



# ESSS Defined Benefit Fund Product Disclosure Statement

For operational emergency services members

**Proudly serving our members**

Issued 6 May 2025

Issued by: Emergency Services Superannuation Board (ESSB) ABN 28 161 296 741 (Board) which is responsible for administration of the Emergency Services Superannuation Scheme (ESSSuper) ABN 85 894 637 037 (Scheme)

**ESSSuper**   
Emergency Services & State Super

With around 127,000 members holding over \$36 billion in defined benefit and accumulation net assets (as at 30 June 2023), we provide pre- and post-retirement solutions to Victorian emergency services and state government employees.

We are proud to be the dedicated, profit-to-member super fund serving people who serve our community.

## Important notice

The ESSS Defined Benefit Fund (ESSS DB Fund) forms part of the Emergency Services Superannuation Scheme (Scheme) ABN 85 894 637 037 which is managed by ESSSuper (Emergency Services & State Super), the registered business name of the Emergency Services Superannuation Board (Board) ABN 28 161 296 741. The Board was established under the *Emergency Services Superannuation Act 1986* (ESS Act) and provides superannuation benefits for current and former Victorian emergency services and public sector employees in accordance with the ESS Act.

This Product Disclosure Statement (PDS) has been issued by the Board. This PDS contains general advice which does not take into account your individual objectives, financial situation or needs. You should carefully read and assess whether the general advice is appropriate for you and consider obtaining independent taxation, legal, financial and other professional advice before making an investment decision. The Board is not licensed to provide financial product advice regarding superannuation.

This PDS is only available to persons receiving it in Australia (electronically or otherwise).

The information in this document is up to date at the time of issue but may change from time to time. When a change is not materially adverse, it will be updated and published on the ESSSuper website at [esssuper.com.au/pds](https://esssuper.com.au/pds). A paper copy can also be obtained free of charge on request by contacting us.

ESSSuper is an exempt public sector superannuation scheme, and is not regulated by APRA or ASIC, but is governed by Victorian legislation.

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## How to contact ESSSuper

Our Member Service Centre can assist you with all enquiries regarding your membership. If you want to discuss any aspect of your membership, or you want to make an appointment for an individual consultation, you can call us between 8:30 am and 5:00 pm (Melbourne time) Monday to Friday.

### ESSSuper's contact details are:

Website	<a href="http://esssuper.com.au">esssuper.com.au</a>
Email	<a href="mailto:info@esssuper.com.au">info@esssuper.com.au</a>
Telephone	1300 650 161
Postal address	GPO Box 1974 Melbourne Victoria 3001
Street address	Level 16, 140 William Street Melbourne Victoria 3000

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# Introduction

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## Who is this Product Disclosure Statement for?

This PDS provides important information about the features, costs, benefits and risks associated with becoming a member of the ESSS Defined Benefit (DB) Fund.

The purpose of the ESSS DB Fund is to provide superannuation benefits for all operational employees of the Victoria Police, Fire Rescue Victoria, Ambulance Victoria and certain positions in the Country Fire Authority and Department of Environment, Land, Water & Planning.

An operational employee is anyone who is employed as an operational Police Officer, Firefighter or Ambulance Officer, or a person who was employed as an operational employee and has since had his or her duties changed to non-operational.

Protective Services Officers commencing employment with Victoria Police on or after 5 July 2010 are classified as operational and will automatically join the ESSS DB Fund.

Non-operational employees who commenced with an emergency services employer prior to 1 January 1994 are also members of the ESSS DB Fund.

## How the ESSS DB Fund works

The ESSS DB Fund is a defined benefit fund, where your benefit (with the exception of some disability benefits) is paid as a lump sum based on the following factors:

- the average of your salaries over your last two years of service (referred to as your 'Final Average Salary');
- your age upon leaving your employer;
- your period of service;
- your contribution rate(s) during your membership; and
- your employment status during your membership (i.e. whether you work full-time or part-time).

One of the main benefits of the ESSS DB Fund is that your benefit is not impacted by investment performance. Therefore, provided your salary keeps up with inflation, your superannuation lump sum will also keep up with inflation.

The Federal Government introduced a mechanism to

'staple' employees to their existing super fund if they do not choose a new super fund when they change jobs.

If you cease to be employed in the emergency services sector and take a private sector job while you are a member of the ESSS DB Fund, ESSSuper might become your 'stapled fund' to which your new employer must pay your super unless you choose another fund. ESSSuper is able to receive those contributions, and the contributions would go into an ESSSuper Accumulation Plan account which will be maintained for you.

## The benefits and risks of investing your super in the ESSS DB Fund

### Benefits

The ESSS DB Fund allows you to save for your retirement in a tax-effective environment. The benefits of the ESSS DB Fund include:

- your benefit is not impacted by investment performance
- no contribution fees;
- management fees are met by your employer;
- benefits paid on retirement, resignation, retrenchment, death and disability or to open a transition to retirement pension (working income stream) (subject to Commonwealth preservation standards);
- the option to make either a binding beneficiary nomination or a non-binding beneficiary nomination as to who you wish to receive your lump sum benefit in the event of your death\*;
- the ability to choose how much you contribute<sup>^</sup>; and
- significant funding of your benefit by your employer, with the employer-funded component of your benefit increasing when you increase your contribution rate.

\* Nominated beneficiaries must meet the dependency criteria. Refer to 'Beneficiary nominations' on page 16 for more information on dependants.

<sup>^</sup> Refer to 'Contributions' on page 7.

### Risks

The Board is responsible for managing the financial position of the ESSS DB Fund. Members' accrued benefits are provided for and fully governed by the ESS Act. The ESSS DB Fund is an exempt public sector superannuation scheme,

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and is not regulated by APRA or ASIC, but is governed by Victorian legislation. All superannuation liabilities are met/underwritten by the Victorian Government (meaning that the Victorian Government carries the investment risk rather than you). However, there is the risk that your nominated contribution rate or period of service is not high or long enough to produce a final benefit adequate for your retirement needs. This may affect your standard of living in retirement.

### **Where your money is invested**

Your contributions, the contributions of other ESSS DB Fund members and contributions made by the participating employers, together with investment earnings form a 'defined benefit pool'. The funds in the defined benefit pool are used to pay all ESSS DB Fund members' benefits.

The defined benefit pool is invested by the Victorian Funds Management Corporation (VFMC) in the investment vehicles of a number of carefully selected specialist investment managers. The VFMC was established under the *Victorian Funds Management Corporation Act 1994*, which is a public authority and body corporate. The VFMC reports to the Treasurer of Victoria through the Department of Treasury and Finance.

### **Investment strategy**

The Board sets the investment objectives for the assets of the defined benefit pool and the VFMC sets the investment strategy and oversees the investment managers. Although the Board's role is such that it is not responsible for selecting, retaining or realising of investments (this is done by, or on behalf of, the VFMC), the Board expects the VFMC to invest responsibly and to take into account relevant Environmental, Social and Governance (ESG) principles and policies in the management of the investment.

The Board does not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments as investment responsibilities for the defined benefit assets transferred to the VFMC on 1 July 2006. Defined benefit assets are managed in accordance with VFMC's investment stewardship policy, and compliance against policy is monitored by the Board.

### **Investment managers**

The VFMC selects investment managers on the basis of their skills in investing within specific markets and asset classes. The VFMC presents to the Board, on a quarterly basis, the progress of the investment managers' performance against objectives.

### **When your super can be paid**

Superannuation savings are intended for retirement. There are limited special circumstances under which you may be able to access some of your superannuation before retirement. For more information on these circumstances and when your superannuation becomes payable, refer to 'Accessing benefits' on page 19.

### **What you will receive**

Lump sum benefits are paid on retirement, resignation or retrenchment. How these benefits are calculated is explained under 'Benefits' on page 12.

Benefits are also payable in the event of your death or if you become disabled whilst a permanent employee. Your cover in the ESSS DB Fund is effective 24 hours a day, seven days a week. Members are covered while you are both on and off duty. For more information regarding death and disability benefits refer to 'Death benefit' on page 16 and 'Disability benefits' on page 15.

Refer to 'On leaving your employer' on page 20 for more information on payment options.

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## Who looks after your super?

The ESSS DB Fund is managed by ESSSuper, the registered business name of the Board. It is the Board's responsibility to act in the best interest of the Fund's members, as well as to ensure that the ESSS DB Fund complies with all required legislation.

The Board was established on 1 January 1987 for the purpose of providing superannuation benefits for Victorian emergency services employees. Prior to 1 January 1987, employees of the emergency services were members of:

- State Superannuation Fund;
- Police Pensions Fund;
- Metropolitan Fire Brigades Superannuation Board; and
- Hospitals Superannuation Fund.



## Appointment of Board Members

The Board comprises twelve Members. Six Members are elected by ESSSuper members or contributors and six Members are nominated by the Victorian Government.

The procedures for the appointment and removal of Board Members are governed by the provisions in the ESS Act.

A Member of the Board is appointed for a term not exceeding five years as specified in the Member's instrument of appointment. There are also deputy Board members appointed by the Victorian Government or elected by members. Board Members may be reappointed.

The member-elected Board Members and deputies are appointed as follows:

- One Member is elected by contributors employed under the *Victoria Police Act 2013* or by employee organisations representing those contributors;
- One Member is elected by contributors who are officers or employees of Fire Rescue Victoria or the Country Fire Authority, or by employees of the union representing those contributors;
- One Member is elected by contributors who are employees appointed by Ambulance Victoria or by contributors who are not employees of Victoria Police, Fire Rescue Victoria or the Country Fire Authority; and
- Three Members of the Board are elected by State Super members.

All Board Members have completed a Declaration of Private Interest. The Board is covered by Trustee Liability Insurance, which, subject to limited exceptions, indemnifies Board Members and staff against financial loss, should any claims be made against them.

# Contributions

## When you join



You will be defaulted into the nil contributor category within the ESSS DB Fund until you elect to contribute at a higher rate. This can have an impact on your benefit including any death and disability benefits paid.

If you need help understanding these impacts, please contact us. To change your contribution rate log into Members Online at [esssuper.com.au/members-online](http://esssuper.com.au/members-online) and navigate to the *Contributions / Change contribution rate* menu.

## Member contributions

### After-tax contributions

All operational members have the option of contributing at one of the following rates:

0%, 3%, 5%, 6% or 7%.

Operational members who have contributed at an average rate of less than 7% during their membership are eligible to contribute 8%, 9% or 10% as a 'catch up' rate. This allows members to accrue the same benefit multiple if they had contributed at a rate of 7% throughout their membership, provided they have sufficient remaining service.

Contributions are based on a percentage of your superable salary. Your 'superable salary' is generally your gross salary, excluding any allowances (e.g. uniform allowance or reimbursement for an expense of office), which are not considered for superannuation purposes. These allowances vary between employers.

A member's choice of contribution rate will have an impact on the retirement benefits that a member will receive. Take the following example of two members contributing at 0% and at 7% over 30 years of full-time service. This example assumes that both members joined the fund after 1 July 2005.

Contribution rate	Retirement benefit multiple of salary accrued after 30 years of full time service
0%	2.55 (30 years x 8.5%)
7%	7.50 (maximum multiple reached) (30 years x 25%)

For further information regarding contribution rates and benefit multiples, please see page 12. Alternatively, please contact us or try the ESSS DB Fund: Retirement multiple calculator at [esssuper.com.au/calculators](http://esssuper.com.au/calculators)

### Paying after-tax contributions

Contributions will be deducted from your salary from the first pay day after you become a permanent employee of one of the emergency services and then each pay day thereafter.

