviser representative nomination authority</li> <li>Tax declaration <sup>5,6</sup></li> <li>Please elect details to be carried to the new income stream as per the income stream listed in step</li> </ul>	
Binding death benefit direction (if applicable on your former income stream, or Personal	Super (accumulation) account)
Reversionary pensioner details (if applicable on your former income stream)	
Member advice fees - If you are paying flat dollar advice fees on your existing account, the fee from you account. If you are paying a percentage-based advice fee, fees will be paid pro-rata from both accounts for	
⚠ If you wish to elect a new beneficiary nomination, reversionary pensioner, or nominate new men form. New member advice fees can be added on the account online post the transfer.	nber advice fees, please complete, and submit the relevant

NIM-S-PCS 0924

<sup>&</sup>lt;sup>3</sup> Where the balance retained in super is not cash, please attach details of which investments to transfer or retain.

<sup>&</sup>lt;sup>4</sup> A minimum balance of \$10,000 applies if you are leaving a balance in your existing account. You must ensure that you maintain the required minimum balances in your cash account and Netwealth Superannuation Master Fund account. Where we receive a request which is likely to result in these balances falling below either minimum, we may be unable to action your instruction.

 $<sup>^{5}\,</sup>$  If you are over 60, no PAYG tax will be deducted from your income and no additional ATO forms are required.

<sup>6</sup> Only claim the tax-free threshold from one payer at a time unless your total income from all sources for the financial year will be less than the tax-free threshold.

Step 8. Additional notes/instructions (where required)

## Step 9. Read and sign this client declaration (where this form is completed by an Adviser Representative on the account, go to Step 10)

By submitting this instruction, I represent to Netwealth that all the details in this transaction are true and correct and I declare that:

- 1. I have received, read, and understood and agree to be bound by the terms and conditions set out in the relevant Product Disclosure Statement for the Netwealth Superannuation Master Fund current as at the date I sign this form;
- 2. I confirm I am eligible to contribute or have contributions made on my behalf to the Netwealth Superannuation Master Fund under superannuation law;
- 3. I acknowledge that the instructed withdrawal or transfer amount is after applicable fees have been deducted and where I have selected a gross payment, may be reduced by tax;
- 4. I consent to the use of my personal information as outlined in the relevant Product Disclosure Statement for the Netwealth Superannuation Master
- 5. I authorise Netwealth to disclose to my Nominated Financial Adviser (if applicable) information regarding this transaction and/or my investments held through the Netwealth Superannuation Master Fund; and
- 6. I declare that I am an Australian citizen, a New Zealand citizen, or a permanent resident of Australia (if you are not, please contact Netwealth prior to submitting this instruction as we may require further documentation).

terms and conditions governing this	s transaction. Th	e current l	Product D	isclosu	e Stat	emer	ıt is a	vaila	ble or	ourv	vebsi	te.						
Member full name																		
Signature											Date	e D	D	] /	M	M	/ [ <sup>-</sup>	YY

You should read the current Product Disclosure Statement for the product in which your account is held as there may have been changes to the

It is recommended that you retain a copy of the completed form for your own records.

This transaction is not available online and the offline transaction fee will not apply to this transaction.

## Step 10. Read and sign this adviser declaration (To be completed by an Adviser Representative providing instruction on behalf of the client)

By submitting this instruction, I represent to Netwealth that all the details in this transaction are true and correct and I declare that:

- 1. I acknowledge that this transaction is governed by the terms and conditions for such transactions as set out in the relevant Product Disclosure Statement for the Netwealth Superannuation Master Fund current as at the date I sign this form;
- 2. I acknowledge that the instructed withdrawal, or transfer amount is after applicable fees have been deducted and where I have selected a gross payment, may be reduced by tax;
- 3. I am the nominated Adviser Representative for this client, that my appointment has not been revoked and the client has authorised me to submit this instruction as the client's agent, and to provide personal information about the client to Netwealth (including in respect of the client's gainful employment status) and;
- 4. To the best of my knowledge, my client is an Australian citizen, a New Zealand citizen, or a permanent resident of Australia9.

You should give your client the current Product Disclosure Statement for the product in which this account is held.

9 If the client is not an Australian citizen, a New Zealand citizen or a permanent resident of Australia please contact Netwealth prior to submitting this instruction as we may require further documentation.

You should ensure that your client has authorised you before you submit this form. You should retain evidence of the client's authorisation.

Adviser Representative																			
Signature										Da	ite [	D	D	] /	M	M	/	Υ	Υ

## Step 11. Once complete please send to us

Send to us:

contact@netwealth.com.au

Netwealth Superannuation Master Fund, Reply Paid 336, South Melbourne VIC 3205

Activities & Tasks > Document Upload > Super Benefit Payment (Advisers only)

For more information:

netwealth.com.au

1800 888 223

Your adviser