



# APPLICATION FORM

## Authority to offer a MySuper product

Updated 11 July 2019

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## Penalties for False Information

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Giving false or misleading information is a serious offence (see s. 136.1, s. 137.1 and s. 137.2 of the Criminal Code).

## Disclosure

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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

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## Who must complete this application?

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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?

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

## Where to lodge the application form

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The application form is available on the APRA website. Applicants must have an Auskey security code to lodge the application form.

## Enquiries

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Telephone 1300 55 88 49

Email [info@apra.gov.au](mailto:info@apra.gov.au)

Website [www.apra.gov.au](http://www.apra.gov.au)

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

# Application form – Authority to offer a MySuper product

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## Part A – Applicant information

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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

[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]

## Part A - Material goodwill application only

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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]

## Part A - Large employer application only

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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 each employer 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 A - Previous applicants only

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A11 (Only for Applicants who have previously held an authority to offer a MySuper product or the application is the result of an organisation re-structure)

Explain why a new authority is required.

[Free text]

A12 (Only for Applicants who have previously held an authority to offer a MySuper product or the application is the result of an organisation re-structure)

Provide details of:

1. historical investment performance, including the applicable cohort information for lifecycle products;
2. previous breaches reported to APRA in relation to a MySuper product
3. the reason for the breaches;

4. how these breaches were resolved; and
5. outstanding breaches, with the timeframe for their resolution.

[Free text]

A13 [Only for Applicants who have previously held an authority to offer a MySuper product or the application is the result of an organisation re-structure]

Provide details of:

1. any adverse findings by APRA in relation to the operation of a MySuper product or the adequacy of its prudential framework;
2. any adverse findings made in each of the most recent comprehensive reviews required under the prudential standards;
3. any adverse findings made in any independently commissioned review;
4. how these have been resolved; and
5. outstanding adverse findings, with the timeframe for their resolution.

[Free text]

## Part B - Generic applications only

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B1 Before APRA can grant authorisation for an RSE licensee to offer a MySuper product, APRA must have no reason to believe that:

- the RSE licensee may fail to comply with the enhanced trustee obligations for MySuper products; and
- the directors of the RSE licensee may fail to comply with the enhanced director obligations for MySuper products.

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. For each relevant duty and interest describe the nature of the conflict, if any, and how the conflict will be treated under the RSE licensee's conflicts management policy. This information may be provided in tabular form.

[attach]

B1.2 Attach a copy of the RSE licensee's insurance strategy as required under *Prudential Standard SPS 250 Insurance in Superannuation*.

[attach]

B1.2(a) Explain how the Applicant has satisfied itself that the terms of the proposed insurance offering comply with the insurance covenant in s. 52(7) of the SIS Act.

[free text]

B1.2(b) Is any insurance to be provided by an associate of the Applicant?

[Yes or no]

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*.

[attach]

B1.4 Attach copies of the investment objectives and investment strategy as required under *Prudential Standard SPS 530 Investment Governance* (SPS 530).

[attach]

B1.5 Attach a statement outlining the RSE licensee's approach for undertaking the annual outcomes assessment[s] required under s. 52(9) of the SIS Act, including details of the methodology to be applied.

[attach]

B1.6 Attach a copy of the ORFR strategy, including details of how the Operational Risk Financial Requirement (ORFR) is funded and the replenishment plan as required by *Prudential Standard SPS 114 Operational Risk Financial Requirement*.

[attach]

B1.7 Attach the RSE licensee's business plan in respect of the proposed MySuper product.

[attach]

B1.8 If the Applicant wishes to do so, attach any additional statement setting out matters the RSE licensee considers that APRA should take into account in determining whether it has no reason to believe that the RSE licensee may fail to comply with the enhanced trustee obligations in relation to MySuper products.

[attach]

B2 Before APRA can grant authorisation for an RSE licensee to offer a MySuper product, APRA must have no reason to believe that the RSE licensee may fail to comply with the general fees rules and the fees rules in relation to MySuper products.

B2.1 Provide details of the proposed administration and investment fee structure for the MySuper product as charged directly by the RSE licensee.

