

Submission reference: 2015/24

Submission to ASIC – Disclosure of fees and costs – draft Class Order amending CO 14/1252 and draft Regulatory Guide 97

The submission outlines ASFA's support for the disclosure of fees and costs on a consistent basis. In relation to what was proposed, the submission outlines significant difficulties and additional costs with the disclosure regime and that the benefits to consumers need to be assessed in light of those costs.

We are advocating that consumer testing be undertaken on whether there is value in the full spectrum of disclosure proposed. In addition, there needs to be further consideration of the alignment between superannuation and managed investment scheme disclosure and in terms of materiality of costs.

The submission identifies a number of issues with the draft amending class order and draft revised Regulatory Guide 97. It also outlines a number of structures and products where there are difficulties in complying with the disclosure regime. ASFA recommends that further consultation be undertaken on these issues.