### Before-tax (salary sacrifice) contributions

'Salary sacrifice' contributions are superannuation contributions paid from your salary before PAYG tax is deducted. By sacrificing part of your before-tax salary, your taxable income is reduced which may also reduce your personal tax for the year. To see how this may impact you, please visit our website at [esssuper.com.au/calculators](http://esssuper.com.au/calculators)

You can elect to salary sacrifice your member contributions into the ESSS DB Fund by logging into Members Online at [esssuper.com.au/members-online](http://esssuper.com.au/members-online) and navigating to the *Contributions / Change contribution rate* menu.

You may only elect to salary sacrifice 100% of your member contributions. Partial salary sacrifice of member contributions is not permitted.

Contribution rate (after-tax)	3%	5%	6%	7%	8% <sup>#</sup>	9% <sup>#</sup>	10% <sup>#</sup>
Equivalent contribution % for salary sacrifice (before-tax)	3.6%	5.9%	7.1%	8.3%	9.5% <sup>#</sup>	10.6% <sup>#</sup>	11.8% <sup>#</sup>

<sup>#</sup> Available to eligible members as a 'catch up' rate.

As salary sacrificing does not affect your salary for superannuation purposes (i.e. your 'superable salary'), the

same gross superannuation benefit is achievable as under an after-tax arrangement. However, in addition to the 15% contributions tax upon entry, salary sacrificed contributions may also be taxed when your lump sum is drawn down after retirement (refer to 'Tax on benefits' on page 24). If your adjusted income\* exceeds \$250,000 p.a., an additional 15% tax may apply to concessional contributions relating to the income exceeding \$250,000.

\* Income for these purposes is primarily the sum of taxable income, reportable fringe benefits, reportable superannuation contributions, total net financial investment and net rental property losses.

Take the following example of an ESSS DB Fund member with a gross annual salary of \$88,000, electing the salary sacrificing contribution rate will translate to a positive difference of \$1,193 in take home pay due to a lower income for tax purposes.


	Non salary sacrificing contributions	Salary sacrifice contributions
Gross annual salary	\$88,000	\$88,000
Contribution %	7.00%	8.30%

	Non salary sacrificing contributions	Salary sacrifice contributions
Income for tax purposes	\$88,000	\$80,696
Income tax	\$17,188	\$14,997
Take home pay	\$62,892	\$64,085

Table uses tax rates from 2024-25 financial year.

For further information regarding salary sacrifice, please contact us.

ESSSuper recommends members seek independent financial advice before making any decision to salary sacrifice their member contributions (refer to 'Getting financial advice' on page 30).

 Member contributions automatically cease if you reach the maximum benefit multiple under the ESSS DB Fund. These members are then eligible to receive additional contributions from their employers to be paid into the ESSSuper Accumulation Plan. Refer to 'Maximum benefit multiples' on page 12 for further details.

## Handy hint

### How to calculate percentage contributions of your salary:

Enter your salary into your calculator and multiply this by your contribution percentage. Use the table on the previous page to input a before-tax or after-tax contribution value. This will provide you with the value of your contributions per year.

Example:

Salary	$\times$	Contribution Percentage	$=$	Dollar Value of contribution per year
\$50,000	$\times$	0.03 (3%)	$=$	\$1,500

## Reportable Employer Superannuation Contributions (RESCs)

Before making salary sacrifice contributions, you should be aware of the potential impacts on certain Government entitlements and child support payments. Your total income for the purpose of determining your eligibility for these entitlements includes Reportable Employer

Superannuation Contributions (RESCs). RESCs are contributions made by your employer that exceed the amount your employer is required to contribute and for which the amount of the contribution can be influenced by you. This means that if you are making salary sacrifice contributions to the ESSS DB Fund and/or another superannuation account, the total value of these

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contributions are included in the RESC amount. RESCs do not include any after-tax contributions made by you, or any standard employer contributions to a defined benefit fund or SG contributions. Each year, your employer will report the RESC amount on your Payment Summary. The inclusion of RESCs in your total adjusted income may have an impact on various benefits, including:

- super co-contributions;
- family tax benefits;
- dependant tax offsets;
- senior Australian tax offset;
- a range of Centrelink benefits (including the Age Pension)
- exemption from the Medicare levy surcharge; and
- child support payments.

Whilst salary sacrifice contributions are included in your total taxable income for the purpose of determining your eligibility for Government entitlements and child support payments, salary sacrifice contributions will continue to reduce your total taxable income that is used for tax purposes. For more information about RESCs and the impacts on the above entitlements, please contact your employer or the relevant Government agency.

### **Changing your contribution rate**

You may change your contribution rate once per calendar year to suit your financial situation. You can also vary your current defined benefit contribution type from after-tax to salary sacrifice (or vice versa) at any time without any restriction.

If your election is received by the 14<sup>th</sup> of the month, it will take effect from the start of the next month. Otherwise, if received after the 14<sup>th</sup>, it will take effect from the start of the following month.

If you wish to change your contribution rate percentage or vary your current contribution deduction type from after-tax to before-tax (or vice versa), you can do this by logging into Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online) and navigating to the *Contributions / Change contribution rate* menu.

Please note that reducing your contributions for an extended period can result in your death and disability benefits being less than the maximum possible (refer to 'Death benefit' on page 16 for details of maximum death benefits payable).

Death benefits of members who joined the ESSS DB Fund late in their working life may also be less than the maximum possible.

If you wish to maintain your full death and disability entitlements, please contact us to discuss your options.

### **Employer contributions**

Employers contribute to the ESSS DB Fund on behalf of members. These contributions are not allocated specifically to individual member accounts. Rather, they are allocated to a general defined benefit pool. They are known as notional taxed contributions and are the rate of employer contributions theoretically needed to fund at least the minimum requisite benefits payable from the ESSS DB Fund. The funds in the defined benefit pool are used to pay all ESSS DB Fund members' benefits.

For example, if you contribute at the rate of 7% for one year, you accrue a benefit multiple equal to 25%\* of your Final Average Salary. The difference between your contribution rate and your accrued benefit multiple, being 18%\* of your Final Average Salary, is funded from the defined benefit pool, which includes your employer's contributions plus investment earnings on your contributions (if any).

For more information regarding contribution rates and benefit accrual, refer to 'How benefits are calculated' on page 12.

\* Unless you choose to transfer your Optional Benefit to ESSSuper's Beneficiary Account on leaving the ESSS DB Fund. For information on your Optional Benefit refer to 'How benefits are calculated' on page 12.

### **'Grandfathering' arrangements**

If you joined the ESSS DB Fund prior to 12 May 2009, AND you have not increased your contribution rate, then your contributions have been grandfathered and will therefore not exceed the concessional contribution cap. This means that if you have exceeded the contribution cap as a result of your contributions to your defined benefit scheme, ESSSuper will report the concessional contribution amount as \$30,000 for the 2024-25 financial year.

Note, however, that your notional taxed contributions will be added, at their capped amount should they exceed the concessional contributions cap, to any other concessional contributions (in respect of an accumulation interest either with ESSSuper or another fund) to determine whether you

have exceeded the concessional contributions cap. If the concessional contributions cap is exceeded, this amount will need to be included as assessable income and will be taxed at your marginal tax rate less a 15% tax offset to account for the contributions tax already paid by your super fund.

### Cap on concessional contributions

The Government has set a cap (called the concessional contributions cap) on the amount of concessional contributions you can make in a financial year that are taxed on a concessional basis (i.e. 1 July to 30 June). Additional tax applies to concessional contributions made above the concessional contribution cap. For the 2024-25 financial year and going forward for each financial year, you can contribute a maximum of \$30,000<sup>#</sup>. The cap is applied once per person, not per super fund. This means if you have more than one super fund, all concessional contributions made to all of your funds (including employer and salary sacrifice contributions to a defined benefit fund) within a financial year are added together and count towards the same cap. Any excess concessional contributions will count against your non-concessional contributions cap. If you have a total super balance below \$500,000, any unused portion of the concessional cap each year can be carried forward on a rolling basis up to a maximum of 5 years.

<sup>#</sup> Contribution caps are for the 2024-25 financial year and may change in the future. The concessional contributions cap is indexed to Average Weekly Ordinary Time Earnings, but only increases when this indexation results in an increase of \$2,500 or more. The non-concessional contributions cap is set to four times the concessional contributions cap and will therefore increase when the concessional contributions cap increases.



To calculate your concessional contributions to an ESSSuper defined benefit fund (also called 'notional taxed contributions'), you can use the concessional contributions calculator available on our website at [esssuper.com.au/calculators](https://esssuper.com.au/calculators) or by contacting us.

Notional taxed contributions relate to defined benefit arrangements only and are concessional contributions that count towards the concessional contributions cap.

### Cap on non-concessional (after-tax) contributions

All personal after-tax contributions you make to super are referred to as non-concessional contributions. A non-concessional contributions cap of \$120,000<sup>#</sup> per financial year applies to members under age 75. If you have a total super balance of \$1.9 million or more at 30 June of the previous financial year, your non-concessional contributions cap is zero. If you exceed your non-concessional contributions cap the ATO will issue you a determination which explains your options. For further details about the options available to you refer to page 24 of this PDS. This cap applies to non-concessional contributions across all of your super accounts, including the ESSS DB Fund and Accumulation Plan, as well as contributions you may make to other super funds.

Members under age 75 may be able to bring forward two or three years' worth of non-concessional contributions (provided they have not exceeded the non-concessional cap in any of the two previous years) and make non-concessional contributions of up to \$360,000<sup>#</sup> over a three-year period. Provided you are aged under 75 in the financial year you make the contribution you can bring forward two years of non-concessional contributions regardless of whether you intend to work in the following two years.

Whether you can bring forward two or three years' worth of contributions depends on your total super balance.

These conditions are outlined in the following table.

Total super balance as at previous financial year	First year non-concessional contribution cap	Period brought forward
Less than \$1.66 million	\$360,000	3 years
\$1.66 million to less than \$1.78 million	\$240,000	2 years
\$1.78 million to less than \$1.9 million	\$120,000	Nil
\$1.9 million	Nil	Nil

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## Downsizer contributions

Currently if you are aged 55 or over, you can contribute up to \$300,000 to superannuation from selling your main residence. You cannot contribute downsizer contributions into the ESSS DB Fund, however ESSS DB Fund members have an Accumulation Plan account which is able to accept downsizer contributions.

Couples who own the same home can contribute a total of up to \$600,000, even if both names are not on the title. You can make more than one downsizer contribution, however it can only be from the proceeds of a single main residence and cannot exceed \$300,000 per individual.

Downsizer contributions do not count towards your non-concessional contributions cap<sup>#</sup>. Individuals with a total super balance greater than \$1.9 million and those aged 75 and over are able to make downsizer contributions. However, when your total super balance is re-calculated at the end of the financial year, your downsizer contribution amount will count towards your total super balance.

### Where can you find out more?

Please refer to our fact sheet *Downsizing contributions into superannuation* available on our website at [esssuper.com.au/publications](https://esssuper.com.au/publications) for more information.

