Application Form

Authority to offer a MySuper product – Large employer provision and material goodwill provision

3 October 2012

Disclaimer and copyright

While APRA endeavours to ensure the quality of this publication, it does not accept any responsibility for the accuracy, completeness or currency of the material included in this publication and will not be liable for any loss or damage arising out of any use of, or reliance on, this publication.

© Australian Prudential Regulation Authority (APRA)

This work is licensed under the Creative Commons Attribution 3.0 Australia Licence (CCBY 3.0). This licence allows you to copy, distribute and adapt this work, provided you attribute the work and do not suggest that APRA endorses you or your work. To view a full copy of the terms of this licence, visit www.creativecommons.org/licenses/by/3.0/au/.

Contents

Glossary **4**

Penalties for false information **5**

Form instructions **6**

Application form – Authority to offer a MySuper product **7**

Part A 7

Part B 10

Part C 13

Part D 14

Glossary

Accrued default amount (ADA)	the amount defined in s. 20B of the SIS Act.
Applicant	the RSE licensee applying for authority to offer a MySuper product.
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
RSE	registrable superannuation entity as defined in s. 10 of the SIS Act.
RSE licence	registrable superannuation entity licence granted under s. 29D of the SIS Act.
RSE licensee	a constitutional corporation, body corporate or group of individual trustees that holds an RSE licence granted under s. 29D of the SIS Act.
SIS Act	*Superannuation Industry (Supervision) Act 1993*

Penalties for false information

Applicants should note that giving false or misleading information is a serious offence (see s.136.1, s.137.1 and s.137.2 of the Criminal Code). Where information is disclosed to APRA as part of this application, APRA may in turn disclose that information in any of the circumstances permitted by s. 56 of the *Australian Prudential Regulation Authority Act 1998*.

Form instructions

Who must complete this application?

All RSE licensees applying for authorisation to offer a MySuper product under the SIS Act.

Applicants are encouraged to refer to *Instruction Guide Application Form – Authority to offer a MySuper product* issued with this form and available on the APRA website before preparing the application.

A separate application must be lodged for each MySuper product for which an RSE licensee seeks authorisation.

Is there a prescribed fee?

There is no application fee for Applicants seeking to be authorised to offer a MySuper product.

Where to lodge the application form

[electronic details to be provided in due course]

Enquiries

Telephone
1300 55 88 49

Email
info@apra.gov.au

Website
www.apra.gov.au

Application form – Authority to offer a MySuper product

Part A

A1 Name of RSE licensee

[prefilled from APRA register]

A2 Australian Business Number (ABN) of RSE licensee

[prefilled from APRA register]

A3 Name of RSE as stated on the RSE registration

[select from drop-down list taken from APRA register]

A4 ABN of RSE

[prefilled from APRA register after RSE is selected]

A5 Attach an up-to-date copy of the trust deed and governing rules of the RSE.

[attach]

A5.1 Attach a statement setting out the basis on which the RSE licensee is satisfied that the governing rules require the MySuper product to have the features required under s. 29TC of the SIS Act.

[attach]

A6 Contact person

Name

Position title

Phone

Email address

A7 **Name of MySuper product.**

[Free text]

A7.1 **Provision under which authorisation is sought.**

[Drop down menu – Applicant to select from generic MySuper product, material goodwill provision or large employer provision]

A8 **Has the Applicant sought or been granted authorisation to offer any other MySuper product within this RSE?**

[Yes or No]

A9 (*Only for Applicants seeking authorisation on the basis of the material goodwill provision set out in s. 29TA of the SIS Act*) – **Attach a document outlining the basis, including supporting evidence, on which the Applicant considers that the MySuper product meets the criteria for the material goodwill provision.**

[attach]

A10 (*Only for Applicants seeking authorisation on the basis of the large employer provision set out in s. 29TB of the SIS Act*) – **Specify the registered legal name and ABN of the employer-sponsor(s) of those members who will be eligible to hold an interest in the MySuper product if authorised under the large employer provision.**

[Free text]

