

EXPOSURE DRAFT

EXPOSURE DRAFT

Inserts for

Superannuation Legislation Amendment (Transparency Measures) Bill 2015: Product dashboards

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1.		
2. Schedule #	1 July 2016.	1 July 2016
3.		

EXPOSURE DRAFT

EXPOSURE DRAFT

Schedule #—Product dashboards

Corporations Act 2001

1 Before subsection 1017BA(1)

Insert:

Making product dashboards publicly available

2 Paragraph 1017BA(1)(a)

Repeal the paragraph, substitute:

- (a) that a product dashboard for each of the fund's:
 - (i) MySuper products; and
 - (ii) qualifying choice investment options;
 - is publicly available at all times on the fund's website; and

3 Paragraph 1017BA(1)(e)

Repeal the paragraph, substitute:

- (e) if the regulations prescribe either or both of the following:
 - (i) the way information is to be set out in a product dashboard;
 - (ii) the way a product dashboard is to be displayed, and be accessible, on the fund's website;
 - that each product dashboard sets out information, and is displayed and accessible, in accordance with the regulations.

4 After subsection 1017BA(1)

Insert:

- (1A) Subsection (1) does not apply to the trustee, or the trustees, of a regulated superannuation fund:
 - (a) if the fund is a pooled superannuation trust or an eligible rollover fund; or
 - (b) if any conditions prescribed by the regulations are met in relation to the fund; or
 - (c) until 1 October of the current financial year for a product dashboard for a qualifying choice investment option, if that investment option was not one of the fund's qualifying choice investment options for the previous financial year.

EXPOSURE DRAFT

5 At the end of subsection 1017BA(2)

Add:

For the purposes of paragraph (b), the regulations may empower APRA or ASIC to issue instructions for how to set out that other information.

6 After subsection 1017BA(2)

Insert:

(2A) Subsection (2) does not apply to a MySuper product if any conditions prescribed by the regulations are met in relation to the product.

7 Subsection 1017BA(3)

Omit 'Subject to subsection (4), the product dashboard for a choice product', substitute 'The product dashboard for a qualifying choice investment option'.

8 Paragraph 1017BA(3)(a)

Omit 'for each investment option offered within the choice product'.

9 At the end of subsection 1017BA(3)

Add:

For the purposes of paragraph (b), the regulations may empower APRA or ASIC to issue instructions for how to set out that other information.

10 Subsection 1017BA(4)

Omit 'an investment option within a choice product', substitute 'a qualifying choice investment option'.

11 Paragraph 1017BA(4)(a)

Omit 'option', substitute 'investment option'.

12 At the end of subsection 1017BA(4)

Add:

; or (d) any conditions prescribed by the regulations are met in relation to the investment option.

EXPOSURE DRAFT

13 After subsection 1017BA(4A)

Insert:

Meaning of fee

- (4B) A *fee*, in relation to a regulated superannuation fund's:
- (a) MySuper product; or
 - (b) qualifying choice investment option;
- is a fee (other than an excluded fee) that may be charged under the *Superannuation Industry (Supervision) Act 1993* by the trustee, or the trustees, of the fund in relation to the product or investment option.

Lifecycle exceptions and stages

- (4C) If a lifecycle exception applies to a MySuper product, then subsections (1) to (4B) apply in relation to the product as if each reference in those subsections to a MySuper product were a reference to each lifecycle stage of the MySuper product.
- (4D) If a lifecycle exception applies to a qualifying choice investment option, then subsections (1) to (4B) apply in relation to the investment option as if each reference in those subsections to a qualifying choice investment option were a reference to each lifecycle stage of the investment option.

Definitions

14 Subsection 1017BA(5)

Insert:

eligible rollover fund has the same meaning as in the *Superannuation Industry (Supervision) Act 1993*.

excluded fee means an activity fee, an advice fee or an insurance fee, all within the meaning of the *Superannuation Industry (Supervision) Act 1993*.

15 Subsection 1017BA(5) (definition of *fee*)

Repeal the definition, substitute:

fee has the meaning given by subsection (4B).

EXPOSURE DRAFT

16 Subsection 1017BA(5)

Insert:

investment option, within a choice product, includes the choice product, if it does not contain multiple investment options.

lifecycle exception:

(a) for a MySuper product, has the meaning given by subsection 29TC(2) of the *Superannuation Industry (Supervision) Act 1993*; or

(b) for a qualifying choice investment option, means a rule under the governing rules of the fund that:

(i) relates to the investment option; and

(ii) would be covered by paragraph (a) if the investment option were a MySuper product.

lifecycle stage: a **lifecycle stage** of:

(a) a MySuper product to which a lifecycle exception applies; or

(b) a qualifying choice investment option to which a lifecycle exception applies;

means so much of the product or investment option as relates to a particular subclass of members of the fund to whom gains and losses are streamed under the lifecycle exception.

pooled superannuation trust has the same meaning as in the *Superannuation Industry (Supervision) Act 1993*.

qualifying choice investment option, for a regulated superannuation fund, means an investment option within one of the fund's choice products, if that option:

(a) is one of the 10 largest of those options, as measured by funds under management on 30 June of the previous financial year; and

(b) is not excluded by the regulations from this definition.