You can also check the ATO website at [ato.gov.au/downsizing](https://ato.gov.au/downsizing) to determine if participating in this scheme is the best option for you.

<sup>#</sup> Contribution caps are for the 2024-25 financial year and may change in the future. The concessional contributions cap is indexed to Average Weekly Ordinary Time Earnings, but only increases when this indexation results in an increase of \$2,500 or more. The non-concessional contributions cap is set to four times the concessional contributions cap and will therefore increase when the concessional contributions cap increases.

## Topping up your super in the Accumulation Plan

**You are unable to make additional lump sum top-up contributions to the ESSS DB Fund. You may only contribute to your super in the ESSS DB Fund in accordance with the contribution rates detailed on page 7 of this PDS.**

If you would like to make additional contributions, you must contribute to another superannuation account or fund.

The ESSSuper Accumulation Plan is a product for members that want to:

- consolidate all super into one fund by rolling over super benefits you may have with other super funds to save on fees<sup>#</sup>;
- make top-up contributions in addition to the contributions you make to the ESSS DB Fund<sup>\*</sup>;
- make downsizer contributions from the sale of your main residence if eligible;
- apply for Death, Total and Permanent Disablement and Income Protection insurance cover<sup>\*\*</sup> (in addition to any death and disablement benefits you may be eligible for in the ESSS DB Fund)<sup>^</sup>;
- arrange for another employer to make SG contributions to ESSSuper; and
- continue contributing to your super once you reach your maximum benefit multiple (refer to page 12) in the ESSS DB Fund.

<sup>#</sup> You should check any insurance arrangements that may be forfeited, or any other impacts this transfer may have on your benefits, before rolling your money into our Fund.

<sup>\*</sup> There are maximum limits on before- and after-tax contributions which are set by the Federal Government, and if these limits are exceeded you may be liable for additional tax. It is important that you monitor your contribution levels as the contribution limits may change from year to year.

<sup>\*\*</sup> Within 90 days of joining the ESSS DB Fund, some members may apply for additional insurance cover in ESSSuper's Accumulation Plan with no underwriting subject to limits. If you apply for insurance in the Accumulation Plan after 90 days of joining the ESSS DB Fund, your application will be subject to underwriting by the Insurer.

<sup>^</sup> Insurance cover in the Accumulation Plan is subject to eligibility criteria and other terms and conditions in the Insurance Policy.

For more information about the Accumulation Plan, refer to the *Accumulation Plan PDS* and the *Insurance Guide (AP.2)*, available on our website at [esssuper.com.au/pds](https://esssuper.com.au/pds) or contact us.

# Benefits

## Types of benefit

The ESSS DB Fund provides you with a range of benefits payable under the following circumstances:

- transition to retirement;
- retirement;
- resignation;
- retrenchment;
- disability; and
- death.

All benefits, excluding some disability benefits, are paid as a lump sum. Once the payment of your lump sum has been made, there will be no further entitlements from the ESSS DB Fund.

Any lump sum payable is subject to Commonwealth preservation rules. See 'Accessing benefits' on page 19 for more information.

## How benefits are calculated

Benefits paid on retirement, resignation, death and disability are based on your benefit multiple which accrues according to your contribution rate(s) during your period of membership as per Table 1 below. If you are working part-time, the accrual rate is multiplied by your service fraction for that period.

Contribution rate		Accrual rate each year	
After-tax salary	Before-tax salary (Salary Sacrifice)	Retirement (incl. due to ill health) & Retrenchment	Death, Disability & Optional Benefit
0%	0.0%	8.5%	10%
3%	3.6%	14.0%	16%
5%	5.9%	18.0%	20%
6%	7.1%	21.5%	24%
7%	8.3%	25.0%	28%
8%#	9.5%#	28.5%	32%
9%#	10.6%#	32%	36%
10%#	11.8%#	35.5%	40%

# Available to some members in certain circumstances (refer to 'Member contributions' on page 7).

Benefits paid on resignation are based on your contribution rate, age, period of membership and employment status as explained under 'Resignation benefit' on page 14.

The accrual rates for calculating benefits on retirement and retrenchment shown in Table 1 follow a change to the taxation structure of the ESSS DB Fund as at 1 July 2005 (refer to 'Tax on benefits' on page 24 for further information). Prior to 1 July 2005, accrual rates for retirement and retrenchment benefit calculations were the same as for death and disability.

Please note that members who transfer to ESSSuper's Beneficiary Account (refer to page 29) on leaving their employer may have the transferred benefit calculated using the accrual rates that applied prior to 1 July 2005. This is known as your Optional Benefit. Full details are provided under 'On leaving your employer' on page 20.

Further, if you are a member of ESSSuper's Accumulation Plan, any benefit you have accrued in your Accumulation Plan account (such as personal and employer SG contributions), will be paid as a component of your final benefit.

## Membership and exemption

There are no age limits on membership of the ESSS DB Fund, however contributions cannot be made to the ESSS DB Fund after you reach age 75.

You can access your benefit in the ESSS DB Fund from age 65 whilst still working by ceasing active membership of the Fund on application to your employer. This is known as "exempting out". On exempting out of the ESSS DB Fund, your employer is required to make SG contributions at the applicable rate to an accumulation arrangement on your behalf.

## Maximum benefit multiples

Unless you choose to transfer your Optional Benefit to the ESSSuper Beneficiary Account, your maximum benefit multiple on retirement (including that due to ill health), resignation and retrenchment will be 7.5\* times Final Average Salary (FAS) (your FAS is the average of your salaries over the last two years of employment).

\* Some members who commenced membership before 1 July 1988 may have a higher maximum. Please contact us for more information.

Maximum benefit multiples can be reached after 30 years of full-time service as below:

$$30 \text{ years} \times \text{accrual rate for a } 7\% \text{ contribution from after-tax salary} = 30 \times 25\% = 750\% \text{ or } 7.5$$

The Optional Benefit maximum benefit multiple is 8.4, but your benefit will be taxed at higher rates when received (refer to 'Tax on benefits' on page 24).

### On reaching your maximum benefit multiple

If you reach your maximum benefit multiple, ESSSuper will advise you and your pay office in writing and your contributions will cease. Your benefit will continue to grow in line with any increases in your superable salary.

Members who have reached the maximum multiple will be eligible to receive additional contributions from their employer to be paid into the ESSSuper Accumulation Plan. For 2024-25 these contributions will be paid at a rate of 9% of the member's salary and will increase to 12% by 1 July 2026. These are reportable concessional contributions which count towards your concessional contributions cap.

2024-25	2025-26	2026-27
9%	11%	12%

Whilst you can no longer contribute to the ESSS DB Fund, you may wish to consider making additional contributions into superannuation via another product such as ESSSuper's Accumulation Plan. For more information about the Accumulation Plan, refer to the *Accumulation Plan Product Disclosure Statement*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by contacting us.



**Note:**

ESSS DB Fund members aged 65 and over can cease their ESSS DB Fund membership whilst remaining in active service. On exempting out of the ESSS DB Fund, your employer will then be required to make SG contributions at the applicable rate to an accumulation arrangement – such as ESSSuper's Accumulation Plan, on your behalf.

### Retirement benefit

Your retirement benefit is equal to your full Accrued Benefit Multiple (ABM) at the date of retirement times your FAS. It is paid as a lump sum if you cease employment from the age of 50 years onwards and are not leaving on the grounds of disability.

**Example:**

This example assumes the member joined the ESSS DB Fund after 1 July 2005. The full accrual rates are outlined in Table 1 - Benefit Accrual Rates on page 12.

John joined the ESSS DB Fund at age 20 and contributes 5% from after-tax salary for 10 years and then 7% from after-tax salary for 20 years.

At age 50, John retires.

Therefore:

ABM	= (10 years x 18%) + (20 years x 25%) = 180% + 500% = 680% or 6.8
Gross lump sum	= ABM x FAS = 6.8 x FAS

Unless John chooses to transfer his Optional Benefit to the ESSSuper Beneficiary Account on retirement (higher lump sum tax rates will apply when cashed – refer to 'Tax on benefits' on page 24), in which case John's Optional Benefit for transfer is:

ABM	= (10 years x 20%) + (20 years x 28%) = 200% + 560% = 760% or 7.6
Gross lump sum	= ABM x FAS = 7.6 x FAS

From age 75, in accordance with Commonwealth Superannuation Law (please see 'Statement of compliance' for further information on page 35), if you have not exempted out of the scheme and you are still working, your membership may continue however, you must stop contributing to the ESSS DB Fund. You may however, make contributions to an accumulation arrangement, such as ESSSuper's Accumulation Plan.

## Resignation benefit

A resignation benefit is paid as a lump sum to members who cease employment (for any reason including dismissal) prior to 50 years of age.

A resignation benefit is calculated according to one of the following rules. All examples assume the member joined after 1 July 2005.

### a. Less than five years as a contributor

The amount paid will be the total of each year's contribution rate percentage plus 3%, multiplied by your Final Average Salary (FAS). This will never be less than the contributions actually paid.

#### Example:

Julie joined the ESSS DB Fund at age 23 and elects to contribute 7% of her after tax-salary.

At age 27, Julie resigns.

Therefore:

ABM	= 4 years x (7% + 3%) = 4 x 10% = 40% or 0.4
Gross lump sum	= ABM x FAS = 0.4 x FAS

### b. More than five years as a contributor and less than age 45

The amount paid will be the total of the following two parts, multiplied by your FAS.

- For the five years before resignation, the total of each year's contribution percentage plus 3%.
- For the period from the date of joining to five years before terminating employment, the full accrual rates as outlined in Table 1 - Benefit Accrual Rates on page 12.

#### Example:

Rob joined the ESSS DB Fund at age 23 and elects to contribute 7% of his after tax-salary.

At age 40, Rob resigns.

Therefore:

<b>ABM</b>	
Last 5 years	= 5 years x (7% + 3%) = 5 x 10% = 50% or 0.5
First 12 years	= 12 years x 25% = 300% or 3.0
Gross lump sum	= ABM x FAS = (0.5 + 3.0) x FAS = 3.5 x FAS

Unless Rob chooses to transfer his Optional Benefit to the ESSSuper Beneficiary Account on resignation (higher lump sum tax rates will apply when cashed – refer to 'Tax on benefits' on page 24), in which case Rob's Optional Benefit for transfer is:

<b>ABM</b>	
Last 5 years	= 5 years x (7% + 3%) = 5 x 10% = 50% or 0.5
First 12 years	= 12 years x 28% = 336% or 3.36
Gross lump sum	= ABM x FAS = (0.5 + 3.36) x FAS = 3.86 x FAS

### c. More than five years as a contributor and aged between 45 and 50

The amount paid will be the total of the following two parts, multiplied by your FAS.

- For the period equal to the difference between the member's age at termination and 50 years, the total of each year's contribution percentage plus 3%.
- For the period equal to the difference between the total years of membership and the period specified in part 1, the full accrual rates as outlined in Table 1 - Benefit Accrual Rates on page 12.

### Example:

Barbara joined the ESSS DB Fund at age 23 and elects to contribute 7% of her salary.

At age 48, Barbara resigns.

