



Superannuation

PDS Checklist

Version 8

August 2018



MinterEllison.

About the checklist

Important note: The *Corporations Amendment Regulations 2010 (No. 5)* introduced a 'short and simplified product disclosure statement' (**Shorter PDS**) disclosure regime for certain superannuation products, simple managed investment schemes and margin loans. This checklist applies to a product disclosure statement (**PDS**) that **is not** required to be prepared in accordance with the Shorter PDS requirements.

If you are required to prepare a Shorter PDS, please refer to the **Shorter PDS Checklist**.

Once you have determined you need to prepare a 'long form' PDS for your product, this checklist will help you to put the PDS together and confirm it meets the content requirements in Part 7.9 of the *Corporations Act 2001* (Cth). We have also included requirements from other legislation, policy and guidelines issued by ASIC and some practical suggestions for issues to be considered when preparing your PDS.

All references are to the *Corporations Act 2001* (Cth) or *Corporations Regulations 2001* (Cth) unless otherwise indicated. References to schedules (eg 'Schedule 10') are references to schedules of the Regulations.

This checklist does not cover the Insurance in Superannuation Voluntary Code of Practice (**Code**) and product issuers should separately check for compliance with the Code if it is relevant to them.

Of course, like any checklist, it cannot anticipate every possibility and so it should not be relied on as a guarantee that the PDS complies. The nature of the PDS requirements means that judgments will need to be made about the nature and extent of the information to be included. This checklist is based on the law as at 1 June 2018. It therefore does not include regulations and other regulatory material issued in draft form as at that date. Toolkit users need to be aware that the relevant laws and ASIC policy undergo regular change and review.

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Please note that links in this document to Commonwealth legislation are links to Austlii compilations current at the date of this checklist. Because of the way Austlii works, the links are intended to take you to the current version of the provision if it has changed. The latest Federal Register of Legislation compilations can be accessed by using the following links:

- [*Corporations Act 2001 \(Cth\)*](#)
- [*Corporations Regulations 2001 \(Cth\)*](#)

Likewise, updated ASIC class orders and regulatory guides are available using the following links:

- [*Regulatory Guides*](#)
- [*Class Orders*](#)

We have endeavoured to ensure that the material is accurate and complete, but cannot guarantee it. We hope you find the electronic PDS checklist a useful compliance tool.

MinterEllison

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User guide

'Information' to be included in the PDS

'Information' in this checklist when used in connection with an obligation arising under section 1013D means information a person would reasonably require for the purpose of making a decision, as a retail client, whether to acquire the product. However, information is not required by section 1013D or 1013E to be included in a PDS if it would not be reasonable for a person considering, as a retail client, whether to acquire the product to expect to find the information in the PDS (1013F).

Where is the information: in the PDS or incorporated by reference?

The 'Where' columns in this checklist can be used to indicate where the required information may be found in the PDS or in the Incorporated by reference (**IBR**) material.

Answer	Where	Reference / Comment
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Where this option appears, the information relating to the question cannot be incorporated by reference.

Where there is also a ticked box and a star next to IBR, the incorporated material is also required to include the information.

Where this option appears, it is either not practicable to incorporate the information relating to the question by reference or we believe it is likely to be inappropriate to do so.

You may decide however, that the information can be incorporated by reference. Where this is the case, you can double-click on the 'PDS' box to unmark the box and double-click on the 'IBR' box to indicate that the information has been incorporated by reference.

Where this option appears, the information relating to the question can be incorporated by reference.

Answers to checklist questions

The 'Answer' columns in this checklist indicates whether the PDS complies with that particular requirement. An answer of 'Yes' represents compliance. A reference to the location(s) in the PDS where the requirement has been addressed can be indicated in the Reference / Comment box. 'No' represents a possible deficiency in disclosure. A comment can be included to indicate what the issue is. An answer of 'N/A', means that you have determined that the question does not apply to the product. A comment can be included to state why the requirement does not apply.

Part A - Introductory content

Question	Answer	Where?	Reference / Comment
Title – Single PDS			
Note: If the PDS is made up of more than one document, select N/A for question 1.			
1. Is the title 'Product Disclosure Statement' used on the cover of, or at or near the front or beginning of the PDS, where the PDS is a single document? [1013B(1) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 para 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
Note: ASIC is of the view that this requirement would be satisfied if the title 'Product Disclosure Statement' appears at the top of a webpage, on launch of an app or is spoken at the beginning of a video. If the words 'Product Disclosure Statement' are, for example, only found after scrolling down a webpage, ASIC does not consider that this requirement would be satisfied. [RG 221.84-85]			
Title – Multiple Document PDS			
Note: If the PDS comprises a single document, select N/A for questions 2 and 3.			
2. Is the title 'Product Disclosure Statement' used on the cover of, or at or near the front or beginning of, at least one of the documents that make up the PDS, where the PDS is made up of more than one document? [1013L(4) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 para 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
Note 1: ASIC states that it considers that where there are too many documents, the PDS will be hard to understand. [ASIC Report 214.15-23]			
Note: ASIC is of the view that this requirement would be satisfied if the title 'Product Disclosure Statement' appears at the top of a webpage, on launch of an app or is spoken at the beginning of a video. If the words 'Product Disclosure Statement' are, for example, only found after scrolling down a webpage, ASIC does not consider that this requirement would be satisfied. [RG 221.84-85]			

Question	Answer	Where?	Reference / Comment
3. Where the PDS consists of two or more separate documents given at the same time, is there a statement on the cover of, or at or near the front, or beginning of each document:	<input type="checkbox"/> N/A	<input type="checkbox"/> N/A	
(a) to the effect that the document is part of a PDS? [1013L(2) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 paragraph 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) that identifies the other document(s) that make up the PDS (or generically identifies those documents, where there may be different versions of the documents)? [1013L(2) and (3) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 paragraph 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>Note: For example, if a PDS is made up of a core document that is not updated very frequently, and a separate document providing information about remuneration that is updated more frequently:</p> <p>(a) the statement in the core document need only refer to the fact that it, and a separate document about remuneration, make up the PDS; and</p> <p>(b) the statement in the document about remuneration need only refer to the fact that it, and a separate document about all other required matters, make up the PDS. [1013L(3)]</p>			
Dating the PDS			
4. Is each document which makes up the PDS dated with the date on which the document was prepared or its preparation was completed? [1013G(b), 1013L(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: If, for any purpose, a single date needs to be determined as the date of the PDS as a whole, that date is the most recent of the dates of those documents. [1013L(5)]</p>			
Issuer details			
5. Does the PDS include a statement setting out the full name, identity and contact details of the issuer? [1013D(1)(a), Australian Privacy Principle 5.2(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>Note: The identity and contact details could include the position title, telephone number and email address of a contact</p>			

Question	Answer	Where?	Reference / Comment
<i>who handles enquiries and requests relating to the Privacy Act. Consideration could also be given to establishing a generic telephone number and email address (for example, privacy@agency.gov.au) that will not change with staff movements. [OAIC APP Guidelines Chapter 5 para 5.9]</i>			
6. If the name of a party other than the issuer appears on the cover, is that party's capacity also shown prominently? [1013C(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
7. Does the PDS state:			
(a) the full name of the company? [153(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) the words 'Australian Business Number' or 'ABN' followed by the company's ABN? [153(2)(b) and 29DC SIS Act]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS* <input checked="" type="checkbox"/> IBR*	
Note: <i>This requirement will not apply to a Registrable Superannuation Entity (RSE) licensee if the RSE licensee has been given written approval by APRA that it need not include its ABN in the PDS. [29DC SIS Act]</i>			
(c) the expression 'Australian Company Number' or 'ACN' followed by the company's ACN if:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(i) the company's ABN is not stated in the PDS; or			
(ii) the last 9 digits of the company's ABN are not the same as the company's ACN? [153(2)]			
Note: <i>Section 153(2) states that if the company's name appears on 2 or more pages of a document, the ABN/ACN must be on the first of those pages.</i>			
(d) that the PDS is issued by the product issuer or someone else on behalf of the issuer? [1013A(1) and (4)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Licence and registration numbers			
8. If the issuer holds an Australian financial services licence (AFSL), does the PDS (or each document that makes up the PDS) include the issuer's AFSL number? [912F(1), Reg 7.6.01C(1)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
9. Does the PDS include the fund's ABN? [29MB SIS Act]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS* <input checked="" type="checkbox"/> IBR*	
Note: This requirement will not apply to an RSE licensee if the RSE licensee has been given written approval by APRA that it need not include the fund's ABN in the PDS. [29MB SIS Act]			
10. If the fund has been allocated a Superannuation Product Information Number (SPIN), does the PDS (or each document that makes up the PDS) include the fund's SPIN? [ME suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR <input type="checkbox"/> APP	
Note: This is not a mandatory content requirement. This information may be included in the PDS, application form or rollover form.			
11. If the fund has been allocated a Unique Superannuation Identifier (USI), does the PDS (or each document that makes up the PDS) or IBR material include the fund's USI? [Data and Payment Standards – Rollover Message Implementation Guide, 3.6]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR <input type="checkbox"/> REF <input type="checkbox"/> APP	
Note 1: This is not a mandatory content requirement. However, it is recommended that this information be disclosed as it must be included as part of a rollover message between funds. This information may be included in the PDS, application form or rollover form.			
Note 2: A 'unique superannuation identifier, for an eligible superannuation entity', means either: (a) the entity's ABN followed by 3 numerals; or (b) another kind of unique identifier approved in writing by the Commissioner of Taxation. [Superannuation Industry (Supervision) Regulations 1994 Reg 3B.01]			

