Enduring Family Superannuation Fund™

A flexibile Self-managed Superannuation Fund for the Family

What is an Enduring Family Superannuation Fund™ ?

The **Chan & Naylor Enduring Family Superannuation Fund™ (EFSF™)** Deed was developed to be a flexible SMSF for the family, controlled by the family for their long term financial care with significant tax benefits and estate planning advantages.

The EFSF™ can more easily increase and leverage its practical benefits with the help of an experienced Financial Planner. The Chan & Naylor EFSF™ is the same tax structure as a Self- Managed Superannuation Fund (SMSF) with the key focus being on the family and providing functionalities to allow the Trustees to avail themselves of relevant superannuation strategies.

How is the EFSF™ different to other SMSFs?

To see the difference between the Chan & Naylor Enduring Family Superannuation Fund and the DIY or SMSF fund consider some of the following EFSF strategies:

- An adult child member in the fund has an accident and spends six months off work. The trustees of an Enudring Family Super Fund can begin to pay out salary continuance benefits to the incapacitated member to ensure that their salary and wages are kept to a level they were before the accident.
- The retiree members of the fund – If the property is ultimately sold any capital gain is split between the family members relevant to their capital investments. While it is being rented the pre-retirement members are reducing their tax liabilities on contributions to fund any negative gearing. Any other properties (purchased earlier) producing a positive income flow can go to those in pension stage at zero tax.
- Mum is the sole remaining parent member of the fund and has been diagnosed with dementia. The adult child members are in the fund guiding her superannuation benefits towards the best in health and psychological care for their mother.

Features & Benefits

- Proportional voting (see reverse for further details)
- Retain funds in the fund for the family after the death of a member.
- Use of lump sum payment strategy in transition to retirement
- Improved asset protection
- Anti detriment deduction
- Termination payment on death and disability
- Auto reversionary pensions - allows a member to nominate who will continue receiving a pension on their death
- Ability to define financial dependents
- The ability to incorporate a SMSF Will - ensures your wishes for distribution are carried out
- Ability to include children under 18 years of age

Please call 1300 250 122 or visit www.chan-naylor.com.au for more information

The Enduring Family Superannuation Fund™ means...

More Flexibility & Control

The EFSF™ allows you to retain funds in the Fund for the family after a member's death. Payments to family members can have taxation consequences as well as asset protection issues and so retention of monies within the fund can prove beneficial.

The EFSF also provides a reserve account, these are funds not specifically allocated to a member but rather are kept in the funds for future requirements. Creation of reserves comes from the profits of the fund and not from any member's contributions. The usage of this reserve account includes:

- Equalising annual fund returns
- Payment of pension and top ups
- Payment of insurances
- Payment of additional anti-detriment benefits to your spouse, dependant or estate on your death

Proportional Voting: Each trustee/director can only vote in proportion to their members fund balance. This ensures members with lower balances cannot out vote the majority dollar members. Normally one vote per trustee make it easier to determine after your death.

A smoother transition to retirement...

With an EFSF™ you can use a tranisition to retirement strategy to manage your tax and/or increase your income while still working.

You can also put in place Auto Reversionary Pensions which allows a member to nominate a dependant who will continue receiving a pension on the death of a member. This ensures that the super fund account balance remains in the superannuation environment upon the death of the member. The recipient can normally nominate at any stage the payment as a lump sum if and when they desire.

Estate Planning

The EFSF™ allows you the ability to include a specific Will for the fund. Remember your Super does not form part of your estate and must be treated according to your nomination of beneficiaries in your SMSF Will. The ability to incorporate a SMSF Will, gives you more control and flexibility and you can use this important document to protect and distribute your superannuation estate. The EFSF™ allows for an easier creation of a valid Binding Death Nomination (BDN):

- Most BDNs in SMSFs are not valid as either SMSF trust deed does not allow or is required in approved form that may not be available.
- If there are no valid instructions then the trustees decide who gets the deceased member's account balance.

The EFSF™ allows you the ability to define financial dependents. If a person qualifies as a dependant then any death benefits are tax free. We always suggest that you ask your trusted advisor to prepare a Tax Dependent Survey each year to make it easier to determine after your death.

For more information about the EFSF™ visit our website or
Call 1300 250 122 to request a phone consult with a Chan & Naylor Wealth Planner.