Therefore:

ABM	
Last 2 years	= 2 years x (7% + 3%) = 2 x 10% = 20% or 0.2
First 23 years	= 23 years x 25% = 575% or 5.75
Gross lump sum	= ABM x FAS = (0.2 + 5.75) x FAS = 5.95 x FAS

Unless Barbara chooses to transfer her Optional Benefit to the ESSSuper Beneficiary Account on resignation (higher lump sum tax rates will apply when cashed – refer to 'Tax on benefits' on page 24), in which case Barbara's Optional Benefit for transfer is:

ABM	
Last 2 years	= 2 years x (7% + 3%) = 2 x 10% = 20% or 0.2
First 23 years	= 23 years x 28% = 644% or 6.44
Gross lump sum	= ABM x FAS = (0.2 + 6.44) x FAS = 6.64 x FAS

### Retrenchment benefit

Retrenchment occurs if your employment is compulsorily terminated by your employer because your position no longer exists.

A retrenchment benefit is paid as a lump sum to members who are retrenched by their employer prior to the age of 50 years. In order to pay a retrenchment benefit, ESSSuper must receive certification from your employer that you have been retrenched.

A retrenchment benefit, like the retirement benefit, is equal to your full ABM times your FAS.

From age 50, a retirement benefit is payable.

### Disability benefits

A disability benefit is payable if a member retires on the grounds of disability as determined by the Board. A disability benefit is paid as a pension or lump sum according to the Board's determination under the ESS Act.

From 1 July 2014, a former contributor or police recruit may at any time within six years from termination of employment make an application to the Board for payment of a benefit on the grounds that they were suffering from disability at the time they ceased employment. This only applies to former contributors or police recruits who cease employment on or after 1 July 2008.

#### Permanent disability pension or lump sum benefits

A permanent disability benefit will be payable to qualifying members suffering from a disability (as defined) as follows:

- a permanent disability pension will be paid to operational members aged under 55 years or non-operational members aged under 60 years that qualify for a permanent disability benefit and satisfy the eligibility requirements, and
- a lump sum benefit will be paid to operational members aged 55 and over and non-operational members aged 60 and over that qualify for a permanent disability benefit and satisfy the eligibility requirements.

Please note that operational members must terminate service before age 55 and non-operational members must terminate service before age 60 to qualify for the disability pension. An operational employee is anyone who is employed as an operational Police Officer, Firefighter or Ambulance Officer, or a person who was employed as an operational employee and has since had his or her duties changed to non-operational. If termination of service occurs at or after age 55 for operational members and at or after age 60 for non-operational members a lump sum equal to the member's accrued benefit at date of termination is payable instead of the pension.

The benefit is payable from the first day after the member retires on disability grounds.

The annual pension is calculated by dividing the member's death benefit multiple by 12, with the result being expressed as a percentage. This percentage is then multiplied by the member's FAS to determine the pension payable.

#### The maximum annual benefit is:

840% ÷ 12 = 70% of FAS

This amount is paid as a fortnightly pension. Once you receive the pension, it will be adjusted in June and December each year, according to the increase in the Consumer Price Index (for all capital cities).

Permanent disability pensions are regarded as 'rebateable pensions'. This means permanent pensioners will be entitled to claim a 15% per annum superannuation pension rebate on their payments. If an ill health lump sum is paid, this amount is equal to your current ABM times your FAS.

In the event of the death of a member while on a disability pension, the Board must pay the death benefit as set out in section 20F(8) of the Act to the dependants, or, if there are none, to the nominees. If a member has made a binding nomination prior to commencing the disability pension, that binding nomination will be invalid once the disability pension commences and will be treated as a non-binding nomination by the Board.

For more information regarding disability benefits, please refer to the *Claiming a Disability Benefit Brochure* available from our website at [esssuper.com.au/publications](http://esssuper.com.au/publications)

## Death benefit

In the event of the death of a member, the lump sum payable is calculated in two parts:

- i. accrued benefit to the date of death, plus
- ii. prospective benefit which would have been payable to age 55 for operational members assuming the member contributed at their maximum rate from the date of death, or age 60 for non-operational members assuming the member contributed at a maximum rate of 5% per annum from the date of death. For Protective Services Officers who commenced employment before 5 July 2010, the prospective benefit will be calculated to age 60 at a rate of 5%.

Death benefits are paid on an untaxed basis and are calculated based on the accrual rates as outlined in Table 1 - Benefit Accrual Rates on page 12.

The maximum death benefit payable is 8.4 times FAS.

A supplementary death benefit may be payable to certain non-operational members if they die as a result of traumatic bodily injury.

Although police recruits are not members of the ESSS DB Fund, while they undergo training they are entitled to a death benefit under this scheme.

Police recruits may apply for additional insurance cover under ESSSuper's Accumulation Plan. For more information about the Accumulation Plan, eligibility criteria and terms and conditions of insurance cover, refer to the *Accumulation Plan Product Disclosure Statement* and the *Insurance Guide (AP.2)*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by contacting us.

### Example:

David joins the ESSS DB Fund at age 23 as an operational employee and elects to contribute 7% of his after-tax salary.

At age 45, David dies.

Therefore:

Accrued benefit at date of death	= 22 years x 28% = 616% or 6.16
Prospective benefit from date after death to age 55	= 10 years x 28% = 280% or 2.8
ABM	= 6.16 + 2.8 = 8.96

As the maximum death benefit is equal to 8.4 times FAS, this will be the death benefit paid.

Please note that if you contribute less than 7% of after-tax salary or less than 8.3% of before-tax salary during your membership, your maximum death benefit may reduce.

## Beneficiary nominations

A beneficiary nomination allows you to nominate the person(s) you want to receive your benefit in the event of your death.

You can nominate one or more of your dependants, your nominated personal representative (on non-binding nomination form only) or your legal personal representative to receive your benefit in the event of your death. Under the ESS Act, a 'dependant' is defined as someone who is:

- your spouse or de facto partner;
- a child who is less than 18 years of age, or between 18 and 25 and a full-time student; or

- 
- any person (including an adult child) who, in the opinion of the Board, was wholly or partially dependent, or had the right to look to the member for financial support.

A dependant includes a person who is in a registered relationship under the *Relationships Act 2008*.

Your nominated personal representative is a person who can receive your benefit if you do not have dependants. This option is available on the non-binding nomination form.

Your legal personal representative is the executor of your Will or the administrator of your estate. If you nominate a legal personal representative to receive your benefit in the event of your death, the legal personal representative will distribute your benefit according to your Will (or intestacy law if no valid Will exists) after payment of estate debts and expenses, even if the beneficiaries of your estate are not dependants.

You can make either a non-binding beneficiary nomination (non-binding nomination) or a binding beneficiary nomination (binding nomination) for your ESSS DB Fund account. If you don't tell us what you want to happen to your super when you die, the Board will distribute your benefit to your dependant(s) and/or your legal personal representative in the proportions determined by the Board in its discretion, subject to the governing rules of the Fund.

### Types of beneficiary nomination

#### Non-binding nomination

If you make a non-binding nomination, the Board will consider it when deciding who should be paid your benefit. However, your nomination is only a guide and the Board will retain absolute discretion in determining who should receive your benefit and in what proportion, including whether some or all of your benefit should be paid to your legal personal representative. To make a non-binding nomination, log into Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online) and navigate to the *Account / Beneficiaries* menu.

#### Binding nomination

A binding nomination allows you to nominate who you want your benefit to be paid to in the event of your death and in what proportion. You may nominate one or more dependants and/or your legal personal representative.

Provided your nomination remains valid, the Board must follow your instructions, even if your circumstances have changed from the time of your nomination to the time of your death. If any person nominated by you ceases to be a dependant, or a Total and Permanent Disability (TPD) pension is approved and becomes payable to you, your binding nomination will be invalid and will be treated as a non-binding nomination by the Board.

Binding nominations are valid for three years and override any previous nomination. Therefore, it is essential that you review your binding nomination as your circumstances change but also at least every three years. You are able to renew a valid binding death benefit nomination before expiry without paperwork on Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online) on the *Account / Beneficiaries* menu. If you don't renew your binding death benefit nomination prior to expiry, your current nomination will be considered a non-binding death benefit nomination. If that happens, your beneficiary nomination can only be binding by making a new one. To make a new binding nomination, or to change or cancel a binding nomination, you will need to complete the *Binding death benefit nomination form (ES152)* available as a prepopulated form on Members Online in the *Account / Beneficiaries* menu. This form needs to be posted to us as your signature, and those of your witnesses, are required for this process. Note a separate binding nomination form is required in respect of any accounts you may have in the ESSSuper Accumulation Plan or Income Stream.

### Minimum requisite benefit

In order to satisfy the requirements of the Commonwealth *Superannuation Guarantee (Administration) Act 1992*, any benefit paid to a member must not be less than the Minimum Requisite Benefit (MRB). The MRB is specified by the ESSS DB Fund's actuary. The MRB is a benefit calculated to ensure that at a minimum you receive a minimum employer benefit that is equal to or greater than what you would have received if your benefit was based purely on the SG contributions. The SG rate is 11.5% for the 2024-25 financial year and will gradually increase to 12% in coming years.

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## Part-time employment and leave arrangements

If you work part-time hours at any time during your membership, your benefit will accrue proportionately to your part-time hours (your Service Fraction).

If, for example, you were working 60% of your ordinary full-time hours and were contributing 7%, your retirement, resignation or retrenchment benefit multiple will accrue at the rate of 15%. If you had been working full-time and were contributing 7%, your accrual rate would have been 25%. So the full-time accrual rate is multiplied by your Service Fraction to get an accrual rate of 15% (i.e. 25% times 60%).

The Final Average Salary used in calculating your final benefit is always based on your full-time equivalent salary.

The contributions that you pay, according to your nominated contribution percentage, are based on your part-time equivalent salary. In the above example, the contributions paid will be equal to 7% of the full-time salary times 60%.

Please note also that your death and disability benefits may be impacted if at any stage of your membership you work part-time. To determine how your benefits will be affected, please contact us.

### Leave without pay

If you are on leave without pay for a period greater than 28 days, you must advise ESSSuper by completing a *Leave without pay advice – ESSS Defined Benefit Fund members form (E111)* available as a prepopulated form on Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online), in the *Account / Employment history* menu. During your period of leave without pay, your benefit will not accrue.

You will have the option of paying a 2% contribution premium, which will enable you to maintain your full death and disability cover whilst on leave without pay. If you elect not to pay the premium, your death benefit will be equal to your accrued benefit at the date of death. No prospective benefit will be paid.

### Sick leave with pay

If you are on sick leave with pay, your benefit can continue to accrue.

Sick leave with pay is recognised as service at your normal time fraction (the same rules apply if you're in receipt of Workcover or TAC payments). If you are a contributing member, contributions are payable at your nominated contribution rate (including Workcover or TAC).

### Sick leave without pay

If you are on sick leave without pay, your benefit can continue to accrue.

Sick leave without pay is recognised as service at your normal time fraction and your elected contribution rate is maintained (the same rules apply if you're in receipt of Workcover or TAC payments). If you are on sick leave without pay and you are a contributing member, you will accrue contribution arrears. The contribution arrears are payable on your return to work, or if you do not return to work, the arrears will be collected from the final benefit entitlement. You may be able to change your notional contribution rate while on sick leave without pay. Contribution rate changes can be made once per calendar year.

### Unpaid parental leave

If you are on unpaid parental leave, for the first 12 months, your benefit will continue to accrue and you will continue to be covered for death and disablement. During this period, if you are a contributor, your contribution rate is reduced to 0% and no contributions are payable by you. However, you are able to elect a notional contribution rate higher than 0% while on unpaid parental leave. If you decide to do that, you will accrue contribution arrears which will need to be paid on return to work.