A10.1 (*Only for Applicants seeking authorisation on the basis of the large employer provision set out in s. 29TB of the SIS Act*) – **Specify the number of members of the RSE, other than members who hold a defined benefit interest, who are employees of the employer or employees of an associate of the employer in respect of whom the employer or an associate of the employer contributes to the RSE at the time of the application or would, apart from a temporary cessation of contributions, contribute.**

[Free text]

A10.1.1 (*Only for Applicants seeking authorisation on the basis of the large employer provision set out in s. 29TB of the SIS Act and for which the number of members specified at item A10.1 is less than 500*) – **Specify the number of members of the RSE, other than members who hold a defined benefit interest, who are employees of the employer or employees of an associate of the employer in respect of whom the Applicant expects the employer or an associate of the employer to contribute to the RSE within a specified period of the granting of the authority or would, apart from a temporary cessation of contributions, contribute.**

[Free text]

A10.1.2 (*Only for Applicants seeking authorisation on the basis of the large employer provision set out in s. 29TB of the SIS Act and for which the number of members specified at item A10.1 is less than 500*) – **Attach a document outlining the basis, including supporting evidence, on which the Applicant provides the response at item 10.1.1.**

[attach]

A10.2 (*Only for Applicants seeking authorisation on the basis of the large employer provision set out in s. 29TB of the SIS Act where the number of members specified at item A10.1 is less than 1000*) – **Attach a contingency plan addressing the actions to be taken by the Applicant in the event that the employer ceases to be a large employer as defined in s. 29TB(2) of the SIS Act.**

[attach]

Part B

(*Only for Applicants seeking authorisation on the basis of the material goodwill provision or the large employer provision set out in ss. 29TA and 29TB of the SIS Act*) – Extent to which the information to be provided in this application differs from that provided to APRA in respect to the first MySuper product authorised to be offered in this RSE.

Item		Information identical (yes/no)	If no, attach both the relevant document in respect of the proposed MySuper product, and a brief explanation of how the item differs from that applying to the first approved product.
B1 Satisfaction regarding compliance with enhanced trustee and director obligations			
B1.1	Attach a copy of the RSE licensee's conflicts management policy as required under *Prudential Standard SPS 521 Conflicts of Interest* (SPS 521).		
B1.1.1	Attach a copy of the RSE licensee's register of relevant duties and interests as required under SPS 521.		
B1.2	Attach a copy of the RSE licensee's insurance strategy as required under *Prudential Standard SPS 250 Insurance in Superannuation.*		
B1.3	Attach a copy of the RSE licensee's risk management strategy, including the risk appetite statement (possibly by separate document) as required under *Prudential Standard SPS 220 Risk Management.*		
B1.4	Attach copies of the investment objectives and investment strategy as required under *Prudential Standard SPS 530 Investment Governance* as well as the investment reserving strategy (if any), for the MySuper product.		
B1.4.1	Attach the RSE licensee's policies and procedures by which it will make an annual determination as to the adequacy of scale of assets and membership within the MySuper product under s. 29VN(b) of the SIS Act.		

Item		Information identical (yes/no)	If no, attach both the relevant document in respect of the proposed MySuper product, and a brief explanation of how the item differs from that applying to the first approved product.
B1.5	Attach a copy of the policies and procedures in place to ensure compliance with *Prudential Standard SPS 410 MySuper Transition.*		
B1.6	Attach the RSE licensee's business plan in respect of the proposed MySuper product which includes projected business volumes, costs and fee income.		
B1.7	If the RSE licensee wishes to do so, attach any additional statement setting out matters the RSE licensee considers that APRA should take into account in determining whether the RSE licensee is likely to comply with the enhanced trustee obligations in relation to MySuper products		
B2 Satisfaction regarding compliance with fees rules			
B2.1	Provide details for certain service providers used in relation to the MySuper product.		

