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General Manager
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Dear Colleagues

Submission in response to draft CPS 510

We refer to APRA's draft CPS 510 and thank APRA for the opportunity to make this submission.

1 About Gilbert + Tobin

(a) Gilbert + Tobin's superannuation practice advises superannuation funds on governance, prudential regulation, regulatory compliance, investment governance and investments. We have extensive experience advising on the operation and implementation of APRA's prudential standards. Our clients include a broad range of industry and retail superannuation funds.

(b) In preparing this submission, we convened a roundtable of executives from several superannuation funds to discuss the practical implications of the proposed reforms.

(c) While participants broadly supported the policy objectives underpinning the proposed CPS 510, there are several open questions regarding the practical operation of various aspects of the proposed prudential standard.

(d) The views outlined in this submission are informed by that industry feedback and our experience in advising regulated entities on APRA's prudential requirements.

2 Summary of our submission

(a) We anticipate there being support within the superannuation industry for a number of the proposed changes and APRA's underlying policy objectives.

(b) Our comments in this submission focus on several practical challenges and ambiguities that regulated entities could face if CPS 510 were to be implemented in its current form. Our comments in this submission focus on impacts on RSE licensees.

(c) Several examples follow, all of which can be avoided by adopting different drafting and without necessarily impacting APRA's objectives.

(i) Calculation of 12-year limit on director terms

(A) We suggest that APRA consider whether (and, if so, how) time as an alternate director should count towards the 12-year limit. For example, if an alternate director is never called upon to attend a board meeting on behalf of their appointor, it is unclear whether there is any period to be counted. APRA should also clarify how the amount of time that counts towards the 12-year limit is to be calculated in circumstances where an alternate director only infrequently attends board meetings on behalf of their appointor.

(B) APRA should also consider whether this proposal has unintended consequences, for example, by impacting the ability for potential future directors to have beneficial exposure to fund matters by being an alternate director prior to appointment as a director (without shortening the amount of time for which they could subsequently serve as a director).

(C) There is potential for anomalies – for example, double-counting where an alternate director is a person who is a director, and whether someone who has already reached their 12-year limit could subsequently be appointed as an alternate director.

(ii) Ambiguity over permitted delegations

(A) CPS 510 is intended to allow boards to delegate a wider range of matters, except for certain matters listed in paragraph 13.

(B) Several items in paragraph 13 could potentially be interpreted broadly which creates doubt as to whether certain matters can be delegated or not. This ambiguity means this aspect of the reform may not achieve its intended objectives in practice.

(C) For example, the proposed requirement that boards remain involved in high-level maters such as investment governance and strategic objectives creates doubt whether boards could delegate the approval of specific matters such as investment objectives and investment strategies to investment committees (bearing in mind that SPS 530 currently requires those matters to be approved by the board). Clarification is required.

(D) It is unclear why the proposed CPS 510 would require third-party advice engaged by a board committee to be independent of the board, and what this requirement would mean in the context of a committee comprised of board members. There would be cases where it would be inappropriate for the advice to be kept from the board. We query what problem the proposed requirement is purporting to solve.

(iii) Unclear behavioural obligations for individuals

(A) CPS 510 proposes introducing specific oversight and behavioural obligations on directors.

(B) We suggest APRA clarify what is required by the mandatory obligation to ‘oversee’ those matters, so that the oversight obligation does not impinge on the intended

flexibility for boards to delegate those matters and does not prevent board committees from also overseeing those matters in addition to the board.

(C) Similarly, while there is acceptance that boards (in practice) focus on culture, 'setting a tone from the top' and 'constructively challenging' management, these colloquialisms require greater precision and clear definitions if they are to be included in a prudential standard that has force of law. This is important so that it is clear what steps must be taken to achieve compliance. This is especially important given the risk of ASIC pointing to alleged breaches of APRA's prudential standards to support an argument that RSE licensees have breached the 'efficiently, honestly and fairly' obligation under the Corporations Act. We suggest that these behavioural expectations instead be set out in guidance or be assessed as part of the board performance assessment process.

(D) APRA should consider whether it has power under section 34C of the Superannuation Industry (Supervision) Act 1993 (Cth) (the **SIS Act**) to make prudential standards that impose obligations on individuals such as directors and senior managers. APRA's power under the SIS Act is limited to making prudential standards that must be complied with by RSE licensees and connected entities.