After the first 12 months of unpaid parental leave, your benefit will no longer accrue and you have the option to make an election to pay a premium of 2% of your superable salary to continue to be covered for death or disablement.

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## Leave with half pay

If you are on leave with half pay, your benefit will accrue at the full rate, as it would if you were working full-time. Therefore, the contributions that you pay are still calculated based on your full-time salary.

## Supplementary Duties for Police Officers

Police Officers may be able to perform Supplementary Duties during a period of leave without pay, subject to approval from your employer.

For more information about how Supplementary Duties affects your super, please contact us.

# Accessing benefits

## Preservation

The purpose of super is to provide for your retirement. The Federal Government has rules called 'preservation rules' to ensure that your retirement savings are preserved for your retirement or other limited circumstances. For more information refer to 'Statement of compliance' on page 35.

Access to your superannuation at any age is governed by 'conditions of release'. The most common conditions of release that will enable you to access your preserved component are:

- you have reached age 60 and have left your current employer;
- you reach age 65, whether you are still working or not\*; or
- you have reached your preservation age and you elect to commence a Working Income Stream whilst you are still working (see page 29 for further information).

\* You can access your benefit in the ESSS DB Fund from age 65 whilst still working by ceasing active membership of the Fund on application to your employer (known as exempting out). On exempting out the required SG contributions made by your employer will be directed to an accumulation arrangement such as ESSSuper's Accumulation Plan.

Your preservation age is determined by your date of birth. Preservation age is 60 for anyone born after 30 June 1964.

Anyone born before 1 July 1964 has reached preservation age.

Your preserved component may also be released if any of the following conditions are satisfied:

- you have a terminal medical condition;
- you are permanently disabled;
- you die;
- you are a temporary resident permanently departing Australia;
- you qualify for an 'early release' as a result of severe financial hardship (of up to \$10,000 in any 12 month period) or specified compassionate grounds, subject to approval by the Board;
- you, or the ATO, provide ESSSuper with a valid release authority for the payment of tax on excess concessional or non-concessional contributions or Division 293 tax;
- you terminate your current employment and your preserved benefit is less than \$200; and
- you were previously classified as a 'lost member' who is now found, and the value of your benefit is less than \$200.

From age 75, in accordance with Commonwealth Superannuation Law (for more information refer to 'Statement of compliance' on page 35), if you have not exempted out of the ESSS DB Fund and are still working, your membership in the ESSS DB Fund may continue. However, you must stop contributing to the ESSS DB Fund. Any Accumulation Plan benefit can be accessed as cash from age 65 regardless of whether you leave or stay with your employer.

## Non-preserved benefits

Part of your benefit may be non-preserved. Some non-preserved amounts are restricted and some are unrestricted.

Restricted non-preserved amounts can be withdrawn only when you have resigned from your current employment, or have otherwise met a condition of release.

Unrestricted non-preserved amounts can be paid at any time, and are usually made up of benefits that you have already become entitled to but have chosen to keep within the superannuation system (for example, you have reached age 65).

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## Early release of benefits

Federal Government legislation permits the early release of superannuation benefits only in very limited circumstances (for more information refer to 'Statement of compliance' on page 35). An early release of your benefit is permitted only where the Board agrees that you satisfy the criteria under the grounds of severe financial hardship or specified compassionate grounds.

For information on early release debt, please refer to the 'Debt accounts' section on page 33.

Further information regarding the early release of superannuation benefits can be obtained by contacting us.

## Terminal medical condition

You are able to access your benefit as a tax-free lump sum if you are suffering from a terminal medical condition. In order to release your benefits, ESSSuper requires medical reports from two practitioners, (one of whom is a relevant specialist), that certify that you have a terminal medical condition that will likely result in your death within 24 months.

## Transition to retirement

Emergency Services Defined Benefit members who have attained preservation age are eligible to convert part of their accrued benefit to an ESSSuper transition to retirement income stream. Members may use a minimum of 20% up to a maximum of 50% of their accrued retirement benefit. If a member elects to take up this option, their current accrued benefit multiple will be reduced to reflect the amount transferred to a transition to retirement income stream.

The member's maximum multiple will also be reduced proportionally.

ESSSuper has a transition to retirement product known as the Working Income Stream. ESSSuper's Working Income Stream is an account-based pension product which allows you to access your super in the form of regular income payments once you have reached your preservation age, without having to retire or leave your job. To be eligible to invest in the Working Income Stream you must roll over a minimum superannuation benefit of \$50,000. Investment earnings in the Working Income Stream are subject to 15% superannuation investment tax.

For more information about ESSSuper's Working Income Stream, refer to the *Income Streams Product Disclosure Statement* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by contacting us.

## On leaving your employer

On leaving your employer, you will be entitled to a retirement benefit, resignation benefit, retrenchment benefit or disability benefit, depending on why you left your employer. Your benefit is subject to the preservation rules.

You may choose to obtain your benefit and/or use your benefit in a number of ways, such as:

- i. You may transfer your lump sum benefit to ESSSuper's Accumulation Plan. For information about ESSSuper's Accumulation Plan refer to the *Accumulation Plan Product Disclosure Statement* available on our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by contacting us.
- ii. You may transfer your lump sum benefit to ESSSuper's Beneficiary Account. If you transfer 100% of your benefit you must elect to transfer your benefit calculated using the accrual rates that applied prior to 1 July 2005 under an untaxed arrangement. This amount is your Optional Benefit.  
If you transfer less than 100% of your benefit (e.g. you wish to do a combination of payment options), you cannot transfer your benefit to the Beneficiary Account as your transfer amount must be calculated using the accrual rates that have applied since 1 July 2005 under a taxed arrangement. For information on ESSSuper's Beneficiary Account, refer to the *Beneficiary Account Product Disclosure Statement* available on our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by contacting us.
- iii. Subject to your current age and the amount of lump sum benefit you receive, you can transfer your lump sum benefit to an ESSSuper Income Stream. For information about ESSSuper's Income Streams refer to the *Income Streams Product Disclosure Statement* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by contacting us.
- iv. You may roll over your lump sum benefit to another superannuation fund within the superannuation system.
- v. You may take any of your unrestricted non preserved lump sum benefit component as cash.



**Important:**

If you do not advise us within 60 days of terminating employment with an emergency services employer how you would like your benefit paid, we will automatically transfer your taxed benefit to an Accumulation Plan account (see page 22 for 'Unclaimed benefits').

As the taxation that applies to your lump sum benefit differs depending on which payment option(s) you choose, you should read the 'Taxation' section on page 23 before deciding how you want your benefit paid.

### Claiming a benefit

When you are planning to terminate your employment, you will need to advise ESSSuper. We will provide you with a benefit estimate (based on the current information we have available), and information to assist you in deciding how you would like your benefit paid. You can download a prepopulated application form to claim your benefit by logging into Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online) and navigating to the *Resources / Forms* menu. Your final benefit will be determined in accordance with the appropriate legislation in force when your benefit payment is due.

You can arrange an appointment with one of our Member Education Consultants to discuss your benefit entitlements and the options available to you. If you require personal financial advice, you can arrange an appointment with a Financial Adviser<sup>1</sup>. For more information about financial planning services provided to ESSSuper members, refer to 'Getting financial advice' on page 30.

If we receive all required documentation prior to your termination date (including a termination certificate from your employer), we can pay your benefit within ten days of your termination. Please note that the benefit amount payable will be updated with any revised information available from your employer and as a result the amount payable to you may vary from any previous estimates.

Late Payment Interest is payable on your lump sum benefit from the ESSS DB Fund from the date you become eligible to receive the benefit, until the date the benefit is processed or 60 days elapse, whichever occurs first. If you have not nominated a payment from your DB account within 60 days, your DB account balance will be transferred to an Accumulation Plan account and invested in the default investment option where your benefit will accrue earnings based on the movement in the daily unit price of the default investment option.

Please note that we cannot process your benefit until your employer has provided a cessation advice. Once we receive the cessation advice from your employer and your instructions, we can process your benefit. ESSSuper cannot be liable for any delay in processing due to the late arrival of your cessation advice from your employer. Your instructions to rollover or transfer your benefit to another fund or product cannot be processed until a cessation advice from your employer has been received. Late Late payment Interest is payable on your lump sum benefit for the period of the delay until the benefit is paid or 60 days elapse, whichever occurs first. If we have not received your cessation advice within 60 days, your DB account balance will be transferred to an Accumulation Plan account and invested in the default investment option.



**Important:**

If you are an ESSS DB Fund member and you have an Accumulation Plan account at the time you terminate your employment, your Accumulation Plan account will accrue earnings based on the movement in the daily unit price of your nominated investment option until your combined DB Fund and Accumulation Plan benefit is paid or 60 days elapse, whichever occurs first.

If you have not nominated a payment from your combined ESSS DB Fund and Accumulation Plan accounts within 60 days, your taxed benefit will be transferred to a new Accumulation Plan account and invested in the default investment option, where your benefit will accrue earnings based on the movement in the daily unit price of the default investment option.

In the event of death, please note the Board will transfer your Accumulation Plan death benefit into the Cash investment option from the date ESSSuper is notified of your death.

1. ESSSuper Financial Advisers are authorised representatives of Link Advice Pty Ltd (Link Advice). Link Advice holds a current Australian Financial Services Licence No. 258145 and is responsible for the financial services provided to you by it or its authorised representatives. ESSSuper has an arrangement with Link Advice Pty Ltd to provide financial advice to ESSSuper members. ESSSuper pays Link Advice a fee for this service. Neither the Board, nor the Victorian Government, guarantee or endorse any recommendations made by Link Advice or its authorised representatives, or are responsible for the advice and actions of Link Advice or its authorised representatives.

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## Unclaimed benefits

The ESS Act has provisions for dealing with benefits that remain unclaimed when a member leaves employment. If you do not claim your benefit within 60 days of ceasing employment, the unclaimed benefit (calculated using the taxed accrual rates that apply from 1 July 2005) will be transferred to an ESSSuper Accumulation Plan account in your name. Your benefit will be invested in the default investment option. You are able to switch, withdraw or transfer your benefit at any time. Please refer to the *Accumulation Plan Product Disclosure Statement* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

If you wish to transfer your benefits on an untaxed basis, you will have 60 days from the termination of service to apply to transfer the benefit calculated using the untaxed accrual rates prior to 1 July 2005. An ESSSuper Beneficiary Account is designed to accept and invest benefits on an untaxed basis. Please refer to the *Beneficiary Account Product Disclosure Statement* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

## Proof of identity for payments

All super funds must comply with anti-money laundering and counter terrorism financing laws and regulations (AML/CTF) designed to protect Australians from illegal activities like money laundering and the financing of terrorist activities. Accordingly, ESSSuper is required to collect and verify your identification documents before we pay you a benefit or process a rollover of your benefit to another super fund.

For information about the verification and certification of documents, please visit our website at [esssuper.com.au/proof-of-id](http://esssuper.com.au/proof-of-id)

ESSSuper is required to report suspicious transactions to AUSTRAC, the regulator responsible for AML/CTF regulations. As part of this reporting process, ESSSuper may need to disclose a member's personal information to AUSTRAC. We are prohibited from telling you when such reports are made.