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

B2.2 Explain how the Applicant will comply with the fee cap required under s. 99G of the SIS Act.

[free text]

B2.2.1 Does the Applicant seek authorisation of a MySuper product using a lifecycle investment strategy?

[yes or no]

B2.2.2(a) If the Applicant's answer to B2.2.1 is no, provide details of the proposed investment fee structure for the MySuper product as charged directly by the Applicant.

[attach]

B2.2.2(b) If the Applicant's answer to B2.2.1 is yes, provide details of the proposed investment fee structure for each age, or other, cohort within the MySuper product as charged directly by the Applicant.

[attach]

B2.3 Specify the other fees which may be charged to members with an interest in the MySuper product.

Other fees which may be charged

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

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.

Activity for which activity fee may be charged

[Drop down menu to include family law fee, other]

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.

[attach]

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.

[attach]

B2.7 Provide details of outsourcing to service providers conducting a material business activity that relates to the offering of the MySuper product.

Service provided	[Drop down menu]
Associate of the Applicant <sup>1</sup>	[yes or no]
ABN	
Date contract commenced or was most recently renewed	
Date contract expires	

<sup>1</sup> Refer to s. 12 of the SIS Act.

B2.8 Are any fees being paid by the Applicant to related parties?

[Yes or no]

B2.9 If the Applicant's answer to B2.8 is yes, provide details of how the Applicant has satisfied itself that the fees charged by the related party or parties are reasonable and in the members' best financial interests.

[free text]

## Part B - Large employer & Material goodwill applications only

(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 any previous MySuper product[s] authorised to be offered in this RSE.

B1 Before APRA can grant authorisation for an RSE licensee to offer a MySuper product, APRA must have no reason to believe that:

- the RSE licensee may fail to comply with the enhanced trustee obligations for MySuper products; and
- the directors of the RSE licensee may fail to comply with the enhanced director obligations for MySuper products.

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.
B1.1	Conflicts management policy	
B1.1.1	Register of relevant duties and interests	
B1.2	Insurance strategy	
B1.2(a)	Terms of the insurance	
B1.2(b)	Insurance provided by associate	
B1.3	Risk management strategy including risk appetite statement	

B1.4	Investment objectives and strategy		
B1.5	Statement relating to annual outcomes assessment(s) under s. 52(9) SIS Act		
B1.6	ORFR Strategy		
B 1.7	Business plan		
B1.8	Additional information		

B2 Before APRA can grant authorisation for an RSE licensee to offer a MySuper product, APRA must have no reason to believe that the RSE licensee may fail to comply with the general fees rules and the fees rules in relation to MySuper products.

<b>Item</b>	<b>Information identical (yes/no)</b>	<b>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.</b>
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B2.1	Details of administration and investment fee structure		
B 2.2	Compliance with the fee cap		
B2.2.1	Lifecycle investment strategy		
B2.2.2(a)	Investment fee structure - no lifecycle product		
B2.2.2(b)	Investment fee structure – lifecycle product		
B2.3	Details of any other fees		
B2.4	Details of activity fees		
B2.5	Mechanism to ensure fees do not exceed cost recovery		
B2.6	Process to allocate shared costs		

B2.7	Details of material service providers		
B2.8	Fees paid to related parties		
B2.9	Reasonableness of fees and whether in members' best financial interests		

## Part C - Attestations

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

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D1 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]

D2 Charging related to conflicted remuneration

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

- (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 the trustee 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]

## Glossary

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<b>Applicant</b>	The RSE licensee applying for authority to offer a MySuper product
<b>APRA</b>	Australian Prudential Regulation Authority
<b>RSE</b>	Registrable superannuation entity as defined in s. 10 of the SIS Act
<b>RSE licence</b>	Registrable superannuation entity licence granted under s. 29D of the SIS Act
<b>RSE licensee</b>	A constitutional corporation, body corporate or group of individual trustees that holds an RSE licence granted under s. 29D of the SIS Act
<b>SIS Act</b>	<i>Superannuation Industry (Supervision) Act 1993</i>



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