Multiple issuer PDS

12. If the PDS is prepared by more than one issuer, does it meet all of the following requirements:
- (a) does the PDS relate to at least one other financial product of another issuer?
- (b) does the PDS prominently state:
- (i) that the PDS covers two or more separate financial products?
- ☐ N/A
- ☐ Yes
☐ No
- ☐ Yes
☐ No
- ☒ PDS
☐ IBR

Question	Answer	Where?	Reference / Comment
(ii) that each issuer takes full responsibility for the whole of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[1013A(1) as modified by ASIC Corporations (Joint Product Disclosure Statements) Instrument 2016/1056]</p> <p>Note 3: A PDS cannot relate to financial products that are securities. Accordingly ASIC Corporations (Joint Product Disclosure Statements) Instrument 2016/1056 does not affect the extent to which a PDS can be combined with a disclosure document for an offer of securities.</p> <p>Note 4: The requirements of ASIC Corporations (Joint Product Disclosure Statements) Instrument 2016/1056 relate to statements that must be included in a PDS under Part 7.9 and may therefore be incorporated by reference. However, as this information relates to information that must be in the PDS, we recommend that this information also be included in the PDS.</p>			
Associations			
13. Are any statements about an association between a financial product and a person worded so as not to create the impression that the product:	<input type="checkbox"/> N/A		
(a) is issued by that other person if it is not? [1013C(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) is guaranteed or underwritten by that other person if it is not? [1013C(6)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: For example, the inclusion of a statement about a distributor of the product, being a person other than the product issuer, or the inclusion of a logo or branding other than that of the product issuer may indicate an association between the financial product and the other person. If such statements appear in the PDS, the role of that person should be clearly and prominently stated.</p>			
Statements about service providers			
14. Where a PDS states that a person provides or is to provide services in relation to the product, does the PDS clearly distinguish between the respective roles of that person and the issuer? [1013C(7)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Up to date			
15. Is the PDS up to date? [1012J]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
16. Does the PDS clearly and prominently:	<input type="checkbox"/> N/A		
(a) explain that information that is not materially adverse information is subject to change from time to time and may be updated by means described in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) explain how that updated information can be found at any time?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) state that a paper copy of any updated information will be given, or an electronic copy made available, to a person without charge on request?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: [ASIC Corporations (Updated Product Disclosure Statements) Instrument 2016/1055] If not included, a supplementary or replacement PDS containing updated information must be given with or instead of a PDS that has become out of date. The updated information is then taken to be included in the PDS. [1014D]			
17. Does the PDS expressly state that the issuer can change matters which are the subject of representations made in the PDS (eg. about administrative matters or fees and charges)? [ME suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Invitation to apply			
18. Is it clear that the issuer is not bound to accept an application? [ME suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
19. Does the PDS prominently state that the invitation to apply is only made to persons receiving the PDS in Australia? [RG 141.15]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
20. Does the PDS explicitly state, near the beginning of the PDS, that superannuation is a long-term investment designed for retirement? [ASIC Report 214.56]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Contributions to complying superannuation fund			
21. Does the PDS or IBR material include a statement that the fund:			

Question	Answer	Where?	Reference / Comment
(a) is a resident regulated superannuation fund within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth); and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) is not subject to a direction under section 63 of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[25 Superannuation Guarantee Administration Act 1992]			

Part B - Main content

Question	Answer	Where?	Reference / Comment
Significant benefits			
22. Does the PDS include information about:	<input type="checkbox"/> N/A		
(a) any significant benefits (whether by way of payment of cash or otherwise) to which a holder of the product will or may become entitled?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the circumstances in which and times at which those benefits will or may be provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the way in which those benefits will or may be provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(b)]			
23. Are the significant benefits referred to in question 22 stated as an amount in dollars (numeric PDS information)? [1013D(1)(m) (as modified by 7.9.15A)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG182.22]</p> <p>Note 2: An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision requires an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollars) Instrument 2016/767]</p> <p>Note 3: A regulated person does not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to the regulated person and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]</p>			
24. If the significant benefits include non-monetary benefits, does the PDS include the following information:	<input type="checkbox"/> N/A		
(a) the nature and extent of the non-monetary benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) for non-monetary benefits which may be provided or that may arise in the future, the circumstances in	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
which the non-monetary benefit may be provided or may arise?	<input type="checkbox"/> N/A		
(c) in cases where a retail client would reasonably require such an estimated value for the purposes of deciding whether to acquire the financial product, the estimated value of the non-monetary benefit (expressed as an amount in dollars or a range of amounts in dollars)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[ASIC Corporations (Disclosure in Dollars) Instrument 2016/767]</p> <p>Note: RG 182 indicates that ASIC expects issuers relying on ASIC relief to keep records demonstrating that they are entitled to rely on ASIC relief and that they are complying with the conditions applying to that relief. [RG 182.30]</p>			
25. Does the PDS contain worked dollar examples, unless it is inappropriate? [RG 182]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASIC considers that it would rarely be inappropriate to include worked dollar examples where the issuer is relying on a determination, except to the extent that including them would be highly likely to confuse or mislead consumers. [RG 182.33]</p>
26. Do the worked dollar examples include warnings that make clear the nature and limitations of the example? [RG 182.34] Eg: that it is illustrative only.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Conditions of release			
27. Does the PDS include information about conditions of release? [1013D(1)(f)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Binding death benefit nomination			
28. If the trustee permits binding death benefit nominations, does the PDS contain information that the trustee reasonably believes the member reasonably needs for the purpose of understanding his or her right to require the trustee to provide any benefits in respect of the member, on or after the death of the member, to the legal representative or a dependant of the member, in accordance with the binding death benefit nomination? [SIS Reg 6.17A]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Note: ASIC states that issuers should consider including this information in a section other than the insurance section as it may be relevant to those who do not take out insurance. If required, the insurance section can cross reference to where this information is located. [ASIC Report 214.29]			
Wills			
29. Does the PDS include a statement that, where the member does not have a binding death benefit nomination, the member should consider making a will? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Insurance			
30. In respect of insurance cover offered by the superannuation product, does the PDS state:	<input type="checkbox"/> N/A		
(a) whether a member must provide health information to obtain insurance cover?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) when insurance cover commences (e.g. on joining the fund or on successfully applying for insurance)? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) if insurance cover is automatic, information about 'opt-out' arrangements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Report 214.46]			
Significant risks			
31. Does the PDS include sufficient explanation of risks to ensure consumers understand how the product works? [1013D(1)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: In ASIC IR 04-71, ASIC stated that the level of risk disclosure will differ between different products. Complex products that are not well-understood need sufficient explanation of risks to ensure consumers understand how the product works. Industry participants should not assume that consumers understand the risks involved in complex product offerings. ASIC commented that product issuers need to provide more specific detail in the disclosure of risks associated with certain investments eg. derivatives [IR 04-71]			
32. Does the information in the PDS about risks have similar or equal prominence to the information about benefits?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG 168.91, IR 04-71]			
Note: Information about significant risks can be incorporated by reference, subject to information about risks having similar or equal prominence to information about benefits.			
33. Where risk disclosure has been dispersed throughout the PDS, have the risks been properly cross-referenced?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Report 214.14, 214.28]			
34. Where risk disclosure has been dispersed throughout the PDS, does the PDS include an upfront risk summary?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Report 214.14, 214.28]			
35. Is the information about the risks of loss of principal, capital or earnings included prominently in the PDS and not in fine print on the inside cover or in an acknowledgement on the application form?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Report 214.14, 214.34]			
36. Is the information on withdrawal rights including risk of withdrawal or delays to redemptions shown prominently in the PDS and not in fine print on the inside cover or in an acknowledgement on the application form?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Report 214.14, 214.34]			
Investment risks			
37. Where the PDS is for more than one investment fund/option, does the PDS clearly set out the different risks for each?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Report 214.41]			
Note: An example may be that for each investment option the PDS give an estimated probability of a negative return in any 12 month period – eg. the probability of a negative return occurring within the balanced option in any 12 month period is 1 in 5.			
Risk of capital protected products			
38. For a capital protected product, does the PDS include a description of the protection offered by the capital protection?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that it will be clearer for investors if the PDS explains what this means for investors in words they are likely to understand (e.g. 'the money you get back at maturity may be equivalent to			

Question	Answer	Where?	Reference / Comment
<p><i>the worst performing reference share').</i> <i>[ASIC Report 340.36]</i></p> <p><i>[ASIC Report 201.61]</i></p>			
39. Is the description of the capital protection sufficient to ensure that investors can adequately assess the likelihood of early termination or any other significant limitations?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p><i>ASIC states that this should include disclosure of the potential likelihood of an early termination event occurring, so retail investors cannot be expected to understand what weight to give to these risks in their decision making. [ASIC Report 340.36]</i></p> <p><i>[ASIC Report 201.09]</i></p>
40. If the protection offered does not apply in certain cases (for example early maturity), is the description of the protection not described as being:	<input type="checkbox"/> N/A		
(a) unlimited? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) unconditional?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p><i>ASIC states that in these circumstances it considers an unconditional statement to be misleading or deceptive.</i></p> <p><i>[ASIC Report 201.61]</i></p>
41. Is the disclosure sufficiently clear about the priority investors would receive from capital protection in the event of a winding-up?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p><i>ASIC provides the example that if investors rank as unsecured creditors, the disclosure should state that any capital protection is only as good as the entity providing it.</i></p> <p><i>[ASIC Report 201.62]</i></p>
42. If applicable, does the PDS state that while there may be capital protection for the amount invested, that amount may decline in value in the future taking into account the 'time value of money'?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p><i>[ASIC Report 201.70, ASIC Report 340.34]</i></p>
43. If applicable, does the PDS illustrate the impact of inflation on a 'capital protected' amount with specific, simple, examples of	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
the 'real' (inflation-adjusted) value of a 'capital protected' amount at maturity?			[ASIC Report 340.34-35]
44. If there are any issuer discretions associated with the capital protection, does the PDS clearly disclose these discretions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[ASIC Report 201.65]
45. Where the issuer offers a liquidity facility for a product to investors, does the PDS clearly state:	<input type="checkbox"/> N/A		
(a) any discretion the issuer has to cease offering the liquidity facility?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) that, if the liquidity facility is terminated, then investors might not be able to realise the value of their investment prior to the maturity of the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
			[ASIC Report 201.62]
46. If only a proportion of the investments are capital protected, does the PDS clearly disclose this proportion?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[ASIC Report 201.69, ASIC Report 340.34]
47. Is the information relating to events that could cause the capital protection to cease given appropriate prominence to minimise the risk that the PDS is misleading or deceptive?			[RG 168.91]
Break Costs			
48. If applicable, does the PDS disclose that break costs may apply where an investor seeks to terminate or redeem a product before its maturity date? [ASIC Report 201.10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
49. Does the PDS disclose the potential quantum of the break costs that may apply, such as by providing a range expressed as percentages of the amount invested?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[ASIC Report 201.75]