# Taxation

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## Providing your Tax File Number (TFN)

Under tax laws, and the *Superannuation Industry (Supervision) Act 1993*, ESSSuper is authorised to collect your TFN and will use and disclose it only for lawful purposes, including:

- calculating tax on any super benefit to which you are entitled and providing information to the ATO;
- transferring your benefit to a complying super fund, an Exempt Public Sector Super Scheme, or to a retirement savings account, where we may disclose your TFN to the trustee or provider of that fund or account or the ATO, unless you advise us in writing not to disclose it.

You are not obliged by law to provide your TFN and it is not an offence to not quote your TFN, however, providing your TFN to ESSSuper will have the following advantages (which may not otherwise apply):

- ESSSuper will be able to use your TFN to identify your account and contributions that your employer may make on your behalf;
- ensure you receive the Government co-contribution or low income super contribution if you are eligible;
- the tax on super contributions will not increase;
- other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your super benefits; and
- it will be easier to trace different super accounts in your name so that you receive all of your super benefits when you retire.

If we do not have your TFN, we will not be able to accept personal contributions from you and you will pay more tax on your superannuation.

The lawful purposes for which we can use your TFN, and the consequences of not providing your TFN, may change in the future as a result of legislative change. To provide your TFN, log into Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online) and navigate to the *My details* menu.

We may also use your TFN to identify multiple accounts within ESSSuper and consolidate them where permitted under law.

## Contributions tax

Federal Government legislation requires ESSSuper to deduct tax from concessional contributions coming into the Fund (for more information refer to 'Statement of compliance' on page 35). These include all employer contributions and any contributions you make from your before-tax pay (i.e. salary sacrifice).

Contributions tax is also deducted from any amounts you roll over into ESSSuper from an 'untaxed' fund (for an explanation of 'untaxed' fund, refer to 'Tax on benefits' on page 24), such as rollovers from some Government funds. If you have provided ESSSuper with your TFN, concessional contributions up to the concessional contributions cap of \$30,000\* are taxed at 15%. Where you have not quoted your TFN, tax on concessional contributions will be taxed at 47% (which is the highest marginal tax rate of 45% and the Medicare levy of 2%).

If your income and concessional super contributions total more than \$250,000\* p.a., you may have to pay Division 293 tax which is 15% of the excess over the threshold or 15% of the taxable super contributions, whichever is less. Where you have paid excess concessional contributions tax you will not be liable for the additional 15% tax on concessional contributions related to income exceeding \$250,000\*. Adjusted income for these purposes is primarily the sum of taxable income, reportable fringe benefits, concessional superannuation contributions and total financial investment and rental property losses.

\* Contribution caps are for the 2024-25 financial year and may change in the future.

## Excess concessional contributions

Any excess concessional contributions above the concessional cap will be included in your assessable income and taxed at your marginal rate. Any excess concessional contributions above the cap will also be counted towards your non-concessional contributions cap.

For the purposes of determining whether a member has exceeded the concessional contributions cap, a 'notional taxed contribution' must be calculated at the end of each financial year (refer 'Glossary' on page 36 for a definition of 'notional taxed contribution'). More information is available on our website at [esssuper.com.au](https://esssuper.com.au) or by contacting us.

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You may be able to elect to release up to 85% of your excess concessional contributions from your super. Any excess concessional contributions which are covered by such an election will not be counted towards your non-concessional contributions cap. Note, you cannot release excess contributions from your DB Fund. However, excess contributions can be withdrawn from the ESSSuper Accumulation Plan.

### Excess non-concessional contributions

You should monitor all non-concessional contributions (made by you and on your behalf) into your account to ensure they don't exceed the non-concessional contributions cap. If you have a total super balance of \$1.9 million or more at 30 June of the previous financial year, your non-concessional contributions cap is zero and any non-concessional contributions you make will be deemed to be above the cap. If you exceed your non-concessional contributions cap the ATO will send you a determination which explains your options.

If you are with a defined benefit fund, Option 2, as determined by the ATO, is the only option available to you, and your tax will need to be paid from your own pocket. If you do nothing when the ATO writes to you, Option 2 will apply to you. When you receive a determination from the ATO, you will have 60 days to make your election. You cannot change your election decision once you make it.

When excess contributions relate to a defined benefit fund you:

- do not release an amount in relation to the excess;
- are assessed for excess non-concessional contributions tax.

You choose to leave the excess contributions and associated earnings in your super. The ATO will send you a Notice of Assessment taxing you on your entire excess non-concessional contributions at the 47% tax rate. This tax will need to be paid from your super. The ATO will send a release authority to your fund to release your tax amount and pay it to them.

When excess contributions relate to an accumulation fund, there are other options available to you. For information about your options in an accumulation fund, please refer to the *Accumulation Plan PDS* and incorporated (*AP.4 How super is taxed guide* available on our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

### Tax on benefits

When you access your superannuation benefit as cash, part or all of this benefit may be subject to lump sum tax. The tax you pay depends upon the taxation components of your benefit, your age when the benefit is paid and whether the fund is a 'taxed' fund or an 'untaxed' fund.

A 'taxed' fund is one which applies 15% contributions tax on employer contributions (including salary sacrifice contributions) when received by a super fund.

'Untaxed' funds do not apply 15% contributions tax on employer contributions, but higher taxation will apply when benefits are paid out.

The ESSS DB Fund moved from being an 'untaxed' fund to become a 'taxed' fund on 1 July 2005. All lump sum benefits paid out after this date are on a 'taxed' basis unless you choose to transfer your Optional Benefit to ESSSuper's Beneficiary Account.

#### From age 60

Benefits received from the ESSS DB Fund at age 60 or over will be tax-free, unless you choose to transfer your Optional Benefit to ESSSuper's Beneficiary Account.

If you choose to transfer your Optional Benefit to ESSSuper's Beneficiary Account you will have an 'untaxed' element of your benefit. The following rates will apply to the 'untaxed' element when you access your benefit:

- up to \$1,780,000: 17% (including Medicare levy of 2%)
- above \$1,780,000: 47% (including Medicare levy of 2%).

The 'taxed' element of your benefit will be tax-free.

## Before age 60

Benefits received before age 60 will consist of two components:

- tax-free component made up of non-concessional contributions and any pre-July 1983 amounts (for definitions refer to 'Glossary' on page 36), and
- a taxable component comprising the total benefit less the tax-free component.

For the 2024-25 financial year, the tax treatment of lump sum benefits received before age 60 will be as shown in the table below. All rates include the Medicare levy of 2%.

Benefit component	Tax withheld
Tax-free	Nil
Taxable (taxed element)	If under age 60, taxed up to a maximum rate of 22%.
Taxable (untaxed element)	If under age 60: <ul style="list-style-type: none"><li>• First \$1,780,000 taxed up to a maximum rate of 32%.</li><li>• Amount above \$1,780,000 taxed at 47%.</li></ul>

The higher tax rates that apply to benefits received from an 'untaxed' fund will also apply to salary sacrifice members who choose to transfer their Optional Benefit to the Beneficiary Account on leaving. Further details are available from our website at [esssuper.com.au](http://esssuper.com.au) or by contacting us.

## Tax on rollovers

If you roll over your benefit to ESSSuper's Accumulation Plan, Beneficiary Account\* or Income Stream, or to another complying fund, you do not pay lump sum tax at the time of the rollover (unless your benefit includes an untaxed taxable amount). You may pay tax when you receive your benefit as cash.

\* You may be liable for tax if you choose to transfer your Optional Benefit out of ESSSuper's Beneficiary Account. See the section 'Tax on benefits' on page 24.

## Tax on death

The tax treatment of death benefits varies depending on who receives your benefit (i.e. spouse, other dependants or your estate) and whether it is paid as a reversionary pension or as a lump sum.

Generally, if a lump sum is paid to a 'tax dependant' beneficiary, the benefit will be paid tax-free. A 'tax dependant' beneficiary includes:

- your spouse or de facto;
- your children under 18 years of age;
- any person who was financially dependent on you at the time of your death; and
- any person who had an interdependency relationship with you at the time of your death.

The taxable component – taxed element of your lump sum death benefit paid to anyone else will be taxed at 15% plus Medicare levy of 2%. The taxable component – untaxed element of your lump sum death benefit paid to anyone else will be taxed at 30% plus Medicare levy of 2%. For details on your components please contact us.



### Note:

The taxation information contained in this PDS is based on our interpretations of law as at 1 July 2024. The level and basis of taxation may change and the application of taxation laws depends on your individual circumstances. You should therefore seek professional advice on taxation implications of investing in the ESSS DB Fund and should not rely on the above information, which should be used as a guide only.

# Fees and other costs

## CONSUMER ADVISORY WARNING

### ⚠ DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

### ❓ TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC) Moneysmart website** ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a superannuation calculator to help you check out different fee options.

To help compare different superannuation products, superannuation trustees are required by law to include this Consumer Advisory Warning statement in a PDS. However, ESSSuper does not negotiate fees. In addition, there are no fees or charges attached to your defined benefit, but the following information is prescribed by Commonwealth law. Please note that your ESS DB Fund benefit does not rely on investment earnings for growth.

## Fees and other costs

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees and advice fees for personal advice may also be charged, but these will depend on the nature of the activity or advice chosen by you. Entry and exit fees cannot be charged.

Taxes are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.



## Fees and costs summary

ESSS Defined Benefit		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
Administration fees and costs	Nil	Not applicable.
Investment fees and costs <sup>2</sup>	Nil	Not applicable.
Transaction costs	Nil	Not applicable.
<b>Member activity related fees and costs</b>		
Buy-sell spread	Nil	Not applicable.
Switching fee	Nil	Not applicable.
Other fees and costs <sup>3</sup>		For more information, see the 'Additional explanation of fees and costs' section below.

<sup>1</sup> Ongoing annual fees and costs, including administration fees and costs, investment fees and costs, and transaction costs, are met by your employer.

<sup>2</sup> Although some of these fees may be charged by investment managers, they are not deducted in a manner which affects your defined benefit, but from investment earnings before they are added to the defined benefit pool.

<sup>3</sup> Other fees and costs are set out in the 'Additional explanation of fees and costs' section below.



**Note:** You are not charged any fees for the day-to-day running of your account. These costs are fully paid by your employer.

## Additional explanation of fees and costs

Type of fee or cost	Amount	How and when paid
Family law request for information	<b>Member</b> No fee is payable for information for up to three appropriate dates within a 12 month period. If you require information for more than three appropriate dates, a fee of \$100 for each block of three additional dates is payable.	Payable by EFT at the time the request is made.
	<b>Non-member spouse</b> \$250 for provision of information for up to three appropriate dates within a 12 month period. If you require information for more than three appropriate dates, a fee of \$100 for each block of three additional dates is payable.	Payable by EFT at the time the request is made.
Freedom of information request	\$32.70 per application for information (see 'Freedom of information' on page 34).	Payable by EFT at the time the request is made.
Financial advice	<b>Warning: Additional fees may apply if you consult a financial adviser.</b> ESSSuper has an arrangement with Link Advice Pty Ltd (under their Australian Financial Services Licence No. 258145) to provide members with financial product advice. Your first appointment with a financial adviser is free of charge. If you want financial advice, an hourly rate is charged for the preparation of a full financial plan. This fee is based on the time it takes to prepare, present and implement the plan. Different fees apply for single topic financial advice. Contact us for further details on fees. The Financial Services Guide and Statement of Advice from the financial adviser will also set out these fees.	The fee can be deducted from your account if the advice is super related, or you can pay by credit card or EFT.
Tax	Tax may be deducted from your account. For details on tax, refer to pages 23–25. ESSSuper claims a tax deduction for its administration costs each year. The tax benefit from the deduction is paid into ESSSuper's reserves.	