(iv) Fit and proper assessments

(A) APRA should clarify whether professional references need to be obtained when re-assessing *existing* personnel or only prior to new appointments. We suspect only the latter is intended.

(B) The proposed CPS 510 requires 'sensitive information' under the Privacy Act to be obtained in certain circumstances. We query whether this is appropriate. We suggest that APRA revisit the proposal and be more specific so as to avoid creating an impression that certain categories of sensitive information would ever need to be obtained.

(C) We also query whether unsubstantiated allegations should automatically trigger a reassessment of whether a person is fit and proper.

(v) Definition of conflict of interest

(A) CPS 510 arguably broadens the concept of a conflict of interest beyond the general law's focus on conflicts between duty-and-duty and duty-and-interest, by extending the concept to conflicts between interest-and-interest.

(B) We recommend that CPS 510 focus on traditional concepts of a conflict of interest.

(vi) Record keeping burden and impact on special purpose vehicles

(A) The proposed CPS 510 would impose record keeping obligations in relation to all decision-making, including documentary confirmation that certain considerations have been taken into account. A materiality threshold should be considered.

(B) All delegations would have to be documented, but it is unclear whether directors would be responsible for ensuring that sub-delegations by their delegates are also documented.

(C) It is unclear whether special purpose vehicles used by RSE licensees to hold investments would form part of an RSE licensee's business operations and therefore be required to comply with CPS 510. Our understanding is that many special purpose vehicles would not comply with the proposed requirement that there be five directors, for example. It is not clear whether appointing additional directors to the boards of special purpose vehicles would be in the best financial interests of members.

(vii) Director performance assessments

(A) CPS 510 contemplates the full board setting performance objectives for individual directors and considering assessments of those directors against those objectives.

(B) We query whether that is appropriate given the personal nature of individual director performance matters.

(C) Several regulated entities considered that individual director performance matters are more appropriately dealt with by the chair, or another appropriate person appointed by the board, rather than by the full board.

(viii) Implementation timing

(A) We query whether the proposed commencement date of 1 January 2028 provides sufficient time for regulated entities to implement CPS 510. Assuming APRA releases the final standard in late 2026, implementation activities may not commence until February 2027 due to summer holidays and year-end office closure periods.

(B) Regulated entities may then have significantly less than 12 months to assess the impact of the final requirements, update governance frameworks, policies and processes, and obtain the necessary management, committee and board approvals before their final board meetings of 2027.

(C) We query whether APRA should defer the commencement date to 1 July 2028.

(ix) Miscellaneous issues

(A) Several other technical drafting issues have also been identified and are canvassed below.

3 Uncertainty in calculating 12-year tenure limit

(a) Broadly speaking, paragraph 61 of CPS 510 would require the time an alternate director acts as a non-executive director to count toward the non-executive director 12-year tenure limit in paragraph 59.

(b) It is unclear how the meaning of "time an alternate director acts in the capacity as a non-executive director" should be interpreted in this context. It may refer to:

(i) the period during which the alternate *actually* acted on behalf of the non-executive director who appointed them as their alternate; or

(ii) the *entire* period since appointment as an alternate director.

(c) Double counting issues could arise where a director has also been appointed as an alternate director for another director.

(d) The following questions illustrate this issue.

(i) If a person is appointed as an alternate director for three years, but is only ever required to attend one board meeting, should the full three years count towards the 12-year tenure limit?

(ii) If a person serves as a non-executive director for six years while concurrently acting as an alternate director for another director, does that six-year period count once or twice for the purposes of the tenure limit? In other words, would the individual reach the 12-year tenure limit after only six years?

(iii) If time served as an alternate director counts towards the tenure limit, does paragraph 61 create a disincentive to accepting appointment as an alternate director? Service as an alternate director would reduce the time for which the person could themselves be a director if subsequently appointed. This would discourage individuals who may in future be appointed as a director from starting to acquire relevant fund experience in advance by acting as an alternate director.

(e) Paragraph 59 states that the 12-year limit applies to terms on a board of a locally incorporated regulated entity *and its successor*. Footnote 22 states that, for RSE licensees, this includes RSE licensees of successor funds after a fund merger.

(i) It is unclear whether this only covers the immediate successor or would extend to all RSE licensee boards in a succession of numerous fund mergers.