Question	Answer	Where?	Reference / Comment
50. To the extent that break costs cannot be accurately estimated at the time of preparing the PDS, does the PDS disclose:			
(a) that break costs could be significant and are therefore a risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) that an estimate of the break costs will be provided to investors on request at the time they wish to terminate early?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) a description of the main factors affecting the calculation of the break costs including, for example, the cost of unwinding hedge positions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[ASIC Report 201.74]

51. If the PDSs disclose the risk that members who leave the fund early may receive less than they have put in because of poor returns, does the issuer ensure that the PDS avoids suggesting that only people who withdraw shortly after investing will lose their money?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
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[ASIC Report 214.44]

Note: ASIC states that the global financial crisis demonstrated that long-time members may also end up receiving less than they have contributed, and that this is a high impact risk with a greater-than-negligible probability of occurring.

Counterparty risk

52. Does the disclosure in the PDS relating to counterparty risk include sufficient information to enable a retail investor to make an assessment of the counterparty risk, including, where relevant:			
(a) the risk management and compliance systems of the issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the criteria used by the issuer to choose hedging counterparties?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) where there are a small number of hedging counterparties, the identities of the counterparties?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(d) sufficient information about the financial position and performance of the issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 168.93]			
53. Is the disclosure relating to counterparty risk sufficiently prominent to reflect the nature of the risk? [RG 168.92]			
54. For products that involve an investor being exposed to counterparty relating to risk to parties other than the issuer, does the PDS include disclosure relating to the counterparty risk for those third parties? [ASIC Report 201.60]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Clarity of significant risks			
55. Are the risks set out as stand alone sections without referencing other sections of the PDS or to the issuer's website?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[ASIC Report 205.152-153]			
Frequency of negative returns			
56. For each investment option offered, does the PDS clearly state:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(a) what the expected frequency of negative returns of that strategy is over a 20 year period?	<input type="checkbox"/> N/A	<input type="checkbox"/> REF	
[APRA Letter Guidance for RSE licensees dated 29 June 2010]			
(b) the Risk Band and Risk Label for the option, calculated in accordance with the Standard Risk Measure?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR <input type="checkbox"/> REF	
[FSC / APRA Standard Risk Measure Guidance Paper For Trustees]			
(c) include a description which includes an explanation of:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) what the Standard Risk Measure is? and	<input type="checkbox"/> N/A		
(ii) the limitations of the Standard Risk Measure?			
using the following recommended wording:			
<i>The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are</i>			

Question	Answer	Where?	Reference / Comment
<p><i>expected to deliver a similar number of negative annual returns over any 20 year period.</i></p> <p><i>The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.</i></p> <p><i>Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option/s.</i></p> <p>Note: ASIC encourages this information to be set out in the IBR material. <i>[FSC – ASFA Standard Risk Measure Guidance Paper for Trustees]</i></p>			
<p>(d) include the methodology for calculating the Standard Risk Measure in the material incorporated by reference for a superannuation product?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC encourages this information to be set out in the IBR material. <i>[ASIC Information Sheet 155]</i></p>			
<p>57. If the superannuation product does not use the Standard Risk Measure, does the PDS or IBR material include:</p>			
<p>(a) an explanation of why this model is not being used? and</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>(b) a description of what risk classification model has been used instead?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC encourages this information to be set out in the primary document (i.e. the PDS). <i>[ASIC Information Sheet 155]</i></p>			

Question	Answer	Where?	Reference / Comment
Significant characteristics, terms and conditions			
58. Does the PDS include information about:			
(a) any other significant characteristics or features of the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the rights, terms, conditions and obligations attaching to the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(f)]			
59. Does the PDS contain details of any minima and maxima that apply (eg investment amounts and withdrawals)? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
60. Does the PDS explicitly state, near the beginning of the PDS, that superannuation is a long-term investment designed for retirement? [ASIC Report 214.56 and 214.57]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Unusual terms			
61. Have the product terms (eg constitution, trust deed, contract) been reviewed to ensure all unusual terms are referred to in the PDS? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Other information that might influence			
62. Does the PDS include other information that might reasonably be expected to have a material influence on the decision of a reasonable person, as a retail client, whether to acquire the product? [1013E]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Application money			
63. Where application moneys are held in trust in accordance with section 1017E, does the PDS include a statement that the issuer is keeping the interest (if any) earned on the application money trust account? [7.9.08A]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: If the issuer does not include this statement, it will not be entitled to the interest on the account.</p> <p>Note 2: Given that this information is not strictly required by Part 7.9 of the Act, it is uncertain whether incorporation by reference is intended to apply to these disclosure circumstances.</p>			

Question	Answer	Where?	Reference / Comment
Contributions			
64. Does the PDS include information about who can contribute to the superannuation product? [1013D(1)(f), 1013E, SIS Regs 7.04 and 7.05]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Taxation			
65. Does the PDS include general information about any significant taxation implications of products of that kind? [1013D(1)(h)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Dispute resolution			
66. Does the PDS include information about:			
(a) the dispute resolution system that covers complaints by holders of the product (covering both internal and external systems)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) how the internal dispute procedures may be accessed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(c) how a consumer can access the relevant external dispute resolution scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>[1013D(1)(g)]</p> <p><i>Transitional relief from the requirements to update PDSs with the Australian Financial Complaints Authority's contact details has been provided until 1 July 2019. See questions 70 to 71 below.</i></p>			
67. Is the information about the dispute resolution system consistent with the requirements of the <i>Corporations Act 2001</i> (Cth) [ME Suggestion based on 912A(2), 1017G, RG 165]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
68. Does the PDS state that the external dispute resolution system may only be available to retail clients? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>Note: <i>If the PDS is to be given before 1 July 2019 and the issuer wishes to rely on relief in ASIC Corporations (AFCA transition) Instrument 2018/447 from the requirement to update PDSs with AFCA's contact details, complete the following questions 69 to 71 to determine whether you have complied with the conditions of the AFCA transition instrument.</i></p>			
69. Are each of the following satisfied:	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(a) will the PDS be given before 1 July 2019?	<input type="checkbox"/> No		
(b) if the PDS is given on or after 1 November 2018, have the			

Question	Answer	Where?	Reference / Comment
requirements in question 70 been satisfied?			
(c) was a PDS in the same terms first given before the commencement of ASIC Corporations (AFCA transition) Instrument 2018/447 (i.e. 31 May 2018)?			
[Section 6(2) of ASIC Corporations (AFCA transition) Instrument 2018/447]			
70. If the PDS is given after 1 November 2018, has the issuer, on and from 1 November 2018:	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		
	<input type="checkbox"/> N/A		
(a) where the issuer has a website – made available on the website current information (the AFCA information) about the AFCA scheme and how that scheme may be accessed? and			
(b) included the AFCA information in any document (other than a document required to be given by or under the Corporations Act) which purports to describe dispute resolution arrangement applicable in relation to financial services provided by the issuer (whether or not it also includes other matters) and is made available by the issuer to other people who have or may receive financial services from the issuer as retail clients? and			
(c) where the issuer is a financial services licensee – ensured that the documentation relating to their internal dispute resolution procedure includes the AFCA information?			
[Sections 6(2)(a) and 10 of ASIC Corporations (AFCA transition) Instrument 2018/447]			
71. Is the information for the purposes of question 66:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS*	
	<input type="checkbox"/> No		
(a) up to date? or			
(b) on or after 1 November 2018 – reflective of the position immediately before that date?			

Question	Answer	Where?	Reference / Comment
[Section 6(1)(a) of ASIC Corporations (AFCA transition) Instrument 2018/447]			
Cooling-off regime			
72. Does the PDS include information about any cooling-off regime that applies in respect of acquisitions of the product (whether the regime is provided by a law or otherwise)? [1013D(1)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
73. Is the cooling off information in the PDS consistent with section 1019B of the <i>Corporations Act</i> and the <i>Corporations Regulations</i> ? [1019B]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
Information that may be excluded			
74. If information has been excluded from the PDS was it excluded because it is not reasonable for an investor to expect to find it in a PDS? [1013F]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Part C - Related party transactions

The Part should be completed for a PDS involving transactions with related parties.