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## Defined fees

These definitions are prescribed under legislation.

### Activity fees

A fee is an activity fee if:

- a. the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
  - i. that is engaged in at the request, or with the consent, of a member, or
  - ii. that relates to a member and is required by law, and
- b. those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

### Administration fees and costs

Administration fees and costs are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that:

- a. relate to the administration or operation of the entity, and
- b. are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Advice fees

A fee is an advice fee if:

- a. the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
  - i. a trustee of the entity, or
  - ii. another person acting as an employee of, or under an arrangement with, the trustee of the entity, and
- b. those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

### Buy-sell spread

A buy-sell spread is a fee to recover costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

### Exit Fee

An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

### Investment fees and costs

Investment fees and costs are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

- a. fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees), and
- b. costs incurred by the trustee of the entity that:
  - i. relate to the investment of assets of the entity, and
  - ii. are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Switching fees

A switching fee for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.

### Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy-sell spreads.

# Staying with ESSSuper when you leave the ESSS DB Fund

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ESSSuper provides you with a range of product options when you change employer, retire or otherwise cease your DB Fund membership. ESSS DB Fund members aged 65 and over can cease their ESSS DB Fund membership and apply to take the full benefit (called exempting out) whilst remaining in active service. On exempting out, your employer will then pay the required SG contributions on your behalf to an accumulation arrangement of your choice such as ESSSuper's Accumulation Plan.

## ESSSuper Accumulation Plan

You can join the ESSSuper Accumulation Plan at any time, either while you are working or when you retire.

You can use the Accumulation Plan to make regular after-tax or salary sacrifice contributions, lump sum contributions, spouse contributions and self-employed contributions.

You can also roll over money from other super funds and arrange for SG contributions from other employers to be made to the Accumulation Plan.

The Accumulation Plan also provides a range of investment options, insurance options and allows you to make either a binding or non-binding death benefit nomination for your account.

For more information about the Accumulation Plan, refer to the *Accumulation Plan Product Disclosure Statement* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or contact us.

## ESSSuper Beneficiary Account

When you leave your emergency services employer or exempt out if age 65 or over, you may choose to roll over your optional 'untaxed' benefit to the ESSSuper Beneficiary Account. You can also roll over additional money from other super funds at any time. Whilst the Beneficiary Account is similar to the Accumulation Plan, it does not provide insurance cover or accept contributions and the Beneficiary Account does not offer binding death benefit nominations.

The Beneficiary Account is suited to those members who choose to receive their Optional Benefit (refer to page 20) when they leave their employer, as it allows you to defer paying tax on the untaxed element of the taxable component of your benefit. However, higher tax rates apply when you

withdraw or roll over your benefit if the taxable component of your benefit contains an untaxed element (refer to page 24).

For more information about the Beneficiary Account, refer to the *Beneficiary Account Product Disclosure Statement*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or contact us.

## ESSSuper Working Income Stream

If you have reached your preservation age, you are still working and you have \$50,000 to invest, you are eligible to join the ESSSuper Working Income Stream. Preservation age is 60 for anyone born after 30 June 1964. Anyone born before 1 July 1964 has reached preservation age.

The Working Income Stream allows you to access your preserved superannuation benefit in the form of regular income payments whilst you are still working. Investment earnings in the Working Income Stream will be subject to 15% tax.

For more information about the Working Income Stream, refer to the *Income Streams Product Disclosure Statement*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or contact us.

## ESSSuper Retirement Income Stream

If you have an 'Unrestricted Non-Preserved' superannuation benefit (refer to page 19), you are eligible to transfer this benefit to ESSSuper's Retirement Income Stream and receive a regular income. Generally, to have an Unrestricted Non-Preserved benefit, you must have reached your preservation age and be fully retired or have met a condition of release as outlined in the 'Preservation' section on page 19. To commence a Retirement Income Stream, you must have \$50,000 or more to invest. A transfer balance cap applies to the total amount of super an individual can transfer into a Retirement Income Stream. From 1 July 2021, each individual will have a personal transfer balance cap of between \$1.6 million and \$1.9 million, depending on their circumstances.

For more information about the Retirement Income Stream and the transfer balance cap, refer to the *Income Streams Product Disclosure Statement*, available on our website at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by calling our Member Service Centre.

# Getting help with your super

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Our website is a very useful source of information to keep you up to date with all the latest super news. You will also find tools to help manage your super, including calculators and easy-to-access forms, and you can register your interest for our member education events (i.e. webinars and seminars). You can also create secure online access to your account on Members Online to view your personal super details, update your details, perform a benefit estimate and view your annual benefit statement online. To register for Members Online, please visit our website at [esssuper.com.au/members-online](https://esssuper.com.au/members-online)

There are many other ways we can help you with your super:

- Visit [esssuper.com.au](https://esssuper.com.au) for super tips, news, information, and calculators
- Contact us with any questions about your super: see page 3 for contact details or submit an enquiry at [esssuper.com.au/contact-us](https://esssuper.com.au/contact-us)
- Book your place in our super education events (i.e. webinars and seminars) at [esssuper.com.au/education-events](https://esssuper.com.au/education-events)
- Have a private general advice consultation with a Member Education Consultant in a video call, over the phone or in person at our office
- Get personal, tailored, financial advice from an ESSSuper Financial Adviser\* (costs may be payable). Our Financial Advisers don't receive commissions, and are required to act in your best interests.

## Getting financial advice

If you need personal financial advice that is tailored to your individual circumstances, you should seek advice from a licensed Financial Adviser.

ESSSuper has an arrangement with Link Advice Pty Ltd (Australian Financial Services Licence (AFSL) No. 258145) (Link Advice) under which Link Advice and its authorised representatives may provide you with fee-for-service (commission free) financial product advice.

Your first appointment with a financial adviser is free of charge. If you want financial advice, an hourly rate is charged for the preparation of a full financial plan. This fee is based on the time it takes to prepare, present and implement the plan. Different fees apply for single topic financial advice.

Under this arrangement, Link Advice authorises certain qualified ESSSuper Financial Advisers to provide financial product advice to ESSSuper members. Although these Financial Advisers are employed by ESSSuper, the advice will be provided under Link Advice's AFSL and Link Advice is responsible for the financial advice services provided to you. ESSSuper pays Link Advice a fee for this service. However, neither the Board, ESSSuper nor the Victorian Government guarantee or endorse any advice given by Link Advice or its authorised representatives.

A qualified Financial Adviser can provide financial advice specific to your personal needs, goals and financial situation. They can also work with you to develop a tailored plan to help you reach your retirement goals.

For more information about our financial advice arrangements, please visit our website at [esssuper.com.au/advice](https://esssuper.com.au/advice) or contact us.

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## Keeping you informed

### Keeping track of your account online

Through our Members Online service, your super account details are available whenever you need them. You can securely check your current account balance, transaction history and read important messages and past statements. Members Online gives you the power to update your details, change your contribution rate, nominate a beneficiary, and more.

### Staying in touch

We'll provide regular updates about your account in different ways, including online (e.g. in your Members Online inbox), by email, SMS, and by post. You can contact us by phone, email, post, and online.

You can choose your preferred way to connect with us. We encourage you to supply your email address and mobile phone number so you can send and receive information easily and efficiently. You can also nominate a postal preference, or opt out of marketing at any time.

Our updates include responses to your queries, Annual Benefit Statements, Annual Reports, and important information about your account.

For copies of the *Emergency Services Superannuation Act 1986*, *ESSSuper's Privacy Policy* and *Privacy Collection Statement*, Fund Accounts, or Auditor's Reports, please visit our website at [esssuper.com.au](http://esssuper.com.au) or contact us.

## Setting up an account for your spouse

Spouses of ESSS DB Fund members may be eligible to set up an account in the ESSSuper Accumulation Plan. A 'spouse' includes:

- a legal spouse;
- another person with whom you are in a relationship that is registered under a State or Territory Law; or
- another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

Spouse accounts are not available in the ESSS DB Fund. For more information, please visit our website at [esssuper.com.au](http://esssuper.com.au) or contact us.



# Other information

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## Privacy

ESSSuper treats the privacy and confidentiality of our members' personal information seriously, and complies with the guidelines in the *Privacy and Data Protection Act 2014*. ESSSuper collects and uses personal information to manage your account, administer the defined benefit fund and comply with the Board's obligations under relevant laws. We may also use this information to inform you about other products and services that we have that may interest you.

Copies of our *Privacy Policy* and *Privacy Collection Statement* are available at [esssuper.com.au](http://esssuper.com.au)

## Family law

The *Family Law Act 1975* (Cth) allows superannuation benefits to be split between divorcing or separating spouses. Persons in a de facto relationship are also able to split superannuation benefits upon separation.

A member and their spouse or de facto partner can agree to split the member's superannuation benefit or ask the Family Court to order a split. For any amount that is required to be paid out of your defined benefit entitlements, an equivalent debt amount is created within your ESSS DB Fund account. This debt will be indexed to Average Weekly Ordinary Time Earnings (AWOTE) + 2.25% from the day after the operative date until the defined benefit becomes payable to you or until you reach your maximum benefit multiple. When a condition of release is met (e.g. resignation, retirement, death, etc.) the outstanding debt plus accrued interest will be deducted from your benefit entitlement.

You are able to make repayments towards your outstanding family law debt amount at any time prior to your last day as an active member in the ESSS DB Fund, therefore reducing the impact on your final superannuation benefit entitlements. Any outstanding debt will be deducted from your final superannuation

benefit prior to payment, or from your pension and subsequent lump sum entitlements (if applicable). The minimum amount of any repayment is \$5,000 unless the total debt is less than \$5,000. In that case the full balance of the debt account will need to be repaid. Repayments made toward your debt account are reported to the ATO and count towards your non-concessional contributions cap in the financial year the repayment is made. Your debt account balance(s) will be shown on your Annual Benefit Statement each year and can be viewed on Members Online at [esssuper.com.au/members-online](http://esssuper.com.au/members-online) in the *Account / Benefit estimate* menu. To repay outstanding family law debt, please call us on 1300 655 476 for further information.

We will place a benefit payment flag on your account if served with a valid flagging Court Order/Superannuation Agreement. This stops us from paying your superannuation while the flag is in place.

The law allows eligible persons to obtain information about a member's superannuation. Eligible persons include:

- the member of the fund (or in the case of your death your legal personal representative);
- the member's spouse or de facto partner (or in the case of their death their legal personal representative); and
- a person who intends to enter a superannuation agreement with the superannuation fund member. This could include a person who intends to marry the member, or enter into a de facto relationship with the member, and wishes to enter into an agreement that deals with superannuation assets (for example a pre-nuptial agreement).

ESSSuper may charge a fee for an application for information about a superannuation interest (refer to pages 26-28 for information about fees).

For further information about the impact of the Family Law rules on your superannuation, please visit our website at [esssuper.com.au/family-law](http://esssuper.com.au/family-law) or contact us.