(ii) If the latter, this could pose practical challenges in circumstances where the current RSE licensee may not be aware whether its directors had historically served on boards of funds that no longer exist and which had historically merged into other funds which also no longer exist, having merged into their fund. For example, say that Fund A historically merged into Fund B, and Fund B merged into Fund C, which later merged with Fund D. The RSE licensee for Fund D would not necessarily be aware whether any of its directors had historically served on the board of Fund A.

(f) We recommend that APRA clarify these matters through targeted drafting amendments to paragraphs 59 and 61.

4 Ambiguity over permitted delegations

(a) One of APRA's stated objectives is to enable boards to delegate a wider range of matters, including matters that other prudential standards require boards to approve. We expect there will be broad industry support for that general objective.

(b) However, the distinction between what can and cannot be delegated is not clear under CPS 510. This ambiguity may impede delegations and may mean that APRA's objective is not fully achieved in practice.

(c) Paragraph 13 lists several matters that boards would not be permitted to delegate. Several of those maters are capable of being interpreted broadly, which potentially creates doubt whether the delegation of particular matters would offend paragraph 13.

(d) For example, it is unclear whether boards would be permitted to delegate the approval of investment objectives and investment strategies to investment committees. These are matters which SPS 530 currently requires boards to approve. However, the ambiguity that arises is whether delegating these matters to an investment committee would be inconsistent with the proposed prohibition under paragraph 13 against boards delegating their oversight of the investment governance framework or the setting of strategic objectives.

(e) We query whether paragraph 13 should also make it clear that boards are permitted to appoint others to perform or assist with the matters in paragraph 13 provided that boards remain involved in those matters. For example, a chief financial officer may be responsible for overseeing financial resilience, which ought not to be an issue if the board also oversees financial resilience. Similarly, a board committee may oversee culture in addition to the board's oversight. Similar examples could be given for each of the matters listed in paragraph 13. APRA should clarify whether concurrent oversight would be permissible.

5 Unclear behavioural expectations for individuals

(a) The proposed CPS 510 purports to impose various behavioural expectations on directors and senior managers.

(b) For example, the proposed CPS 510 would impose obligations to 'oversee' various matters, to oversee 'culture', to 'set a clear tone from the top' and to 'constructively challenge' senior managers.

(c) We query whether APRA has power under the SIS Act to make prudential standards that purport to impose obligations on individual directors, committee members and senior managers of RSE licensees. Under section 34C of the SIS Act, APRA has power to make prudential standards that must be complied with by RSE licensees and connected entities, not individuals.

(d) In any event, while these phrases (i.e. tone from the top, culture and oversight) may be common colloquialisms, and may be matters that are colloquially expected from boards or directors, we suggest that CPS 510 should avoid imposing obligations that have force of law using imprecise colloquialisms.

(e) From a rule of law perspective, regulated entities are entitled to understand with reasonable certainty what they are required to do to comply with the law. This is particularly important in the current regulatory environment, where there is a risk of ASIC pointing towards alleged breaches of prudential standards to support allegations that there have been breaches of conditions attached to financial services licences – for example, the 'efficiently, honestly and fairly'

obligation. The fact that APRA may be intending to take a principles-based approach does not alleviate the risk of another regulator testing the meaning of these colloquialisms in a setting where significant penalties may be imposed.

(f) We therefore query whether it would be preferable for these instead to be matters that are considered as part of board performance assessments. Boards would still be incentivised to engage with culture, tone from the top and constructive challenge, with the knowledge that this would be periodically assessed. Approached this way, there would be a less pressing need to achieve precise definitions for these phrases.

(g) In contrast, if there are to be mandatory obligations with regard to culture, tone from the top and constructive challenge, these concepts should be defined, as well as the standard of performance that is required.

(h) For example, is the proposed obligation under paragraph 13(b) to 'set a tone from the top' concerned with the board approving a written policy that deals with tone (however that may be defined), or is it more concerned with the board acting consistently with and role-modelling compliance with board approved policies on (say) conduct and risk appetite? What is an acceptable tone from the top and what is an inadequate tone? What is the criteria for a compliant tone from the top? How could a board prove (in court proceedings) that they set a compliant tone from the top?

(i) Similar questions arise in connection with the proposed obligation to oversee culture.