Note: Subsection (4D) does not apply to this subsection. This means that when working out the fund's 10 largest investment options within its choice products:

(a) an option with lifecycle stages is treated as a single option; and

(b) funds under management of those stages are aggregated.

EXPOSURE DRAFT

17 Paragraphs 1021NA(1)(b) and (c)

Repeal the paragraphs, substitute:

(b) the person is required under section 1017BA to ensure that a product dashboard is publicly available on the fund's website; and

(c) the person does not comply with that section in relation to that product dashboard.

18 Paragraph 1539(a)

Omit '1 July 2013', substitute '31 December 2013'.

19 Paragraph 1539(b)

Omit '1 July 2014', substitute '1 July 2016'.

EXPOSURE DRAFT

EXPOSURE DRAFT

Inserts for

Superannuation Legislation Amendment (Transparency Measures) Bill 2015: Portfolio holdings disclosure

Commencement information

Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1.		
2. Schedule #	1 July 2016.	1 July 2016
3.		

EXPOSURE DRAFT

Schedule #—Portfolio holdings disclosure

Corporations Act 2001

1 Subsection 1017BB(1)

Repeal the subsection, substitute:

- (1) The trustee, or the trustees, of a registrable superannuation entity must make the following information about each of the entity's investment options publicly available on the entity's website no later than 90 days after each reporting day:
 - (a) sufficient information to identify each financial product or other property:
 - (i) allocated to the investment option; and
 - (ii) in which an asset of the entity, or an associated entity of the entity, is invested at the end of the reporting day;
 - (b) the value, at the end of the reporting day, of those assets.

2 Subsections 1017BB(4) and (5)

Repeal the subsections, substitute:

- (4) Subsection (1) does not apply to the trustee, or the trustees, of a registrable superannuation entity if:
 - (a) if the entity is a pooled superannuation trust, a single member fund or a small APRA fund; or
 - (b) for any of the entity's investment options that has been closed to new members for at least 5 years; or
 - (c) for 5% of the assets referred to in subparagraph (1)(a)(ii) for each of the entity's investment options; or
 - (d) for an asset invested in a financial product or other property allocated to a defined benefit fund (within the meaning of Division 3A of Part 8 of the *Superannuation Industry (Supervision) Act 1993*; or
 - (e) for financial products, or other property, that:
 - (i) is allocated to an investment option; and
 - (ii) is not a material investment in accordance with
 - (iii) regulations made for the purposes of this paragraph. The trustee, or the trustees, of the entity may determine which assets make up the 5% mentioned in paragraph (c).

EXPOSURE DRAFT

3 Subsection 1017BB(6)

Insert:

investment option includes:

- (a) a choice product that does not contain multiple investment options;
and
- (b) a MySuper product (within the meaning of the *Superannuation Industry (Supervision) Act 1993*).

pooled superannuation trust has the same meaning as in the *Superannuation Industry (Supervision) Act 1993*.

small APRA fund means a regulated superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) with less than five members.

4 Sections 1017BC, 1017BD and 1017BE

Repeal the sections.

5 Paragraph 1020E(1)(c)

Omit ‘, or provided under subsection 1017BC(3),’.

6 Subsection 1020E(11) (paragraph (d) of the definition of *defective*)

Omit ‘or information provided under section 1017BC’.

7 Section 1021NC

Repeal the section.

8 Subparagraph 1022B(1)(g)(iii)

Omit ‘or’.

9 Paragraph 1022B(1)(h)

Repeal the paragraph.

10 Subparagraph 1041H(3)(a)(iii)

Omit ‘, 1021NB or 1021NC’, substitute ‘or 1021NB’.

11 Subparagraph 1041K(1)(a)(iii)

Omit ‘, 1021NB or 1021NC’, substitute ‘or 1021NB’.

EXPOSURE DRAFT

12 Schedule 3 (table items 308AG, 308AH and 308AI)

Repeal the items.

13 Section 1540

Omit '30 June 2014', substitute '31 December 2016'.

14 Section 1541

Repeal the section.

15 At the end of Chapter 10 Add:

**Part 10.25—Transitional provisions relating to the
*Superannuation Legislation Amendment
(Governance and Transparency Measures)
Act 2015***

1550 Application of amendments relating to portfolio holdings disclosure

The amendments of section 1017BB made by Schedule # to the *Superannuation Legislation Amendment (Transparency Measures) Act 2015* apply in relation to the reporting day that is 31 December 2016 and to later reporting days.