Questions	Answer	Where?	Reference / Comment
Related party transactions generally			
<p>Note: ASIC expects entities to disclose information about existing related party transactions in disclosure documents except to the extent that:</p> <ul style="list-style-type: none"> such disclosure may confuse investors by dealing with inconsequential matters; or investors already have adequate information about the related party transactions as a result of past disclosures so it is not reasonable for the information to be repeated in full. 			
[RG 76.146]			
75. Does the disclosure document describe any related party arrangements that are relevant to the investment decision to be made in the offer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 76.148]			
76. For any related party transaction, does the disclosure document describe:	<input type="checkbox"/> N/A		
(a) the value of the financial benefit ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the nature of the relationship?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC states that this should include a description of the identity of the related party and the nature of the arrangements between the parties, in addition to how the parties are related for the purposes of the Corporations Act or ASX Listing Rule. For group structures ASIC expects the nature of these relationships should be disclosed for all group entities.</p>			
(c) whether the arrangement is:			
(i) on arm's length terms? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) reasonable remuneration?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether an exception under Ch 2E or ASIC relief applies?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Questions	Answer	Where?	Reference / Comment
(e) whether member approval for the transaction has been sought and, if so, when?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the risks associated with the related party arrangement? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the policies and procedures that the entity has in place for entering into related party transactions, including how compliance with these policies and procedures is monitored?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 76.148]			

Part D - Unitisation and Unit Pricing

Question	Answer	Where?	Reference / Comment
Unit pricing			
77. If the product is unitised, does the PDS include information about (if appropriate):			
(a) how scheme assets and liabilities are valued and the frequency of valuation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 81]			
(b) whether income entitlements are included in asset values to calculate unit price?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 81]			
(c) how fees and taxation amounts are included in the unit price, particularly for products with complex structures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(d) details of other fees relating to the acquisition and disposal of units?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(e) how the unit price is calculated and the frequency of calculation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(f) the method of calculating the costs of acquiring or disposing of underlying investment and the effect of these transactions costs on unit price?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(g) the types of cost (such as brokerage) included in the transaction costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(h) whether the price may be changed or transactions suspended where historic pricing is used?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(i) other circumstances in which unit pricing might be suspended?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(j) the purpose of and the procedures relating to any reserves? [RG 94, page 82]	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Part E - Fees and costs

Question	Answer	Where?	Reference / Comment
Costs			
78. Does the PDS include information about:			
(a) the cost of the product? [1013D(1)(d)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) any amounts that will or may be payable by a holder of the product in respect of the product after its acquisition?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(d)(ii)]			
Note: <i>An amount will or may be payable in respect of a product by the holder of the financial product if:</i>			
(a) <i>the holder will or may have to pay an amount in respect of the product; or</i>			
(b) <i>an amount will or may be deducted from:</i>			
(i) <i>a payment to be made by the holder; or</i>			
(ii) <i>a payment to be made to the holder; or</i>			
(iii) <i>an amount held on the holder's behalf under the financial product; or</i>			
(c) <i>an account representing the holder's interest in the financial product will or may be debited with an amount.</i>			
[1013D(2)]			
(c) the times at which those amounts will or may be payable? [1013D(1)(d)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>Additional requirements apply if there is a common fund [1013D(1)(d)(iii)]</i>			
(d) if the amounts paid in respect of the product and the amounts paid in respect of other financial products are paid into a common fund, the amounts that will or may be deducted from the fund by way of fees, expenses or charges? [1013D(1)(d)(iii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) what the fees and charges are?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 168.85]			

Question	Answer	Where?	Reference / Comment
(f) who the fees are paid to? [RG 168.85]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) what the fees are paid for? [RG 168.85]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(h) how and when the fees are paid? [RG 168.85]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) how the fees impact on returns? [RG 168.85]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(j) whether:	<input type="checkbox"/> N/A		
(i) fees are variable? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) if so, including through negotiation or the impact of rebates or discounts:	<input type="checkbox"/> N/A		
(A) how they vary? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) when they vary? [RG 168.85]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
79. Are the costs, fees and any other amounts payable by the holder of the product referred to in question 78 stated as an amount in dollars (numeric PDS information)? [1013D(1)(m) (as modified by 7.9.15A)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1 RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG182.22]			
Note 2 An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision require an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollars) Instrument 2016/767]			
Note 3 A regulated person does not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to the regulated person and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]			
80. Does the PDS contain worked dollar examples, unless it is inappropriate? [RG182.31]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Note: ASIC states that it considers that it would rarely be inappropriate to include worked dollar examples where the issuer is relying on a determination, except to the extent that including them would be highly likely to confuse or mislead consumers. [RG182.33]			
81. Does the worked dollar example include warnings that make clear the nature and limitations of the example? [RG182.34]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: RG 182 indicates that ASIC expects issuers relying on an ASIC relief to keep records demonstrating that they are entitled to rely on an ASIC relief and they are complying with the conditions applying to that relief. [RG182.30]			
Commission			
82. Does the PDS include information about any commission, or other similar payments, that will or may impact on the amount of any return that the product will or may generate to the holder of the product? [1013D(1)(e)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
83. Is the payment referred to in question 82 stated as an amount in dollars (numeric PDS information)? [1013D(1)(m) (as modified by 7.9.15A)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1 RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG182.22]			
Note 2 An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision requires an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollars) Instrument 2016/767]			
Note 3 A regulated person does not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to the regulated person and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]			
84. Does the PDS contain worked dollar examples, unless it is inappropriate? [RG 182]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC considers that it would rarely be inappropriate to include worked dollar examples where the issuer is relying on a determination, except to the extent that including them would be highly likely to confuse or mislead consumers. [RG 182.33]			

Question	Answer	Where?	Reference / Comment
85. Does the worked dollar example include warnings that make clear the nature and limitations of the example? [RG 182.34] <i>Eg: that it is illustrative only</i> Note: RG 182 indicates that ASIC expects issuers relying on an ASIC relief to keep records demonstrating that they are entitled to rely on an ASIC relief and they are complying with the conditions applying to that relief. [RG 182.30]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
86. In the case of a public offer superannuation fund, does the PDS state the amount or rate of any proposed payment of commission or brokerage in respect of the issue of the interest in the fund? [SIS Reg 3.10(2)(d)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Enhanced fee disclosure requirements

Note 1 ASIC states that the following superannuation products are excluded from the requirements under the enhanced fee disclosure regulations:

- (a) self-managed superannuation funds;
- (b) superannuation products that have no investment component (also known as 'risk-only' superannuation products);
- (c) annuities (except market linked annuities, including both investment linked and investment account annuities);
- (d) pensions provided under superannuation fund rules that meet the standards of regs 1.06(2), 1.06(6) or 1.06(7) of the SIS Regulations; and
- (e) non-investment or accumulation life insurance policies offered through a superannuation fund (although some guidance on disclosure of premiums and other costs of insurance is relevant to these products (see RG 97.185 – RG 97.187)).

[RG 97.1], [Corporations Regulation 7.9.16, as amended by paragraph 5D of CO 14/1252]

Single section

87. Does the PDS set out information required by paragraphs 1013D(1)(d) and (e) (questions 78 and 82):

- | | | |
|---|---|--|
| (a) in a single section? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (b) under the heading 'Fees and other costs'? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

[Reg 7.9.16N(1)]

Question	Answer	Where?	Reference / Comment
Consumer Advisory Warning			
88. Does the PDS include the boxed Consumer Advisory Warning at the beginning of the fees section of the PDS (see the Schedule I to this Part E for the relevant Consumer Advisory Warning)? [Reg 7.9.16N(2)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
89. Does the preamble to the Consumer Advisory Warning indicate that:			
(a) the warning is required under Australian law?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) that specific information about fees and costs is available elsewhere in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
Note: A preamble is not required under the legislation.			
[Page 12 of the Explanatory Memorandum to the SLI 2005, No 31]			
90. Is the preamble to the Consumer Advisory Warning Statement consistent with the messages or themes contained in the 'consumer advisory warning' box?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
91. Has the issuer ensured that no additional voluntary material is included in the boxed consumer advisory warning?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.143]			
Fees and costs template			
92. Does the PDS include the Fees and Costs Template, comprising the template (see Schedule I to this Part E for the relevant template) and the additional explanation of fees and costs as described in the regulations?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[Reg 7.9.16N(2)(a), INFO 197]			
Note: Clause 101 of Sch 10, as amended by CO 14/1252 , provides definitions to some of the fees and costs used in the template.			
93. Does the material in the preamble to the Fees and Costs Template only include matters that are relevant to the product? [Clause 203 of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
94. Is additional voluntary information only included in the fees and costs template in the limited circumstances where some tailoring of	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
the fees and costs template is deemed necessary to avoid the PDS being misleading?			
[RG 97.137 and RG 97.138]			
Note: <i>Instances where this might occur include (but are not limited to) instances where fees and costs do not affect the value of a retail client's investment (e.g. in the fees and costs template for a pure defined benefit superannuation fund)—in this case, an issuer may wish to include an explanatory note. [RG 97.138]</i>			
95. When including additional voluntary information, is the information shown in the PDS in a clear, concise and effective manner?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.139]			
96. Has the issuer taken care not to complicate disclosure by including large amounts of information in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
Note: <i>ASIC states that it will closely monitor any tailoring of the fees and costs template or example of annual fees and costs by product issuers to ensure that the ability of consumers to effectively compare products is not affected.</i>			
[RG 97.140]			
97. Has the issuer included additional information about material amounts paid or payable to related parties of the issuer and an explanation of the basis for the payment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.142]			
How to fill in the fees and costs template			
98. In the middle column(s), does the template:			
(a) have 'nil', 'zero', '0' or 'not applicable' (if it would not be misleading) if a particular fee or cost is not charged, opposite the type of fee or cost? [Clause 204(2) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) have a range of fees or costs, if it is not possible to determine a single amount or percentage of a fee or cost? [Clause 204(3) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) if the exact amount of a fee or cost paid or payable is not known:			
(i) include an amount that is a reasonable estimate of the amount attributable to the retail client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(ii) clearly designate the amount as an estimate?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 204(4) and (5) of Part 2 of Schedule 10]			
(d) if an amount or cost has a number of components, separately list, the amount of each component?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 204(6) of Part 2 of Schedule 10]			
99. If the structure of an amount or cost prevents it from being presented as a single amount, does its broken-down components show the amount or cost that will be paid by consumers?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.150]			
Note: For example, it may be appropriate to break down into components fees payable to an issuer that can be determined from 'other fees' included in fees for a superannuation product that are estimated based on the previous financial year's experience. [RG 97.150]			
100. When breaking down the structure of information into components, is information on how amounts or costs recovered by the issuer will be applied by the issuer only included in the 'additional explanation of fees and costs' section of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
Note: Components that are separated to show how the fees or costs recovered by the issuer will be applied by the issuer (e.g. custodian fees) are not useful to retail clients in understanding the fees and costs charged to them and should not be included in the fees and costs template. [RG 97.151]			
101. Are fees or costs shown:			
(a) gross of income tax (but including GST and any applicable stamp duty)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) net of any applicable reduced input tax credits?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) net reduced by any income tax deduction the trustee may be able to claim or any income deduction available in an interposed vehicle?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[204(7) Sch 10, INFO 197, RG 97.172]			
Note 1: Disclosure in this manner is required as the impact of any entity level tax deductions and the extent to which they will be passed on to product holders through lower after tax fees or costs would not be known at the time of preparing a PDS. [Explanatory Statement to			