(j) Ambiguities also arise in connection with the proposed obligation to constructively challenge management. The term is undefined and the drafting is unclear whether this is an obligation which must be complied with in connection with *every* board resolution by *every* director, or whether this is intended to be a behavioural norm which is expected to exist *on the whole*, having regard to the totality of interactions with senior management, but not necessarily in connection with every resolution. The latter accords with common sense, but directors are entitled to certainty as to what is required of them to ensure compliance. We suggest that the issue of constructive challenge instead be assessed through board performance assessments. Alternatively, the obligation should be modified so that it only applies where or to the extent that constructive challenge is considered necessary. In practice, there will inevitably be some decisions that do not require challenge to the same extent as others.

6 Independence of third-party experts engaged by board committees

(a) Proposed paragraph 35(e) of CPS 510 is unclear in its operation. It would impose an obligation on board committees to ensure that any third-party expert engaged by the board committee, and any advice received from that expert, is *independent of the board*.

(b) A board committee is a subset of the board. It comprises board members and derives its authority from the board. Directors on the committee will be aware of the engagement and will necessarily receive any advice provided.

(c) It is therefore unclear how an engagement entered into by a board committee, or advice obtained by that committee, can be entirely independent of the board of directors.

(d) We suggest that APRA reconsider this requirement and be clearer about the intention (for example, whether the paragraph is concerned with disclosure of the advice or influence over the contents of the advice) and clearer about when the requirement would apply. There would be

numerous instances where it is entirely appropriate for the advice to be shared with the board and potentially inappropriate for the advice to be kept from the board.

7 Statutory basis for obligations imposed on senior managers

(a) Paragraphs 18 to 23 of proposed CPS 510 purport to impose obligations directly on senior managers, for example, to carry out and manage the regulated entity's activities in a manner consistent with the relevant strategic objectives and risk appetite, and to ordinarily be residents in Australia.

(b) For RSE licensees, CPS 510 is made under section 34C(1) of the SIS Act which (broadly) empowers APRA to make prudential standards with which RSE licensees and their connected entities must comply, but not individuals.

8 Definitional issues affecting the conflicts management framework

8.1 Inconsistency between "Interest" and "relevant interest"

(a) The interaction between paragraphs 74(f) and 76 of proposed CPS 510 creates uncertainty as to whether employee interests that may give rise to conflicts must be included in a regulated entity's register of relevant interests.

(b) Broadly speaking, this is because:

(i) paragraph 8(d) defines "Interest" to include interests or benefits held by a regulated entity, an employee, an associate, or a responsible person;

(ii) the operative provision in paragraph 74(f) requires regulated entities to keep a register of conflicts arising from "Interests" (a register that, on its face, must include employee interests);

(iii) footnote 25 provides that, for RSE licensees, compliance with paragraph 74(f) may be achieved by maintaining the register required under paragraph 76; and

(iv) paragraph 76(b), however, defines "relevant interest" more narrowly, by reference only to interests held by the RSE licensee, an associate or a responsible person. Employee interests are not included unless the person is a responsible person.

(c) This creates a drafting tension. Paragraph 74(f) may require employee interests to be captured in the register of relevant interests, but paragraph 76 does not.

(d) We therefore recommend that CPS 510 be updated to clarify that employee interests do not have to be included in the register of relevant interests unless the employee is also a responsible person.

8.2 The definition of "conflict" in paragraph 8(f) may extend beyond recognised fiduciary conflicts

(a) As drafted, paragraph 8(f) of proposed CPS 510 defines a "conflict", for RSE licensees, in terms that include a conflict between:

(i) an “Interest” of a regulated entity; and

(ii) the interests of beneficiaries.

(b) That formulation appears broader than the general law concept of a fiduciary conflict.

(c) At general law, a conflict can arise between two duties, or between a duty and an interest.

(d) Given that the consultation paper states APRA's intention to be *"consistent with existing conflicts management requirements in legislation"*, we recommend that APRA consider redrafting paragraph 8(f) to bring its operation in line with the general law.

9 Fit and proper assessments

9.1 Collection of sensitive information

(a) Broadly speaking, paragraph 87 of proposed CPS 510 would require a regulated entity to make all reasonable enquiries in assessing a person’s fitness and propriety, including by making enquiries to obtain sensitive information within the meaning of the *Privacy Act 1988 (Cth)*, that the regulated entity believes may be relevant to the fit and proper assessment.

