
How it Works - Cryptocurrency

▶ Cryptocurrency

A SMSF is permitted to invest in cryptocurrency. Clients of ESUPERFUND are permitted to use any **Australian based** cryptocurrency exchange to purchase cryptocurrency for their SMSF. To simplify the cryptocurrency application process, ESUPERFUND has established direct arrangements with the following Australian based exchanges allowing clients to easily apply for a cryptocurrency account and have the account linked to ESUPERFUND to receive data:

- Digital Surge

▶ Australian Based Exchange

If you elect to establish a cryptocurrency account with an exchange **other than** Digital Surge, you are only permitted to use an Australian based cryptocurrency exchange and cannot establish a cryptocurrency account using an overseas based exchange. This is due to the complexity involved in accessing data in the format required relating to trading activities and currency movements involved with overseas exchanges. In addition, overseas exchanges typically do not recognise SMSF investors and may setup accounts in the trustees individual names. This is a breach of SMSF laws and not allowed.

▶ Monitoring Transactions

By using the above Australian based cryptocurrency exchange (**Digital Surge**), ESUPERFUND is able to electronically access trading data relating to your SMSF cryptocurrency investments and transactions, in order to attend to the SMSF annual compliance requirements. No data is required from you each year as we already have the data. It is important to understand that only electronic data files are provided to ESUPERFUND. We have absolutely no access to your cryptocurrency account and cannot actually login to access the required data.

▶ Cryptocurrency Exchange Not Compulsory

It is not compulsory to use the above Australian based cryptocurrency exchange (**Digital Surge**) and you are permitted to invest in any Australian based cryptocurrency exchange for your SMSF as desired. However, if you establish a cryptocurrency account for your SMSF directly with other Australian based exchanges, data will not be accessible by ESUPERFUND and you will need to source and provide this data to ESUPERFUND annually. In addition, ESUPERFUND provides a client login portal to clients with daily data of all your SMSF investments. Where you elect to invest in cryptocurrency and use an Australian based exchange other than **Digital Surge**, we will be unable to receive daily data on these accounts, and in turn will not be able to report details of these accounts daily.

▶ Account must be setup in SMSF Name

When establishing a cryptocurrency account with an Australian based exchange the account must be setup in the SMSF name and not in the personal names of the Trustees. **Digital Surge** allows you to setup an account in the name of your SMSF.

▶ Accessing Information by ESUPERFUND

Investment and transaction data is electronically accessible by ESUPERFUND for accounts opened with **Digital Surge**. This enables our office to attend to your SMSF's annual compliance obligations. No records are required from you each year on cryptocurrency investments made with **Digital Surge** as we already have access to the data. It is important to understand that only electronic data files are provided to ESUPERFUND. As detailed above we have absolutely no access to your trading platform and cannot actually login to your cryptocurrency account to access the required data. Unfortunately, if you establish a cryptocurrency account with another Australian based cryptocurrency exchange (ie other than with **Digital Surge**), ESUPERFUND will be unable to access data electronically and you will need to enter all data manually. This is administratively inconvenient for you as the trustee and ESUPERFUND as the administrator.

▶ No Obligation to Invest in Cryptocurrency

It is important to understand that the investment decisions for your SMSF always remain with you as the SMSF trustee giving you total control of your SMSF. You are under no obligation to invest in cryptocurrency if you elect not to do so.

▶ **ESUPERFUND Provides No Investment Advice**

ESUPERFUND does not provide investment advice and cannot advise you on cryptocurrency investments. You as the SMSF trustee are responsible for making all trading and investment decisions for your SMSF, based on your SMSF's particular financial situation and needs.

▶ **Ownership and Separation of Assets**

Superannuation laws require trustees and members ensure that SMSF assets are held separately from personal assets. A SMSF's cryptocurrency investments must be held and managed separately from the personal or business investments of trustees and members. This includes ensuring the SMSF has clear ownership of the cryptocurrency. This means the SMSF must maintain and be able to provide evidence of a separate cryptocurrency account or wallet for the SMSF from that used by trustees and members personally.

▶ **ATO Guidelines**

The ATO have released guidelines in relation to investing in cryptocurrency for your SMSF. We suggest that you read and understand these guidelines prior to investing in cryptocurrency for your SMSF. These ATO guidelines can be found [here](#).

▶ **Cryptocurrencies ASIC Warnings**

ASIC has released information in relation to investing in cryptocurrency for your SMSF. We suggest that you read and understand this information prior to investing in cryptocurrency for your SMSF. These ASIC guidelines can be found [here](#).

▶ **Apply Now**

To establish a cryptocurrency account with **Digital Surge** for your SMSF, you will need to apply using the designated link below. This will ensure that ESUPERFUND is linked to your Digital Surge cryptocurrency account and is able to electronically access trading data relating to your SMSF cryptocurrency investments and transactions, in order to attend to the SMSF annual compliance requirements.

[Digital Surge – Apply Here](#)

No financial product advice or recommendation

No Advice Express or Implied: It is important to understand that ESUPERFUND has not taken into account any particular investor's objectives, financial situation or particular needs. ESUPERFUND does not provide financial product advice or recommend any financial products either expressly or implied. ESUPERFUND expressly states that it does not recommend, represent as suitable, or endorse any financial product or service available through ESUPERFUND. This applies in relation to the Digital Surge Account. ESUPERFUND does not advise or recommend that this product is suitable to a particular investor's financial requirements or needs in relation to their SMSF. Any information provided in relation to the Digital Surge Account is factual information only about the operation of the account and how data is made available to ESUPERFUND. Accordingly you should read the website, terms and disclosures relating to the Digital Surge Account before making any decision about whether the Digital Surge Account is suitable for your SMSF needs. We also recommend that you should seek professional advice from a financial adviser before making any decision to use the Digital Surge Account for your SMSF.

General Advice Warning

No Advice Express or Implied: The contents of this website are of a general nature only and have not been prepared to take into account any particular investor's objectives, financial situation or particular needs. ESUPERFUND does not provide financial product advice or recommend any financial products either expressly or implied. ESUPERFUND expressly states that it does not recommend, represent as suitable, or endorse any financial product or service available through ESUPERFUND. This applies equally to those financial products which are established for your SMSF when you become a client of ESUPERFUND. Any information provided in relation to any financial product or service available through ESUPERFUND is factual information only about the operation of the account and how data is made available to ESUPERFUND. Where this website refers to a particular financial product then you should obtain a Product Disclosure Statement (PDS) relating to that product and consider the PDS before making any decision about whether to acquire the product. We also recommend that you should seek professional advice (see below) from a financial adviser before making any decision to purchase any financial product referred to on this website. While the sources for the material are considered reliable, responsibility is not accepted for any inaccuracies, errors or omissions.

Seek Professional Advice from a Financial Adviser: ESUPERFUND is a no advice model and does not provide financial, legal or tax advice to clients. We recommend that you seek appropriate professional advice in view of your personal circumstances. A licensed financial adviser will consider your personal situation and make a recommendation suitable to your financial needs. All information detailed on our website is purely factual and is general in nature. Accordingly, you should not rely on it. It should always be remembered that Trustees are legally responsible for all the decisions made even if you obtain advice from a Financial Planner. Whilst a Financial Professional can provide advice and assistance you are ultimately responsible for the Fund.

Fees: Fees relating to operating your SMSF with ESUPERFUND are detailed on our fee page [here](#). When setting up a SMSF it is important to understand that additional fees may apply that must be carefully considered prior to making a decision to setup a SMSF including an [ATO Supervisory Levy](#), [Company Trustee Setup Fee \(where applicable\)](#), and [Investment Fees](#).