Question	Answer	Where?	Reference / Comment
<p><i>Corporations Amendment Regulation 2005 (No.1)]</i></p> <p>Note 2: <i>If a fee will vary so that a certain maximum fee applies for a particular period (e.g. a 'honeymoon' period) and then another maximum fee applies, these two amounts should be disclosed separately in the fees and costs template. There will be two entries—one for the first period and one for the second period. [RG 97.155]</i></p> <p>Note 3: <i>ASIC considers the disclosure of fees net of income tax to be misleading to investors who are not entitled to a reduction in income tax. [REP 398.118]</i></p> <p>Note 4: <i>The fees the trustee discloses must not be reduced by any income tax deduction the trustee may be able to claim. For example, if the fee is \$100 (ignoring GST for illustrative purposes only), the amount the trustee must disclose is \$100, rather than \$85 (assuming the fund's income tax is 15% and the trustee is able to claim a sufficient deduction to reduce the tax to zero). This applies equally to any income deduction available in an interposed vehicle. The existence of the benefit of any income tax deduction should be disclosed under 'Additional explanation of fees and costs'. [RG 97.172]</i></p>			
102. Is the fees and costs information:			
(a) set out for each MySuper product offered by the relevant superannuation entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) set out for each investment option offered by the relevant superannuation entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) set out in the table? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) cross-referenced in the table to another section of the PDS that contains the relevant fee information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 205 of Part 2 of Schedule 10, INFO 197]			
<p>Note: <i>If the amount of indirect costs and management costs disclosed in the fees and costs template excludes the costs of interposed vehicles, ASIC does not regard the law to have been complied with—unless the issuer elects in writing to treat them as fees. This is even where the cost of investing through interposed vehicles is disclosed using an explanatory note such as:</i></p> <p style="padding-left: 40px;"><i>Underlying managers are compensated, which may include fixed fees. Generally, fixed fees could range from 1% to 2% annualised off the net value of the fund's investment. [RG 97.95]</i></p>			
103. If a superannuation entity has more than 2 options for the payment of fees:	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
(a) is the number of fee payment options set out in the preamble?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) are the details of all fee payment options set out in the template?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

[Clause 206 of Part 2 of Schedule 10]

Multiple investment options

104. Does column 3 of the template clearly set out:

- | | | | |
|-------|---|---|---|
| (a) | how the fee is or will be charged, for example by deduction from: | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (i) | the member's investment balance; or | | |
| (ii) | the assets of the superannuation entity | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (iii) | contributions; or | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (iv) | withdrawals? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (b) | the frequency of charging the fee? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (c) | the timing of charging the fee? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |

[Clause 207 of Part 2 of Schedule 10]

- | | | | |
|------|---|---|---|
| 105. | Does the template clearly indicate which fees and costs are negotiable (eg, by stating in column 3 'The amount of this fee can be negotiated')? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
|------|---|---|---|

[Clause 208(1) of Part 2 of Schedule 10]

- | | | | |
|------|---|---|---|
| 106. | Where fees are negotiable, does column 3 cross-reference to an explanation outside the template in the 'Additional Explanation of Fees and Costs' part of the fees section? | <input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> N/A | <input checked="" type="checkbox"/> PDS
<input type="checkbox"/> IBR |
|------|---|---|---|

[Clause 208(2) of Part 2 of Schedule 10]

Fees and costs

107. Do the **administration fees** in the fees template (and example of annual fees and costs):

Question	Answer	Where?	Reference / Comment
(a) relate to the administration or operation of the superannuation entity; and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
(b) includes costs that relate to that administration or operation, other than:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
(i) borrowing costs; and			
(ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee or the trustees of the entity or in an interposed vehicle or derivative financial product; and			
(iii) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee?			
<p>[Clause 101 of Part 1 of Schedule 10 and clause 209A of Part 2 of Schedule 10, as amended by ASIC CO 14/1252 para 6(f)(ia)]</p> <p>Note 1: For the definition of 'borrowing costs', see the Appendix.</p> <p>Note 2: The amount included within administration fees (to the extent that it relates to costs rather than certain amounts payable to the issuer) should be based on what is known or is a single reasonable estimate. Disclosure of these costs, other than for new investment options (new products), is to be based on the previous financial year's outcomes. In certain circumstances, costs of derivative financial products may be determined in accordance with cl 101A(3) of Sch 10 rather than a reasonable estimate. [RG 97.19]</p>			
108. Do investment fees in the fees template (and example of annual fees and costs) include:	<input type="checkbox"/> N/A		
(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees)? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
<p>(b) costs that relate to the investment of assets of the superannuation entity, other than:</p> <p>(i) borrowing costs; and</p> <p>(ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee or the trustees of the entity or in an interposed vehicle or derivative financial product; and</p> <p>(iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee?</p> <p>[Clause 101 of Part 1 of Schedule 10, clause 209AA of Part 2 of Schedule 10 (as amended by ASIC CO 14/1252)]</p> <p>Note 1: Transitional provisions apply in relation to the notional definition of 'investment fee' until 30 September 2019. See question 113 below.</p> <p>Note 2: For the definition of 'borrowing costs', see the Appendix.</p> <p>Note 3: The amount included within investment fees (to the extent that it relates to costs rather than certain amounts payable to the issuer) should be based on what is known or is a single reasonable estimate. Disclosure of these costs, other than for new investment options (new products), is to be based on the previous financial year's outcomes. In certain circumstances, costs of derivative financial products may be determined in accordance with cl 101A(3) of Sch 10 rather than a reasonable estimate. [RG 97.19]</p> <p>Note 4: The costs referred to in paragraph (b) of this question do not include transactional and operational costs referred to in paragraphs (b), (ea) and (eb) of the definition of transactional and operational costs in clause 103 of Part 1 of Schedule 10 of the Corporations Regulations (as amended by ASIC CO 14/1252).</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>109. Do the investment fees or indirect costs include the following:</p> <p>(a) where the superannuation fund invests in a property (including when the property is held through an interposed vehicle), the costs incurred</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
in operating the property, including by the interposed vehicle.			
[ASIC Questions and Answers Question 18]			
Note 1: Before 30 September 2019, there is transitional relief providing superannuation trustees with the option to disclose property operating costs in the 'Additional Explanation of Fees and Costs' section of the PDS rather than as part of the investment fee or indirect costs. See question 113.			
Note 2: The fact that the costs are recovered from the tenant or the rental income does not mean that these costs don't have to be included. If costs are incurred on behalf of the tenant, such as for example, arranging on a group basis for shopping trolleys belonging to tenants to be returned to the tenancy or for cleaning services for the benefit of tenants and then tenants provide reimbursement for these costs, the costs reimbursed are costs of the tenant and not costs relating to the investment, and so would not require to be included. [ASIC Questions and Answers Question 18]			
Note 3: When any income or other benefits are derived from property that is held by the superannuation trustee or held by an interposed vehicle that is retained by the issuer, its service provider or interposed vehicle operator, it is a fee or indirect cost and must be included when calculating relevant amounts for PDS disclosure. However, not all benefits received by a service provider or interposed vehicle would be a benefit provided for services that is a cost that needs to be disclosed. See ASIC Questions and Answers Question 12 and RG 97.97 for further information.			
(b) the OTC derivative financial product costs (including when the derivatives are used for hedging purposes).	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
Note: Costs of OTC derivative financial products are not included under transactional and operational costs.			
[ASIC Questions and Answers Question 19]			
(c) costs of acquiring or disposing of exchange traded derivatives (such as clearing costs and brokerage) borne by the superannuation fund or an interposed vehicle.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
Note: These costs, plus any difference between acquisition cost and the price following acquisition, should be included in transactional and operational costs under 'Additional explanation of fees and costs'.			
[ASIC Questions and Answers Question 24]			
110. Are the following fees relating to performance disclosed as investment fees:			
(a) fees paid indirectly through interposed vehicles (unless the	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
trustee elects in writing to disclose them as indirect costs)?	<input type="checkbox"/> No <input type="checkbox"/> N/A		
(b) fees incurred by a trustee and paid from the fund that do not meet the performance fee definition?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
Note 1: Fees relating to performance — that do not relate to the performance of the entire fund or investment option – do not meet the definition of performance fees in Schedule 10.			
Note 2: The disclosed amounts will be calculated based on what was incurred last financial year, other than for new products, not an average amount over other years. ASIC encourage inclusion of brief information about material costs relating to performance under 'Additional explanation of fees and costs', but this does not replace the need to take into account those costs in investment fees, or where permitted the ICR.			
[ASIC Questions and Answers Question 10]			
111. Do performance fees in the fees template (and example of annual fees and costs):			
(a) relate to the performance of the fund as a whole or of an investment option?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
(b) not include a fee based on returns achieved from assets managed under a particular mandate, when these do not relate to the fund or a particular investment option as a whole?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
(c) not include fees based on the performance of an interposed vehicle through which a subgroup of assets of an investment option are held, or for management of a subgroup of assets of an investment option?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.124]			
Note 1: For superannuation products, a performance fee must be included in the investment fee, although fees payable for returns achieved on assets deducted in an interposed vehicle may instead be considered indirect costs if the trustee elects in writing. [RG 97.125]			
Note 2: Performance fees that meet the definition of performance fees in Schedule 10 need to be taken into account in the 'Example of annual fees and costs'. For the example, if the fee is charged directly to members' accounts the figures used should be on a prospective basis, that is the performance fee that the issuer expects members to be charged on a typical ongoing basis. Otherwise, except for new products, they should be based on the outcomes for the last financial year. [ASIC Questions and Answers Question 10]			

