

# Fact Sheet

## Top-up accumulation for defined benefit members

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If you are a defined benefit member, you may choose to rollover money from another superannuation fund or make additional contributions to your super. However, such amounts will be invested in a separate accumulation account. If you do not already have an accumulation account, we will need to set one up. An accumulation account may comprise up to five sub-accounts which will be consolidated on your annual benefit statement. These sub-accounts enable us to identify the type of contributions you have made, and the tax treatment and/or preservation status that applies. Additional contributions could include:

- > **Salary sacrifice amounts** - which are additional employer concessional (pre-tax) contributions made as salary sacrifice (refer to *Fact Sheet #1*);
- > **After-tax contributions** - which includes any non-concessional (after-tax) contributions that you make (refer to *Fact Sheet #9*), or spouse contributions made on your behalf (refer to *Fact Sheet #13*).

### Considering an accumulation account

When your money is invested in an accumulation account with Equisuper, you can nominate how the contributions are invested. You can select an investment strategy that meets your personal needs and financial objectives.

As your money is invested in a concessional environment, any investment earnings are taxed at a maximum of 15%. This tax is deducted from investment earnings before investment earnings are applied to the account. It does not form part of your assessable personal income.

### Employers cover the cost of defined benefits

Generally, administration and investment management costs associated with your defined benefits membership are covered by the contribution rate paid by your employer, as agreed with Equisuper. An actuary reviews this rate twice a year to ensure all employers are contributing enough to cover the costs.

### Accumulation account administration fees

Accumulation account fees are not covered by your employer and are described in the Corporate Superannuation Product Disclosure Statement (PDS) Part 2 for defined benefit members.

(If you have established an Equisuper Personal Superannuation account in addition to your defined benefits account, you will pay all the fees that are described in the Equisuper Personal Superannuation PDS).

### Other costs on accumulation accounts for DB members

Often, defined benefit members open an accumulation account to obtain insurance cover in addition to that offered via their defined benefit. If you take out additional insurance cover, the premiums will be deducted from your accumulation account.

### Accumulation account for surcharge liabilities

Another reason you may have an accumulation account might be to account for superannuation surcharge liabilities that have accrued on your defined benefit prior to 1 July 2005. If you have not paid the surcharge debt directly yourself, or from any other superannuation account, the surcharge liability will continue to attract investment earnings and is recorded as a negative accumulation account balance.

If you have not paid the surcharge, the negative account balance will be deducted from your defined benefit when you either leave your employer, or your defined benefit transfers into Equisuper Personal.

For further information on surcharge liabilities, please refer to *Fact Sheet #21*.

### Getting advice

Before making any financial decision, you need to consider your individual circumstances and goals. We recommend that you consult a professional financial advisor before making any decisions. If you would like to speak to an Equisuper Financial Planner, please call **1800 065 753**, or you can visit the Equisuper Financial Planning website [www.equipfp.com.au](http://www.equipfp.com.au) for further information.

This brochure is for general information only. It has been prepared without taking into account your personal objectives, financial situation or needs. You should consider whether this information is appropriate to your personal circumstances before acting on it and, if necessary, seek professional financial advice. If you are considering investing in the Equisuper Superannuation Fund ABN 33 813 823 017, you should read the appropriate Equisuper Product Disclosure Statement (PDS) before making an investment decision. You can obtain a PDS via our website or by contacting the Helpline.

The taxation information included in this brochure is a general guide only. As taxation laws are complex and individual circumstances vary, you should seek individual taxation advice from a qualified advisor.

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For full information about the services and remuneration of EFP, please refer to the EFP Financial Services Guide, available by contacting **1800 065 753**, or on the website [www.equipfp.com.au](http://www.equipfp.com.au).

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