

Shadforth Portfolio Service

25 February 2019

In Specie Transfer Guide

Transfers

An in specie transfer is the transfer of assets such as listed securities between two entities. This is an alternative to selling down assets and transferring the proceeds as cash.

These transfers are most beneficial for assets held outside of superannuation as the transfer does not trigger a Capital Gains Tax (CGT) event, provided the beneficial owner of the asset remains unchanged.

In specie transfers are of significantly less benefit for assets held within superannuation as the transfer of assets between superannuation funds represents a change of both legal and beneficial ownership, triggering a CGT event for the disposing superannuation fund.

In specie transfers also eliminate time out of the market.

Products which allow asset transfers

Assets held externally by your clients may be able to be transferred into Shadforth Portfolio Service – Super, Shadforth Portfolio Service – Pension and Shadforth Portfolio Service – Investment (collectively referred to as the Service).

You should always consult with your Client Solutions Manager prior to discussing an asset transfer with your client or attempting to initiate a transfer as **IOOF Investment Management Limited (IIML) does not guarantee that a transfer request will be accepted. Each request is assessed on a case by case basis, having regard for the asset being transferred and type of account that it is being transferred into.**

Note: In specie transfers out of the Service are generally not permitted.

Transfer of assets into Shadforth Portfolio Service – Super and Shadforth Portfolio Service – Pension

A transfer of assets into above mentioned Shadforth Portfolio Service products (part of the IOOF Portfolio Service Superannuation Fund (the Fund)) could represent either a personal contribution or a rollover from another complying superannuation fund.

Tax and superannuation rules apply to these transfers. The Trustee will treat the contribution as having been received by the Fund when legal title passes to the Trustee.

Transferring assets into the Fund represents a CGT event for the disposing entity and should be reflected in the tax position of that entity. Also, a new cost base for the asset will be created on the date the asset is transferred into the Fund.

Please note, you can only transfer assets when you start a new Shadforth Portfolio Service – Pension. No additional transfers or contributions or rollovers can be added to a pension account that has already commenced.

Documentation required to transfer assets into a superannuation account

- **Additional Lump Sum Contribution Form** – this form includes details of the superannuation contribution type.
- **Standard Transfer Form** – for each asset being transferred into the Fund.

Transfer of assets into Shadforth Portfolio Service – Investment

The transfer of assets into Shadforth Portfolio Service – Investment can occur only where the beneficial owner remains unchanged. Once the assets are transferred they will be held in the name of IIML as the Service Operator of Shadforth Portfolio Service – Investment on behalf of the beneficial owner.

Documentation required to transfer assets into Shadforth Portfolio Service – Investment

- **Transfer Of Assets Into Shadforth Portfolio Service – Investment Form** – this form includes a checklist and the necessary client authorisation and declaration.
- **Standard Transfer Form** – for each asset being transferred into IIML.
- **In Specie Transfer Unrealised CGT Parcel Information Form (or Excel file)** – this form is used to provide IIML with details of the current tax parcel information for each asset you transfer into Shadforth Portfolio Service – Investment.

Completing the Standard Transfer Form

A Standard Transfer Form (STF) is required for each asset being transferred into the above mentioned Shadforth Portfolio Service account.

It is important to understand who should be completing this form as the asset seller.

Where the asset being transferred is held in your client's name directly (such as via an online share trading account), then your client should complete the seller details.

Where the asset being transferred is held by another party, such as another platform, then the custodian of the asset must complete the form as seller. In these situations, you will need to arrange for the other platform to complete the STF to ensure the seller details are correct. It is not advisable for you or your client to complete the seller details, as you may not be fully aware of the custodian arrangements or account naming conventions of the other platform.

We will complete the buyer section appropriately upon receipt of the STF where all seller details supplied appear correct.

In the event an STF is not completed correctly, a new STF will be required. This creates additional work for all parties involved and will delay the asset transfer process.

Expected timeframe for completion

The completion of asset transfers is dependant on external parties, custodians and other third parties outside of our control. Accordingly, the timeframe for completion of the transfer can vary.