Question	Answer	Where?	Reference / Comment
<p>Note 3: The issuer can have regard to last year's performance fee in estimating the typical ongoing performance fee to the extent that last year's performance fee may be regarded as within the range of what may be considered typical. This may not always be the case. For example if last year's performance fee was very low due to poor performance, which the issuer does not expect to be repeated in the current year, then it is unlikely that it would be used to estimate typical ongoing performance fees. [ASIC Questions and Answers Question 10]</p> <p>Note 4: Clawback may be used to reduce the amount of performance fee or performance related fee disclosed as part of the indirect cost or investment fee for the relevant financial year. However the amount cannot be negative in respect of any particular manager or interposed vehicle to whom fees are being paid. For example, if the investment fee, including performance related fee, relating to interposed vehicle A is 1.0% and the clawback due to poor performance in the previous period is 0.2%, then the investment fee, including any performance related fee, that is calculated and disclosed as part of indirect costs or investment fees for interposed vehicle A is 0.80%. [ASIC Questions and Answers Question 11]</p> <p>Note 5: Clawback obtained from one manager engaged to provide services to the superannuation fund or from an interposed vehicle cannot be used to reduce the disclosed amount of fees or costs incurred through another manager or interposed vehicle. It is possible to take into account a clawback from an entity which is stapled to the entity that was paid the fee. [ASIC Questions and Answers Question 11]</p> <p>Note 6: The clawback also cannot be used to reduce any other fees or costs disclosed. For example if the cost of performance fee is included in the ICR, and there is a clawback that can be taken into account, that would reduce the amount of the ICR, but the clawback could not be used to reduce the amount disclosed as an investment fee. [ASIC Questions and Answers Question 11]</p>			
112. Are fees that are not costs shown in the fees and costs template on a prospective basis (i.e. what would apply for a person acquiring the financial product)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>Note 1: This includes performance fees for superannuation products payable to the trustee or any fees directly paid by members.</p> <p>Note 2: For example, a fee that is payable by a member to the trustee if the fund exceeds a specified benchmark by a particular amount (e.g. 20%) over a certain period (e.g. three years) should be disclosed prospectively in the PDS.</p> <p>[RG 97.128]</p>			

Question	Answer	Where?	Reference / Comment
<p>Note: Before 30 September 2019, there is transitional relief providing superannuation trustees with the option to disclose property operating costs in the 'Additional Explanation of Fees and Costs' section of the PDS rather than as part of the investment fee or indirect costs. The following question 113 applies to a PDS before 30 September 2019 where the issuer wishes to rely on the transitional relief.</p>			
113. Does:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS	
(a) the 'Additional Explanation of Fees and Costs' section for the MySuper product or investment option include separate details of the property operating costs in accordance with question 136. (o)?	<input type="checkbox"/> No <input type="checkbox"/> N/A If 'no', go to next question, if 'yes', go to (b).	<input type="checkbox"/> IBR	
(b) the investment fees in the fees template (and example of annual fees and costs) include costs that relate to the investment of assets of the superannuation entity other than property operating costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>Note: For the definition of "property operating costs", see the Appendix.</p> <p>[clause 209A of Part 2 of Schedule 10 (as amended by paragraphs 6(f)(ib) and 11 of CO 14/1252)]</p>			
114. Does the buy-sell spread in the fees template relate to the recovery of transaction costs incurred by the trustee, or the trustees, of the superannuation entity in relation to the sale and purchase of assets of the entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
<p>[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]</p>			
115. Do switching fees in the fees template:			
(a) for a MySuper product, relate to the recovery of the costs of switching all or part of a member's interest in a superannuation entity from one class of beneficial interest in the entity to another?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) for superannuation products other than a MySuper product, relate to the recovery of the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
[Clause 101 of Part 1 of Schedule 10, clause 209A of Part 2 of Schedule 10 as amended by CO 14/1252]			
116. Do exit fees in the fees template relate to the recovery of the costs of disposing of all or part of members' interests in the superannuation entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]			
117. Do advice fees in the fees template relate directly to costs incurred by the trustee, or the trustees, of a superannuation entity because of the provision of financial product advice to a member by:			
(a) a trustee of the entity? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) another person acting as an employee of, or under an arrangement with, a trustee or trustees of the entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]			
Note 1: If the intra-fund advice fee has the characteristics in s29V(8)(a), and is not otherwise charged as a fee under s29V(8)(b), the intra-fund advice will be an advice fee and will need to be disclosed as such in the template. [INFO 197]			
Note 2: The fees and costs template for superannuation products requires the inclusion of 'advice fees', which directly relate to the provision of financial product advice to the member by the trustee or another person acting as an employee of, or under an arrangement with, the trustee. This includes any costs paid out of the superannuation fund for providing advice. Paying costs for advice out of the superannuation fund is restricted under s99F of the SIS Act and the circumstances where it is permitted are often referred to as 'intra-fund advice'. These fees will be covered under 'Advice fees relating to all members investing in a particular MySuper product or investment option' in the fees and costs template. [RG 97.177]			
Note 3: Advice fees would also include another component for fees for advice to a member, payable by the member to the superannuation fund trustee or another person acting as an employee of, or under an arrangement with, the trustee for costs borne by the trustee. Those individual advice fees would be included under 'Other fees and costs' in the fees and costs template rather than under 'Advice fees relating to all members investing in a particular MySuper product or option'. If there is an item under 'Other fees and costs', a cross-reference to 'Additional explanation of fees and costs' must be included. [RG 97.178]			

Question	Answer	Where?	Reference / Comment
118. Do advice fees in the fees template relate to costs that are not otherwise charged as an administration fee, investment fee, switching fee, exit fee, activity fee, or an insurance fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]			
119. Do activity fees in the fees template include fees related to costs that are directly related to an activity of (and incurred by) the trustee, or the trustees that:			
(a) are engaged in at the request, or with the consent, of a member? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) relates to a member and is required by law?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]			
120. Do activity fees in the fees template relate to costs that are not otherwise charged as an administration fee, investment fee, buy-sell spread, switching fee, exit fee, advice fee or insurance fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]			
121. Do insurance fees in the fees template include fees that relate directly to:			
(a) insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the provision of insurance for a member or members of the entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]			

Question	Answer	Where?	Reference / Comment
122. Do insurance fees in the fees template not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk? [Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
123. Do insurance fees in the fees template relate to premiums and costs that are not otherwise charged as an administration fee, investment fee, switching fee, exit fee, activity fee or an advice fee? [Clause 101 of Part 1 of Schedule 10, Section 29V SIS Act]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
124. Is the indirect cost ratio (ICR) in the fees template and the example of annual fees and costs the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option? Note: A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost. [Clause 104(1) of Part 1 of Schedule 10 as amended by CO 14/1252]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
125. Have the indirect costs in the fees template and example of annual fees and costs been calculated in accordance with questions 128 to 134? Note: Costs that are not payable out of the superannuation entity and that would otherwise be part of investment fees or administration fees (such as costs paid by the operator of an interposed vehicle in which the superannuation entity invests) may be instead treated as indirect costs if the superannuation fund trustee has elected in writing to treat those costs as indirect costs. The election may be made generally or for a particular kind of cost. [RG 97.27]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
126. If a fee will vary so that a certain maximum fee applies for a particular period (eg. a 'honeymoon' period) and then another maximum fee applies, does the Fees and Costs Template separately disclose: (a) the fees for the 'honeymoon' period?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input checked="" type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(b) the fees for the second period following from when the 'honeymoon' period expires?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input checked="" type="checkbox"/> IBR	Note: Details about any variations in the amount of fees or costs charged between members can be incorporated by reference. [RG 97.158] [RG 97.155]
127. Is the assessment of performance fees based on reasonable assumptions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	Note: In the November 2011 version of RG 97, ASIC provides as an example that if appropriate, performance fees could be estimated by reference to the previous 12 months performance. [RG 97.79]
Meaning of indirect costs			
128. Does the amount of indirect costs include any amount that:			
Note 4:			
(a) either:			
(i) a responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate has reduced or will reduce (as applicable) whether directly or indirectly the return on the product or option that is paid from, or reduces the amount or value, of:			
(A) the income of or the property attributable to the product or option; or			
(B) the income of or the property attributable to an interposed vehicle in or through which the property attributable to the product is invested?; or			
(ii) satisfies both the following:			
(A) the amount is paid or payable by or on behalf of a person who may make payments that form part of the return on, or the value of, the			

