

Submission Reference: 2015/29

23 October 2015

**Governance arrangements for RSE licensees:
Prudential Standards SPS 510 and SPS 512
Draft Prudential Practice Guides SPG 510 and SPG 512**

ASFA is broadly comfortable with the amendments to draft SPS 510 and SPG 510 on the basis that they facilitate and provide guidance to RSE licensees on the Government's reforms to superannuation governance arrangements, which require all RSE licensee boards to have a minimum of one-third independent directors, including an independent chair.

ASFA is also broadly comfortable with the contents of draft SPS 512 and SPG 512, which specifically relate to the transition by RSE licensees to the new governance arrangements.

However, there are some matters with respect to which we have provided comment in our submission. We have also provided feedback on specific areas of the Prudential Standards and the Prudential Practice Guides, which are discussed in the appendices to the submission:

- Appendix 1 – Comments regarding SPS 510 Governance
- Appendix 2 – Comments regarding SPG 510 Governance
- Appendix 3 – Comments regarding SPS 512 Governance Transition
- Appendix 4 – Comments regarding SPG 512 Governance Transition

The comments in our submission are based on the proposed changes set out in the *Superannuation Legislation Amendment (Trustee Governance) Bill 2015*, which at the time of developing our submission, is currently before Parliament. Our comments assume that the proposals will be passed in their current form.