As an indicative guide, the transfer of a listed security can usually be completed in around ten working days and transfer of a managed fund can usually be completed in around 30–40 working days.

Events such as corporate actions and other asset specific events can delay the transfer of assets. In addition, we reserve the right to delay the transfer of an asset where asset specific events are pending (for example a demerger in progress).

Advisers can assist in minimising any delays by ensuring all forms are completed accurately and in full.

Asset transfers requested near quarter end

We will not action an asset transfer request received within ten working days of the quarters ending 30 September, 31 December or 31 March or received within 20 working days of the end of the financial year.

Requests received past this cut-off will be held over until the end of the relevant calendar quarter.

Assets which allow re-investment

Where the asset to be transferred allows re-investment of income, or is held within a platform where automatic rebalancing or periodic cash sweeps exist, you should ensure all re-investment features are turned off prior to requesting an asset transfer.

Share registries and custodians will only transfer the number of units specified on the STF. Where further units in an asset are added to a holding through one of the mechanisms detailed above, another STF would be required to transfer the new units added.

If you have any further questions, please contact your financial adviser or Shadforth ClientFirst on 1800 931 792.

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Standard Transfer Form

Please complete these instructions in **BLACK INK** using **CAPITAL LETTERS** and ✓ boxes where provided.

Affix stamp duty here

Marking stamp

Full name of company or corporation

Sellers to complete

Description of securities

Class of securities

Register

Quantity

Sellers to complete

Figures

Words

Full name(s) of transferor(s)/seller(s)

Sellers to complete

Account No or SRN/HIN

Consideration

Shadforth Portfolio Service to complete. DO NOT complete.

Full name(s) of transferee(s)/buyer(s)

Account No or SRN/HIN

Postal address of transferee(s)/buyer(s)

GPO Box 264, Melbourne VIC 3001

I/We the registered holder(s) and undersigned seller(s) for the above consideration do hereby **transfer** to the above name(s) hereafter called the Buyer(s) the securities as specified above standing in my/our name(s) in the books of the above named Company subject to the several conditions on which I/we held in the same at the time of signing hereof and I/we the Buyer(s) do hereby agree to accept the said securities subject to the same conditions. I/We have not received any notice of the revocation of any Power of attorney by death of the grantor or otherwise under which this **transfer** is signed.

Transferor(s)/Seller(s) signature

Date signed

 / /

Transferee(s)/Buyer(s) signature

Date signed

 / /

Date signed

 / /

Date signed

 / /

Post to Shadforth Portfolio Service, Reply Paid 264, Melbourne VIC 8060

Email portfolioservice@sfg.com.au

Telephone 1800 931 792



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A guide to completing the Standard Transfer Form for asset transfers into the Service

The following is a guide on what sections you will need to complete on the Standard Transfer Form. If this information is not completed correctly, your transfer may be delayed or unable to be facilitated without further documentation.

Full name of company or corporation	Write the full name of the security you wish to transfer Example: IOOF Holdings Limited
Register	Please write the full name of the entity maintaining the registry for the security (if known).
Quantity	Please write in words and also in figures the amount of securities held. Example: One hundred and fifty eight 158
Full name(s) of transferor(s)/seller(s)	You must write the name of the entity holding the security on your behalf. This might be your name (for CHESS or Issuer Sponsored holdings) or the name of a custodian (for securities held in another investment platform). Where your security is held in custody by another party, you will generally need to forward the transfer form to that party for completion. Example: Joe Williamson ABC Investment Management Limited ACF ABC Platform
HIN or SRN	Circle HIN or SRN. A HIN will usually start with X and be followed by a series of numbers. A SRN will usually start with I and be followed by a series of numbers. Example: I00598745387 X1234567891
Transferor(s)/seller(s) sign and date	Transferor(s)/Seller(s) sign and date. Please ensure the seller signs and dates the transfer form. If the security is held in custody by another party, please check that they have signed and dated the form prior to returning to IOOF.

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