Question	Answer	Where?	Reference / Comment
<p>product or option whether directly or through an interposed vehicle; and</p> <p>(B) payment of the amount is a benefit that increases the returns or value of the product or option or provides a benefit to the issuer in relation to the product or option that is retained by the issuer?; and</p> <p>(b) is not charged to a member as a fee?; and</p> <p>(c) is not a fee as defined in clause 209A of Schedule 10 of the Corporations Regulations or an insurance fee?; and</p> <p>(d) subject to subclause 101A(3) of Schedule 10 (see questions 133 and 134), would, if the amount had been paid as a cost out of a superannuation entity, be an investment fee or administration fee for the superannuation product?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>[Clause 101A(1) of Schedule 10 as amended by CO 14/1252]</p> <p>Note 1: A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.</p> <p>Note 2: Property is invested in or through an interposed vehicle even if:</p> <p>(a) the property is in turn invested in or through one or more other interposed vehicles; or</p> <p>(b) the property was invested in the first mentioned interposed vehicle through or by another interposed vehicle. [Clause 101A(2) of Schedule 10 as amended by CO 14/1252]</p> <p>Note 3: Property is not invested in or through an interposed vehicle if the property is invested in the vehicle by a body, trust or partnership that is not an interposed vehicle and is not the trustee or the responsible entity. [Clause 101A(2) of Schedule 10 as amended by CO 14/1252]</p> <p>Note 4: For the definition of 'interposed vehicle', as well as a full definition of 'indirect costs', see the Appendix.</p>			

Question	Answer	Where?	Reference / Comment
129. Was the indirect costs ratio for the PDS determined for the financial year before the PDS is issued?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Note 1: <i>This also applies to the component of fees for a superannuation entity that is not payable to the issuer. [RG 97.30]</i>			
Note 2: <i>Although generally the calculation of indirect costs is based on a completed period, ASIC recognises that an estimate may be required – for example, due to the unavailability of information about amounts of costs incurred towards the end of the previous financial year. [RG 97.31]</i>			
Note 3: <i>Where the product or investment option was not offered from at least 11 months before the end of the previous financial year, the ICR for the PDS is to be determined based on the responsible person's reasonable estimate at the time the PDS is prepared of the ICR that will apply for the current financial year [104(2) Sch 10 as amended by CO 14/1252]</i>			
Note 4: <i>Where the product or investment option was first offered in the current financial year, the ICR for the PDS is to be determined based on the responsible person's reasonable estimate at the time the PDS is prepared of the ICR since the time product or investment option was first offered, adjusted to reflect a 12 month period. [104(2) Sch 10 as amended by CO 14/1252]</i>			
Note 5: <i>In making this calculation, it may be necessary for issuers to make reasonable estimates of some of the costs, for instance the costs for the last quarter of the financial year. Where reasonable estimates are made and new information is received by the issuer after the PDS is issued, for example actual costs for the last quarter, there may be a need for the issuer to consider whether the ICR or fees disclosed in the PDS continues to be a reasonable estimate. If it is no longer a reasonable estimate taking into account costs incurred last financial year then the issuer will need to update the PDS or if the change to the indirect cost is considered to be not materially adverse from the point of view of investors the issuer may make the update by relying on ASIC Corporations (Updated Product Disclosure Statements) Instrument 2016/1055 subject to the conditions in that instrument. Please refer to RG 97 guidance on cost calculation and updating the PDS. [ASIC Questions and Answers Question 7 and RG 97.36-97.40]</i>			
Note 6: <i>In making a reasonable estimate of a cost, issuers may use information they have and make reasonable assumptions. ASIC will accept an estimate that the issuer believes is their best estimation, if the issuer has taken reasonable steps to formulate it. Reasonable steps would include those that are within the issuer's duties and obligations as a responsible entity or superannuation fund trustee. However, in some cases further steps may be reasonable, specifically to obtain information about costs for disclosure under the enhanced fee disclosure regime. [RG 97.86-97.87]</i>			
Note 7: <i>In determining whether steps are reasonable it will be relevant to consider among other</i>			

Question	Answer	Where?	Reference / Comment
<p>things:</p> <p>(a) the cost or effort involved in the steps; and</p> <p>(b) the likelihood that the steps would result in a material change to what would otherwise have been estimated, and that this would impact the amounts that may be required to be disclosed.</p> <p>See RG 97.89 for examples of steps that issuers may take to make a reasonable estimate.</p> <p>[RG 97.88]</p> <p>Note 8: What constitutes a reasonable estimate will often be in a range. ASIC recommends that issuers take a conservative approach to making a reasonable estimate of the fees or costs by estimating on the higher end of what is reasonable. This will reduce the risk of the estimate being no longer reasonable if new information is received by the issuer about the estimated fees or costs. [ASIC Questions and Answers Question 8]</p>			
<p>130. Was the part of a fee for a MySuper product or an investment option disclosed in the PDS relating to the costs incurred by the trustee of the superannuation entity or in an interposed vehicle or derivative financial product determined for the previous financial year?</p> <p>Note 1: Where the product or investment option was not offered from at least 11 months before the end of the previous financial year, the costs are to be determined based on the responsible person's reasonable estimate at the time the PDS is prepared of those costs that will apply for the current financial year [104(2A) Sch 10 as amended by CO 14/1252]</p> <p>Note 2: Where the product or investment option was first offered in the current financial year, the costs are to be determined based on the responsible person's reasonable estimate at the time the PDS is prepared of those costs since the time product or investment option was first offered, adjusted to reflect a 12 month period. [104(2A) Sch 10 as amended by CO 14/1252]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p>131. Where there are multiple approaches to estimation that might be reasonably used, which would produce materially different outcomes, does the PDS include an explanation in the 'Additional explanation of fees and costs' section of the approach taken to the calculation? [RG 97.32]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p>132. Where there are circumstances that indicate that outcomes in the previous financial year may not be a good indication of typical ongoing costs, does the PDS include in the</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
<p>'Additional explanation of fees and costs' section:</p> <p>(a) an explanation that the figures are based on outcomes from the previous financial year and why typical ongoing costs are likely to be materially different where that is the case?</p> <p>(b) information about possible outcomes in the current year or later financial years?</p> <p>(c) where reasonable grounds exist, a forecast of the range of typical ongoing costs that may be expected, based on the information available when the PDS is prepared?</p> <p>[RG 97.33, 97.51 and 97.168]</p>			
<p>Note: <i>The following question applies only in respect of a derivative financial product that is not an option to acquire or dispose of a financial product and the costs of the derivative financial product calculated in accordance with this question, is attributable to the product or investment option or an interposed vehicle through which the property attributable to the product or investment option is invested.</i></p>			
133.	Does the amount of indirect costs include:	<input type="checkbox"/> Yes	
(a)	where the responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate those amounts - the amount that is the difference between the underlying return and the actual return for the derivative financial product where the actual return on the product or option is less than the underlying return on the derivative financial product over the relevant financial year; or	<input type="checkbox"/> No	
(b)	where the responsible person does not know, does not believe they reasonably ought to know, and is not able to reasonably estimate without taking steps that the responsible person considers unreasonable the amount in paragraph (a) in relation to the derivative financial product - the greater of:		

Question	Answer	Where?	Reference / Comment
<p>(i) the amount calculated using the following formula:</p> $\text{relevant percentage} \times \text{value} \times (n/365) \text{ where}$ <p>relevant percentage means 0.1%;</p> <p>n means the number of days that the derivative financial product was held by the responsible person or interposed vehicle during the financial year; and</p> <p>value, in relation to the derivative financial product, means the value of the ultimate reference assets in each case taking into account any leverage, offsets or similar adjustments applied to or between the ultimate reference assets under the terms of each relevant derivative financial product; and</p> <p>(ii) the minimum amount that the responsible person believes or has reasonable grounds to believe would apply under paragraph (a).</p> <p><i>[Clause 101A(3) of Schedule 10 as amended by CO 14/1252]</i></p> <p>Note: For the definitions of 'derivative financial product', 'actual return', 'underlying return', 'ultimate reference asset' and 'relevant financial year' see the Appendix.</p>			
<p>Note: The following question applies only in respect of a derivative financial product that is an option to acquire or dispose of a financial product and the costs of the derivative financial product calculated in accordance with this question, is attributable to the product or investment option or an interposed vehicle through which the property attributable to the product or investment option is invested.</p>			
134.	Does the amount of indirect costs include:	<input type="checkbox"/> Yes	
(a)	where the responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate those amounts - any amount by which the cost incurred to acquire the derivative	<input type="checkbox"/> No	

Question	Answer	Where?	Reference / Comment
financial product exceeds the amount that would be obtained on its disposal at that time; or			
(b) where the responsible person does not know, does not believe they reasonably ought to know, and is not able to reasonably estimate without taking steps that the responsible person considers unreasonable the amount in paragraph (a) in relation to the derivative financial product - the lesser of:			
(i) the amount that would apply under 133. (b) if the exclusion of options did not apply; and			
(ii) the premium paid by the responsible person or interposed vehicle for the option.			
Note: <i>[Clause 101A(3) of Schedule 10 as amended by CO 14/1252] For the definitions of 'derivative financial product', see the Appendix.</i>			

Additional explanation of fees and costs

135.	If relevant to the particular superannuation product, does the fees and costs section of the PDS have a section with the heading 'Additional Explanation of Fees and Costs'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*
<i>[Clause 209 of Part 2 of Schedule 10]</i>			
136.	Does the section with the heading 'Additional Explanation of Fees and Costs' include the following information:		
(a)	the explanation of the fees mentioned in footnote 1 of the fees and costs template?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR
<i>[Clause 209(a) of Part 2 of Schedule 10]</i>			
(b)	information on any performance fees including:		
(i)	if applicable, a statement about how performance fees affect administration fees and investment fees ? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR
(ii)	the method for calculating the performance fees? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR

