



Application Form

Authority to operate a regulated superannuation fund as an eligible rollover fund

3 October 2012




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Contents

Glossary	4
Penalties for false information	5
Form instructions	6
Who must complete this application?	6
Is there a prescribed fee?	6
Where to lodge the application form	6
Enquiries	6
Application form – Authority to operate an eligible rollover fund	7

Glossary

APRA	Australian Prudential Regulation Authority
Applicant	the RSE licensee applying for authority to offer a MySuper product
ASIC	Australian Securities and Investments Commission
ERF	eligible rollover fund as defined in s. 10 of the SIS Act
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	<i>Superannuation Industry (Supervision) Act 1993</i>

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 operate a regulated superannuation fund as an eligible rollover fund under the SIS Act.

Before preparing the application, Applicants should refer to the instructions issued with this form.

Is there a prescribed fee?

There is no application fee for Applicants seeking to be authorised to operate a fund as an eligible rollover fund.

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 operate an eligible rollover fund

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 of the RSE satisfy s. 242F(1)(e) of the SIS Act.

[attach]

A6 Contact person

Name

Position title

Phone

Email address

Part B

B1 Information required to assist APRA to determine whether the RSE licensee and its directors are likely to comply with the enhanced trustee and director obligations for eligible rollover funds

Pursuant to s. 242F(1)(f) of the SIS Act, before APRA can grant authorisation for an RSE licensee to operate an eligible rollover fund (ERF), it must be satisfied that the RSE licensee is likely to comply with the enhanced trustee obligations for ERFs. Pursuant to s. 242F(1)(g) of the SIS Act, before APRA can grant authorisation for an RSE licensee to operate an eligible rollover fund, it must be satisfied that the directors of the RSE licensee are likely to comply with the enhanced director obligations in relation to an eligible rollover fund. The following information will help APRA determine its satisfaction in this regard.

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).

[attach]

B1.1.1 Attach a copy of the RSE licensee's register of relevant duties and interests as required under SPS 521.

[attach]

B1.2 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.

[attach]

B1.3 Attach copies of the investment objectives and investment strategy for the ERF, as required under Prudential Standard SPS 530 Investment Governance, as well as the investment reserving strategy (if any).

[attach]

B1.4 Attach a statement detailing all reserves to be held in the ERF and, in respect of each reserve, the purpose and the policy regarding its development, maintenance and distribution.

[attach]

B1.5 Attach the RSE licensee’s business plan in respect of the ERF, which includes projected business volumes, costs and fee income.

[attach]

B1.6 If the Applicant wishes to do so, provide 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 operating the ERF.

B2 Information required to assist APRA to be satisfied that the only purpose of the fund is to be a temporary repository for amounts transferred to the fund from other regulated superannuation funds in circumstances allowed by the RSE licensee law

APRA requires information to form a view of the ability of the RSE licensee to fulfill its obligations under s. 242F(1)(e)(i) of the SIS Act.

B2.1 Attach a copy of the RSE licensee’s policies and procedures to ensure that the only purpose of the fund is to be a temporary repository for amounts transferred to the fund from other regulated superannuation funds in circumstances allowed by the RSE licensee law.

[attach]

B2.2 Detail the number of members and the value of benefits that have been transferred to an active superannuation account in the past 3 years.

Year	Number of members	Percentage of total members	Value of benefits transferred to an active superannuation account	Percentage of total FUM
2011/12				
2010/11				
2009/10				

B3 Information required to assist APRA to determine whether the RSE licensee is likely to comply with the general fee rules

APRA requires information relating to the operation of the ERF to enable it to form a view of the capabilities of the RSE licensee to offer the product and the ability of the RSE licensee to fulfill its obligations under s. 242F(1) (h) of the SIS Act.

B3.1 Detail the proposed administration and investment fee structure for the ERF as charged directly by the RSE licensee.

	Percentage of the member's balance	Flat fee \$ per year
Administration		
Investment management		

B3.2 Specify the other fees which may be charged to members with an interest in the ERF.

Other fees which may be charged

[Drop down menu to include buy – sell spread, exit fee, activity fee, other]

B3.3 Attach a description of the mechanism by which the RSE licensee will ensure that each fee detailed in B3.2 is charged on a cost recovery basis in accordance with s. 99C of the SIS Act.

[attach]

B3.4 Detail any indirect fees or offsets to gross investment earnings that affect the interests of the ERF members. Provide a definition of each fee and how the fee differs from fees charged directly to the member.

Indirect fee	Definition and purpose of fee or offset and how the fee differs from fees charged directly to the member

B3.5 Attach a description of the manner in which the Operational Risk Financial Requirement as required by *Prudential Standard SPS 114 Operational Risk Financial Requirement* is to be held and the way in which members will contribute to its funding. Include details of any reserves to be maintained for this purpose. Reference may be made to information provided at B1.4 if appropriate.

[attach]

Part C

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

C1 Governing rules

The Applicant attests that the governing rules of the ERF, the subject of this application, comply with s. 242F(1) (e) of the SIS Act.

[Yes or No]

C2 General fees rules

The Applicant attests that, in accordance with s. 99B of the SIS Act, the RSE licensee will not charge entry fees.

C3 Information contained in the application

The Applicant attests that:

- this application is lodged with the authority of the Applicant;
- the information contained in this application is correct at the time the application is lodged; and
- 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 Election to transfer amounts held in eligible rollover fund if authorisation cancelled

In accordance with s. 242B, the RSE licensee elects:

- to take the action required under the prudential standards in relation to amounts held in the eligible rollover fund, if the authority to operate the fund as an eligible rollover fund is cancelled under subsection 242J(1) of the SIS Act; and
- to do so before the end of a period of 90 days beginning on the day on which notice of the cancellation is given to the RSE licensee under subsection 242J(3) of the SIS Act.

[Yes or No]

D2 Charging related to conflicted remuneration

In accordance with s. 242C of the SIS Act, the RSE licensee elects that if the authority is given, the RSE licensee will not charge any member of the fund a fee all or part of which relates directly or indirectly to costs incurred by a trustee or the trustees of the fund::

- in paying conflicted remuneration to a financial services licensee, or a representative of a financial services licensee; or
- in paying an amount to another person that a trustee of the fund knows, or reasonably ought to know, 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)