(b) Sensitive information under the Privacy Act extends to matters such as sexual orientation, racial information and religious beliefs.

(c) We query whether it would be consistent with community expectations if CPS 510 required regulated entities to make enquiries about matters such as sexual orientation, religious beliefs or racial origin (which are not relevant to fit and proper assessments) or were to suggest that these matters could ever be relevant to fit and proper assessments. Similar questions arise in relation to the other categories of sensitive information under the Privacy Act.

(d) If APRA considers that certain categories of sensitive information may be relevant to a fit and proper assessment, we recommend that those categories be specifically identified and justified by APRA, and that the broad reference to “sensitive information” be removed. Referring broadly to "sensitive information" creates unnecessary uncertainty as to the scope of the obligation arising in paragraph 87.

9.2 The reassessment trigger in paragraph 89

(a) Broadly speaking, paragraph 89(b) of proposed CPS 510 would require a reassessment of a person’s fitness and propriety where a regulated entity has reasonable grounds to believe that an individual is the subject of *allegations* of misconduct.

(b) The paragraph does not require those allegations to be credible or resolved.

(c) It is unclear why a completed investigation that resulted in no adverse finding should nevertheless trigger a further reassessment.

(d) Commencing a fit and proper reassessment may alert the relevant individual to the existence of an allegation. That may compromise the misconduct investigation.

(e) We recommend that paragraph 89 be amended so that:

(i) a reassessment is not required where allegations of misconduct have already been investigated and no adverse finding has been made; and

(ii) a fit and proper reassessment is required only where allegations of misconduct have resulted in an adverse finding or otherwise have a sufficient degree of credibility or substantiation.

9.3 Professional reference checks

(a) Paragraph 86(b) of proposed CPS 510 would require a regulated entity to consider professional references when assessing a person's fitness and propriety.

(b) Paragraph 81 separately requires a regulated entity to validate a responsible person's fitness and propriety at least annually.

(c) Read together, it is not clear:

(i) whether professional references must be obtained for existing employees every year;

(ii) if so, whether professional references can be obtained from internal stakeholders (or must be obtained from external stakeholders); and

(iii) how current those professional references must be.

(d) In our view, it would be unusual if CPS 510 were to require regulated entities to obtain fresh professional references from external stakeholders each year for continuing employees.

(e) We recommend that APRA clarify the scope of these obligations, having regard to our above comments.

10 Extent of record keeping required

(a) Paragraph 21 of proposed CPS 510 would require a locally incorporated regulated entity to ensure that management information, strategy, risk appetite, conflicts and, for RSE licensees, beneficiaries' best financial interests are considered and recorded in “all relevant decision-making”.

(b) The phrase "all relevant decision-making" is undefined. No materiality threshold is stated.

(c) Read literally, paragraph 21 could extend to routine operational decisions that may not be documented with the same formality as other decisions. Similarly, the paragraph could extend to trading decisions made by internal personnel in relation to portfolios of listed securities. That interpretation would materially expand governance and record-keeping obligations for regulated entities.

(d) We suggest that paragraph 21 should only apply to material decisions and that the listed considerations should only be required to be recorded to the extent considered relevant and reasonably necessary and practicable.

11 Special purpose vehicles

(a) Paragraph 2(e) of proposed CPS 510 states that CPS 510 applies to regulated entities which, for RSE licensees, means the RSE licensee *and their business operations*.

(b) Footnote 1 to paragraph 2(e) broadly suggests that an RSE licensee's business operations include all other activities of the RSE licensee to the extent they are relevant to, or may affect, its activities as an RSE licensee.

(c) That formulation is potentially broad enough to extend to special purpose vehicles and wholly owned entities of RSE licensees.

(d) If special purpose vehicles and wholly owned entities are covered by the definition of regulated entity, this will potentially pose practical challenges to the extent that the status quo arrangements for those entities may not comply with some obligations under CPS 510 that were designed with RSE licensees and other regulated entities in mind.

(e) For example, a special purpose vehicle used by an RSE licensee to hold investments (and which arguably forms part of the RSE licensee's business operations) may be unlikely to have five directors (as would be required by paragraph 25) or a majority of independent directors (as would be required by paragraph 29, since a special purpose vehicle is not an RSE licensee and could be covered by that paragraph). Compliance with that obligation could give rise to unnecessary costs that are not consistent with the best financial interests of members.