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## Debt Accounts

Any debt account balances in existence in relation to family law payments, early release payments and/or surcharge debts will be deducted from benefits prior to payment.

The debt accounts represent any amounts:

- released on early release grounds;
- paid to a non-member spouse as a result of a family law split; or
- paid in relation to a surcharge debt.

Plus any cumulative debt interest.

### Early release debt

If you apply and are granted an early release benefit on compassionate or financial hardship grounds, the Board will establish a corresponding debt amount against your defined benefit account. The early release debt amount prior to 30 June 2009 accrues interest at the Fund's crediting rate and the debt amount after 1 July 2009 (including COVID-19 early release) accrues interest at the rate of increase in Average Weekly Ordinary Time Earnings (AWOTE) with earnings at AWOTE plus 2.5%.

You are able to make repayments towards your outstanding early release debt amount at any time prior to your last day as an active member in the ESSS DB Fund, therefore reducing the impact on your final superannuation benefit entitlements. Any outstanding debt will be deducted from your final superannuation benefit prior to payment, or from your pension and subsequent lump sum entitlements (if applicable). The minimum amount of any repayment is \$5,000 unless the total debt is less than \$5,000. In that case the full balance of the debt account will need to be repaid. Repayments made toward your debt account are reported to the ATO and count towards your non-concessional contributions cap in the financial year the repayment is made

### Family law debt

For information on family law debts, please refer to the Family law section.

### Surcharge debt

The Superannuation Contributions Surcharge (surcharge) is an additional tax on an individual for certain contributions made to a super fund between 20 August 1996 and 30 June 2005. We reported your surchargeable contributions to the ATO and the ATO used this information, along with your tax return, to calculate your adjusted taxable income. The ATO used the surcharge thresholds to work out if there was a surcharge liability. If you were affected, the ATO sent you a notice about the assessment and also sent a copy to us. If the ATO sends us a surcharge assessment for you, the Board will pay that amount on your behalf and apply a corresponding surcharge debt amount against your defined benefit account. Your surcharge debt account accrues interest at the 10 year Treasury bond rate.

You are able to make repayments towards your outstanding surcharge debt amount at any time prior to your last day as an active member in the ESSS DB Fund, therefore reducing the impact on your final superannuation benefit entitlements. Any outstanding debt will be deducted from your final superannuation benefit prior to payment, or from your pension and subsequent lump sum entitlements (if applicable). Full payment, partial payment of any amount, or payment by instalments can be made. Repayments made toward your debt account are reported to the ATO and count towards your non-concessional contributions cap in the financial year the repayment is made.

### Repayment of debts

Your debt account balance(s) will be shown on your Annual Benefit Statement each year and can be viewed on Members Online at [esssuper.com.au/members-online](https://esssuper.com.au/members-online) in the *Account / Benefit estimate* menu.

To repay outstanding debt amounts, please call us on 1300 655 476 for further information

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## Freedom of information (FOI)

The *Freedom of Information Act 1982 (Vic)* gives members the right to request information held by ESSSuper such as:

- documents in relation to their personal affairs, and
- documents in relation to the operation of ESSSuper.

It may enable incorrect or misleading information held by ESSSuper concerning an individual to be amended or removed.

The FOI application fee applicable for 2024-25 financial year is \$32.70 per application. The level of the fee is prescribed by the Victorian Government and is increased at 1 July each year. Please visit our website at [esssuper.com.au](http://esssuper.com.au) for the current application fee.

All requests for information under FOI must be made in writing to:

Freedom of Information Officer

Postal address      ESSSuper  
GPO Box 1974  
Melbourne Victoria 3001

## Complaints handling

If you wish to make a complaint about any aspect of our service, or feel that you may have been treated unfairly or disadvantaged by a decision of ESSSuper, you are encouraged to call us to help resolve it. In the event that you are not satisfied, the matter will be referred to the Internal Dispute Resolution Officer.

Complaints are accepted in any form: in person, by phone, email or in writing. Complaints can be directed to:

Internal Dispute Resolution Officer

Postal address      ESSSuper  
GPO Box 1974  
Melbourne Victoria 3001

Telephone            1300 650 161

Email                    [info@esssuper.com.au](mailto:info@esssuper.com.au)

You may be asked to document your complaint in writing (either by email or letter) if the complaint is sufficiently complex and/or the initial complaint was raised by a third party (non-member).

ESSSuper has a formal dispute handling process comprising an internal and external avenue of appeal.

In the event that the Internal Dispute Resolution Officer is unable to resolve the matter to your satisfaction, you may request in writing to have the matter internally reviewed. Such requests must be made within 30 days of receiving the decision. Your request should provide reasons why you are dissatisfied with the previous response and the resolution you seek.

ESSSuper will review the matter and provide a response. The response will include information about any avenue for appeal if you are still dissatisfied.

### Decisions affecting benefit entitlements

If your complaint relates to an ESSSuper decision affecting a benefit entitlement under the Fund's governing rules, upon request your matter will be referred to the Benefits & Service Committee (a panel comprising Members of the Board) for its consideration.

ESSSuper will notify you of the Committee's decision in writing. If you are dissatisfied with the Committee's review decision, you have the right to lodge an application to the Victorian Civil and Administrative Tribunal (VCAT), a body established under the *Victorian Civil & Administrative Tribunal Act 1998*, which deals with a range of disputes in an efficient and cost effective manner. Subject to VCAT having the jurisdiction to review your matter, VCAT can affirm, vary or set aside a decision, or refer it back to ESSSuper to be reconsidered.

A complaint must be lodged with VCAT within certain time limits. For information about VCAT's jurisdiction and its procedures, please call VCAT on (03) 9628 9700 or visit its website at [vcat.vic.gov.au](http://vcat.vic.gov.au)

As ESSSuper does not come under the jurisdiction of the Australian Financial Complaints Authority (AFCA), AFCA is unable to hear complaints from ESSSuper members.

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## Statement of compliance

The Emergency Services Superannuation Scheme (the Fund) is an exempt public sector superannuation scheme under the Commonwealth *Superannuation Industry (Supervision) Act 1993* (SIS). The SIS legislation deems exempt public sector superannuation schemes to be complying for the purposes of the *Income Tax Assessment Act*, and Superannuation Guarantee purposes.

The Victorian Government has agreed to the Commonwealth's retirement income principles in the 2014 Heads of Government Agreement (the Agreement) between the Commonwealth and Victorian Governments. The Agreement sets out the principles of the Commonwealth's retirement incomes policy that the Victorian Government is required to comply with to ensure consistency with national superannuation standards. These principles include, but are not limited to, preservation standards, contributions, security of accrued benefits, vesting, portability and consolidation, lost members and unclaimed money, insurance, member representation, trustee governance, investments, risk management framework, regular audit and actuarial reviews, data and e-commerce standards and processes for the consideration of complaints.

The Victorian Government has agreed to conform with the principles of the Commonwealth's retirement income policy as reflected in the Agreement and from time to time in Commonwealth superannuation and taxation law. The Victorian Government is required to monitor this Agreement and publish a statement of its commitments in the ESSSuper Annual Report, including details of the processes that ESSSuper has in place to monitor compliance with the Agreement. On an annual basis, the Victorian Government is required to provide the Commonwealth Government with a copy of the ESSSuper Annual Report and confirm that there has been no legislative change in the governing rules of its exempt public sector superannuation schemes (which include the Fund) that would lead to a breach of the Agreement.

ESSSuper has a detailed program to assess compliance with internal policies and procedures, Victorian Acts of Parliament and Commonwealth superannuation and taxation laws. Results are reported regularly to the Governance, Risk and Compliance Committee and detailed each year in the Annual Report.

## Prudential Superannuation Standard

Section 6B of the *Emergency Services Superannuation Act 1986* (ESS Act) requires the Board to comply with the Prudential Superannuation Standard (PSS) made by order of the Governor-in-Council. The PSS applies reporting and compliance requirements similar to APRA regulated superannuation funds to ESSSuper. This includes an annual attestation that appropriate risk management arrangements are in place.

# Glossary

Term	Meaning
Accrued Benefit Multiple (ABM)	This is determined by the amount you contribute to your super and the length of time you have contributed.
Concessional contributions	Contributions to superannuation from before-tax income (i.e. all employer contributions including salary sacrifice and personal deductible contributions).
Contributions tax	A compulsory 15% tax levied on concessional contributions (i.e. employer superannuation contributions, salary sacrifice contributions and personal deductible contributions) at the end of each financial year.
Final Average Salary (FAS)	The average of a member's salaries over the final two years of employment.
Non-concessional contributions	Personal contributions to superannuation from after-tax income.
Notional taxed contribution	Concessional contributions in respect of your defined benefit that count towards the concessional contributions cap.
Optional Benefit	The optional benefit is available when you transfer 100% of your benefit to ESSSuper's Beneficiary Account. The optional benefit is calculated using the accrual rates that applied prior to 1 July 2005 under an untaxed arrangement.
Participating employer	An employer eligible to contribute to the Fund by virtue of the ESS Act. A participating employer generally refers to Victorian emergency services employers.
Pre-July 1983 amounts	The part of a superannuation benefit which relates to fund membership or service prior to 1 July 1983. This amount became part of a fixed component as at 30 June 2007.
Preserved benefit	The portion of a benefit that, according to Federal Government legislation (for more information refer to 'Statement of compliance' on page 35), must be kept in the superannuation system for retirement after your preservation age, unless you satisfy a condition of release. Preservation age is 60 for anyone born after 30 June 1964. Anyone born before 1 July 1964 has reached preservation age.
Rollover	The transfer of superannuation amounts to another superannuation fund.
Service fraction	Part-time hours worked as a percentage of ordinary full-time hours.
Superable salary	Generally your gross salary, excluding any allowances (e.g. overtime), which are not considered for superannuation purposes. These allowances vary between employers. Where a member's salary has been reduced, the member's higher salary will be automatically maintained for superannuation purposes, unless the member elects otherwise.
Superannuation Guarantee	Legislation which requires employers to provide a minimum level of superannuation contributions for most employees. The Superannuation Guarantee (SG) paid by your employer is 11.5% for the 2024-25 financial year and will gradually increase to 12% in coming years.
'Taxed' fund	A superannuation fund that applies 15% contributions tax on concessional contributions (i.e. employer contributions, salary sacrifice contributions and personal deductible contributions) paid into the fund.
Transfer balance cap	A lifetime limit on the total amount of superannuation that can be transferred into the Retirement Income Stream. From 1 July 2021, each individual will have a personal transfer balance cap of between \$1.6 million and \$1.9 million, depending on their circumstances.

Term	Meaning
Unit price	<p>As investment markets fluctuate on a daily basis, the total market value of the assets in each investment option changes. The change in market value of each investment option is reflected in a change in its unit price.</p> <p>The unit prices are calculated daily, net of management fees, costs and taxes (if applicable), and applied the next business day using this formula:</p> <p>Total market value of the assets in each investment option</p> <p>÷</p> <p>Number of units held in that investment option</p> <p>Unit prices are applicable to ESSSuper's Accumulation Plan, Beneficiary Account and Income Streams.</p>
'Untaxed' fund	<p>A superannuation fund that does not apply 15% contributions tax to employer contributions and salary sacrifice contributions paid into the fund.</p>

# Proudly serving our members

## Contact us

T 1300 650 161

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