Item		Information identical (yes/no)	If no, attach both the relevant document in respect of the proposed MySuper product, and a brief explanation of how the item differs from that applying to the first approved product.
B2.2.1	Does the Applicant seek authorisation of a MySuper product using a lifecycle investment strategy?		
B2.2.2(a)	***(Only for Applicants that answer 'no' at B2.2.1)*** Detail the proposed investment fee structure for the MySuper product as charged directly by the RSE licensee.		
B2.2.2(b)	***(Only for Applicants that answer 'yes' at B2.2.1)*** Detail the proposed investment fee structure for the MySuper product as charged directly by the RSE licensee.		
B2.3	Specify the other fees which may be charged to members with an interest in the MySuper product.		
B2.4	If activity fees are charged to members with an interest in the MySuper product, specify the activities for which a fee may be charged.		
B2.5	For each relevant fee category identified at items B2.3 and B2.4 attach a description of the mechanism by which the RSE licensee will establish that the fees charged do not exceed cost recovery.		
B2.6	Attach a description of the processes the RSE licensee will use to allocate shared costs between interests in the MySuper product and choice products offered within the RSE.		
B2.7	Attach a copy of the policies and procedures in place to ensure compliance with *Prudential Standard SPS 114 Operational Risk Financial Requirement* (SPS 114). Attach a description of the way in which MySuper members will contribute to the funding of the operational risk financial requirement (ORFR). Include details of any reserves to be maintained for this purpose.		

Part C

The Applicant attests that each of the statements below is true and correct:

C1 Trust deed and governing rules

The Applicant attests that the trust deed and governing rules of the RSE establishing the MySuper product, the subject of this application, comply with s. 29TC of the SIS Act and, to the extent relevant, with ss. 29TB(1)(a), (c) and (d) of the SIS Act.

[Yes or No]

In addition, the Applicant attests that any variation to the trust deed or governing rules while an application is pending will be notified to APRA and an up-to-date copy lodged with APRA.

[Yes or No]

C2 Information contained in the Application

The Applicant attests that:

(a) this application is lodged with the authority of the Applicant;

[Yes or No]

(b) the information contained in this application is correct at the time the application is lodged; and

[Yes or No]

(c) it will notify APRA of any changes to the information contained in the application as soon as practicable.

[Yes or No]

Part D

Elections

D1 Attribution of accrued default amounts to a MySuper product

In accordance with s. 29SAA of the SIS Act, the Applicant elects:

(a) to attribute to a MySuper product each accrued default amount for a member of the fund who is eligible to hold an interest in the MySuper product unless the member directs the RSE licensee in writing not to; and

(b) to do so before 1 July 2017, or the end of a period of 30 days beginning on the day on which notice of authority to offer the MySuper product is given to the RSE licensee under s. 29TD of the SIS Act, whichever is later; and

(c) before the later of 1 July 2017 and the end of a period of 90 days beginning on:

  (i) if APRA authorises the RSE licensee to offer the class of beneficial interest in the fund as a MySuper product – the day on which notice of that authority is given to the RSE licensee under s. 29TD; or

  (ii) if APRA refuses the application—the day on which notice of the refusal is given to the RSE licensee under s. 29TE

  to take the action required under the prudential standards in relation to:

  (i) each amount that is an accrued default amount for a member of the fund who is not eligible to hold a MySuper product offered by the RSE; and

  (ii) each amount that is an accrued default amount for a member of another RSE of the RSE licensee that does not offer a MySuper product.

[Yes or No]

D2 Transfer of assets attributed to a MySuper product if authorisation is cancelled

In accordance with s. 29SAB of the SIS Act, the Applicant elects:

(a) to take the action required under the prudential standards in relation to any asset or assets of the fund that are attributed to the MySuper product if the authority to offer the relevant class of beneficial interest in the fund as a MySuper product is cancelled under s. 29U(1) of the SIS Act; and

(b) to do so before the end of a period of 90 days beginning on the day on which notice of cancellation is given to the RSE licensee under s. 29U(3) of the SIS Act.

[Yes or No]

D3 Charging related to conflicted remuneration

In accordance with s. 29SAC of the SIS Act, the Applicant elects that it will not charge a member of the fund who holds a MySuper product, in relation to the MySuper product, a fee all or part of which relates directly or indirectly to costs incurred by it:

(a) in paying conflicted remuneration to a financial services licensee, or a representative of a financial services licensee; or

(b) in paying an amount to another person that relates to conflicted remuneration paid by that other person to a financial services licensee, or a representative of a financial services licensee.

[Yes or No]

Telephone
1300 55 88 49

Email
info@apra.gov.au

Website
www.apra.gov.au

Mail
GPO Box 9836
in all capital cities
(except Hobart and Darwin)