(f) Similarly, we query whether the requirements under paragraph 21 in relation to decision making, considerations and record-keeping are intended to apply to special purpose vehicles and other wholly owned entities.

(g) We therefore recommend that APRA clarify the extent to which special purpose vehicles and wholly owned entities are covered by the express requirements of CPS 510, if at all.

12 Director performance assessments

(a) Paragraph 13(f) of proposed CPS 510 would require the board to set and monitor performance objectives for directors. Paragraphs 51(c) and 52 then require the board to consider an annual performance assessment that includes an evaluation of the effectiveness of individual directors against those objectives.

(b) We query whether it is appropriate for the full board to set performance objectives for individual directors and consider detailed assessments against those objectives. Individual director performance matters are personal and may involve sensitive feedback.

(c) Several regulated entities we spoke with considered that such matters are more appropriately dealt with by the chair, or another appropriate person appointed by the board, rather than by the full board.

(d) We recommend that APRA clarify that matters relating to the performance of individual directors may be dealt with by the chair and that such matters do not need to be set, monitored or considered by the full board.

13 Implementation timing issues

(a) APRA has proposed that CPS 510 commence on 1 January 2028.

(b) We query whether regulated entities will have sufficient time to implement the required changes by that date.

(c) Assuming APRA releases the final version of CPS 510 in late 2026, regulated entities:

(i) are unlikely to commence implementation activities until February 2027 due to year-end office closures and reduced stakeholder availability over the summer holiday period; and

(ii) will need to obtain approval for CPS 510-related charters, policies and frameworks before their final board meeting of 2027, which may be scheduled for (say) November 2027.

(d) As a result, regulated entities may have significantly less than 12 months to operationalise CPS 510. Several regulated entities told us that achieving compliance within that timeframe would be challenging.

(e) Consistent with the feedback we received, we recommend that APRA defer the commencement of CPS 510 until 1 July 2028.

14 Miscellaneous drafting matters

14.1 Inconsistency between "ensure" and "assess" in the fit and proper framework

(a) Paragraph 77 of CPS 510 would require a regulated entity to take all reasonable steps to "ensure" responsible persons are fit and proper.

(b) Elsewhere, Part C generally frames the obligation as one of assessing whether responsible persons are fit and proper.

(c) Paragraph 77 should be amended to avoid imposing an outcomes-based obligation. A regulated entity should not be in breach if a responsible person ceases to be fit and proper. Rather, the obligation should be to periodically assess whether they remain fit and proper.

14.2 Typographical errors

(a) Paragraph 4(a) of proposed CPS 510 incorrectly states that paragraphs 1 to 10 are within Part A.

(b) This should be corrected, given paragraph 4 is the starting point for determining the scope of the standard.

14.3 Auditor independence declarations

(a) Paragraph 2 of Attachment A to CPS 510 would require a regulated entity to *obtain* a declaration from its auditor that the auditor:

(i) is independent;

(ii) has no conflict-of-interest situation; and

(iii) is not aware of anything that could compromise that independence.

(b) This would be a strict obligation on regulated entities to obtain unqualified declarations from auditors regarding independence. This requirement is more onerous than paragraph 1 of Attachment A that only requires a regulated entity to take reasonable steps to satisfy itself of the listed independence matters.

(c) Compliance with a prudential standard should not depend on the willingness or ability of a third-party to provide an unqualified declaration.

(d) We suggest that APRA consider modifying paragraph 2 of Attachment A so that there is only an obligation to take reasonable steps to obtain the declaration (as per the drafting of paragraph 1 of Attachment A).

14.4 Sub-delegations of authority

(a) Paragraph 17(a) of draft CPS 510 provides that, in delegating any authority, the board must *ensure* that the delegation is clearly documented and is consistent with board and board committee charters and accountability frameworks.

(b) It is unclear whether paragraph 17(a) applies only to delegations made directly by the board or also extends to sub-delegations made by a person exercising delegated authority.

(c) If paragraph 17(a) extends to sub-delegations, it may be difficult (in practical terms) for a board to ensure compliance insofar as sub-delegations are concerned.

(d) We suggest that APRA consider clarifying that paragraph 17(a) applies only to delegations made directly by the board and does not extend to sub-delegations made by a person exercising delegated authority.

Please contact us if you wish to discuss this submission.

Yours sincerely

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