

Submission reference: 2015/08

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ASIC Consultation Paper 227 – Disclosure and reporting requirements for superannuation trustees: s29QC

ASFA has responded to the ASIC Consultation Paper 227 *Disclosure and reporting requirements for superannuation trustees: s29QC* (CP227). In CP227 ASIC is proposing possible remedies for the concerns industry has raised regarding the operation of section 29QC of the Superannuation Industry (Supervision) Act 1993 (s29QC).

Under s29QC if:

- a) a trustee is required to give information to APRA under a reporting standard; and
- b) under the reporting standard, the information is required to be calculated in a particular way; and
- c) the same information is given by the trustee to a third party (for example in a PDS or website);

the trustee must ensure that the information given to the other person is calculated in the same way as the information given to APRA

The concerns raised by industry relate to the need to align information relating to return targets/investment objectives, fees and costs and asset allocation.

In CP 227 ASIC has provided three options for dealing with the uncertainty about the consistency requirements of s29QC:

- Under option 1 ASIC would issue a Class Order (and provide guidance) restricting the application of s29QC to only past investment performance information and may limit its application to marketing materials.
- Under option 2 ASIC would provide the industry with further guidance on the application of s29QC.
- Under option 3 ASIC would do nothing.

In our submission we have strongly supported option 1 whereby ASIC will provide Class Order relief restricting the application of s29QC. We have also requested that ASIC provide further guidance on a number of specific matters relating to the application of s29QC.