Question	Answer	Where?	Reference / Comment
(iii) the amount of the performance fees, or an estimate of the amount if the amount is not known?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(b) of Part 2 of Schedule 10]			
Note 1: The definition of investment fees includes performance fees payable out of the fund. In the case of a performance fee charged by the trustee, an estimate of the performance fee that will apply on an annual basis for current and future years is to be included under 'Additional explanation of fees and costs': see RG 97.124–RG 97.132. The estimate should be of the amount that would be a typical ongoing amount for the performance fee for this purpose. [RG 97.183]			
Note 2: A prospective estimate of the performance fee should be used in making disclosure under 'Additional explanation of fees and costs' and ASIC think this can be on a typical ongoing basis. [ASIC Questions and Answers Question 10]			
Note 3: The issuer can have regard to last year's performance fee in estimating the typical ongoing performance fee to the extent that last year's performance fee may be regarded as within the range of what may be considered typical. This may not always be the case. For example if last year's performance fee was very low due to poor performance, which the issuer does not expect to be repeated in the current year, then it is unlikely that it would be used to estimate typical ongoing performance fees. [ASIC Questions and Answers Question 10]			
Note 4: The issuer should estimate what the typical ongoing amounts payable on an annual basis over current and future financial years will be. The previous year's performance fees or investment targets may be considered in the estimation, but the issuer would often not estimate that performance fees will remain at their previous level or the performance will meet the target. Actual performance fees may vary from year to year to due to performance, rather than from a change of the criteria or the method of calculation of the fee. Such a change would not necessarily mean that an issuer would need to change their estimate of typical ongoing performance fees. [RG 97.129 and 97.131]			
(c) for tax, a cross reference to the "Tax" part of the Product Disclosure Statement;	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(c) of Part 2 of Schedule 10]			
(d) for insurance fees and other costs relating to insurance (if relevant), a cross reference to the "Insurance" part of the Product Disclosure Statement;	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(ca) of Part 2 of Schedule 10]			

Question	Answer	Where?	Reference / Comment
(e) if the product is subject to tax, whether the benefit of any tax deduction is passed on to the investor in the form of a reduced fee or cost?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(d) of Part 2 of Schedule 10]			
(f) an explanation of adviser remuneration that forms part of any fee or cost in the table, including (if known to the trustee):	<input type="checkbox"/> N/A		
(i) the method of calculation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(ii) the amounts of commission or the range of amounts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(iii) whether the amounts are negotiable or rebatable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(iv) the way in which amounts may be negotiated or rebated?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[Clause 209(e) of Part 2 of Schedule 10]			
(g) an explanation of any advice fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(f) of Part 2 of Schedule 10]			
(h) for a negotiated fee or cost, contact details of the person or body with whom the fee or cost can be negotiated and the manner of negotiation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(g) of Part 2 of Schedule 10]			
(i) worked examples (if appropriate)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 209(h) of Part 2 of Schedule 10]			
(j) additional details of incidental fees (if appropriate)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<i>Eg: cheque dishonour fees</i>			
[Clause 209(i) of Part 2 of Schedule 10]			
Note: Incidental fees is defined in <i>clause 101 of Schedule 10 of the Regulations</i> to mean costs or amounts, other than costs or fees defined in clause 101, that are:			
(a) paid or payable in relation to the product; and			
(b) not material to a retail client's decision to acquire, hold or dispose of his or her interest in the product.			

Question	Answer	Where?	Reference / Comment
(k) details of transactional and operational costs such as brokerage and buy-sell spread, including:	<input type="checkbox"/> N/A		
(i) a description of the cost? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the amount, or an estimate if the amount is not known? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) how and when the costs are recovered? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) a statement that the cost is an additional cost to the investor? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(v) whether any part of the buy-sell spread is paid to the product issuer or an external manager?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

[Clause 209(j) of Part 2 of Schedule 10]

Note 1: Before 30 September 2019, transactional and operational costs do not include property operating costs for a MySuper product or investment option if details of the property operating costs are disclosed in accordance with question 136. (o).

Note 2: Transactional and operational costs are defined in the Regulations to include:

- (a) brokerage;
- (b) buy-sell spread;
- (c) settlement costs (including custody costs);
- (d) clearing costs;
- (e) stamp duty on an investment transaction;
- (ea) where an asset is acquired other than through a financial market, any part of the acquisition price of the asset that exceeds the price at which the asset could have been disposed of;
- (eb) where an asset is acquired through a financial market, any part of the acquisition price of the asset that exceeds the bid price in the financial market that would apply without the acquisition having occurred either:
 - (i) immediately following the acquisition; or
 - (ii) if the acquisition was a part of multiple acquisitions reflecting a single and non-recurring instruction to acquire, after the last acquisition made in accordance with the instruction;
- (ec) property operating costs;

Question	Answer	Where?	Reference / Comment
	<p>(f) costs incurred in or by an interposed vehicle that would be transactional and operational costs if they had been incurred by the superannuation entity to which the superannuation product or investment option relates,</p> <p>and does not include borrowing costs or costs that are indirect costs because of subclause 101A(3) of the Regulations.</p> <p><i>[103 Sch 10 as amended by CO 14/1252]</i></p>		
	<p>Note 3: ASIC consider that the difference between the amount paid for the asset and the value of the asset at the time of purchase based on its selling price is a transactional cost. This amount is not necessarily the bid-ask spread as disclosed in a market immediately prior to the transaction. For example if the purchase involves a seller crossing a pre-existing spread to accept a bid, there may be no transaction cost for the buyer on this basis. In estimating transaction cost it is important to estimate the market impact, where this is material as is more likely for large orders. In placing a large order over a period of time, the bid-ask spread can move. The transaction cost should not be calculated on a transaction by transaction basis based on bid-ask spread, but should reflect what the likely selling price would be after the set of transactions in an order. If heavy bidding leads to the bid going up, but once the buy order is filled the bid will again go down (although not necessarily immediately), it is the bid price after the completion of the transactions that should be estimated. <i>[ASIC Questions and Answers Question 16]</i></p>		
	<p>Note 4: If the cost of a derivative financial product is included in calculating investment fees or indirect costs for a superannuation product, it can be excluded from the amount disclosed for transactional and operational costs. <i>[ASIC Questions and Answers Question 16]</i></p>		
	<p>Note 5: Property management costs also will need to be included in the transactional and operational costs disclosure. This applies to management of specific properties that are already held and are to be leased. The provision of services in deciding about which properties to acquire or dispose or how to use the properties, is a cost of managing the assets that is not a transactional or operational costs. For a superannuation product this cost forms part of investment fees or where permitted indirect costs. Property development or refurbishment costs may appropriately be able to be treated an investment in the property rather than a cost of investment in the property and therefore should not be included in the fees or costs disclosure including as transactional and operational costs. <i>[ASIC Questions and Answers Question 18]</i></p>		
	<p>Note 6: Costs of acquiring or disposing of exchange traded derivatives, plus any difference between acquisition cost and the price following acquisition, should be included in transactional and operational costs under 'Additional explanation of fees and costs'. <i>[ASIC Questions and Answers Question 24]</i></p>		

Question	Answer	Where?	Reference / Comment
(l) the following information about fee changes:			
(i) if applicable, a statement about the issuer's right to change the amount of fees without the investor's consent?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) any indexation arrangements that apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) the period of advance notice required for fee changes?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) any change in fee structure that is dependent on a person's employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(k) of Part 2 of Schedule 10]			
(m) if the issuer has instituted a flexible charging structure, for each applicable fee (if known):	<input type="checkbox"/> N/A		
(i) any maximum, and when it would apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) any waiver, and when it would not apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(l) of Part 2 of Schedule 10]			
(n) details of borrowing costs, including:	<input type="checkbox"/> N/A		
(i) a description of the cost? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the amount, or an estimate if the amount is not known? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) how and when the costs are recovered? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) a statement that the cost is an additional cost to the investor?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(m) of Part 2 of Schedule 10 as inserted by [CO 14/1252]]			
Note: Consistent with the calculation of other costs, the information about borrowing costs is to be determined in relation to the last financial			

Question	Answer	Where?	Reference / Comment
year (other than for new products). [RG 97.168]			
(o) before 30 September 2019, details of property operating costs to the extent those costs are not included in the investment fee or indirect costs for the relevant MySuper product or investment option offered by the superannuation entity, including:	<input type="checkbox"/> N/A		
(i) a description of the cost? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the amount, or an estimate if the amount is not known? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) how and when the costs are recovered? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) a statement that the cost is an additional cost to the investor?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: For the definitions of 'borrowing costs' and 'property operating costs', see the Appendix.			
Note 2: When disclosing switching fees, including a switching fee of nil, it should be noted that it is in addition to the buy-sell spread (i.e. to avoid being misleading about the costs of switching). [RG 97.175]			
Note 3: When disclosing the exit fee, including an exit fee of nil, it may be necessary to note that it is in addition to the buy-sell spread (i.e. to avoid being misleading about the costs of exiting). However, this explanation should not be included in the fees and costs template. [RG 97.181]			
Note 4: If there are multiple approaches to estimation that might be reasonably used, which would produce materially different outcomes, the issuer should consider including an explanation of the approach taken to the calculation in the 'Additional explanation of fees and costs' section. [RG 97.32]			
Note 5: In relation to the calculation of indirect costs, ASIC encourages users to include information about possible outcomes in the current year or later financial years if there are circumstances that indicate that outcomes in the previous financial year may not be a good indication of typical ongoing costs. ASIC also suggest that the information include an explanation that the figures are based on outcomes from the previous financial year and why typical ongoing costs are likely to be materially different where that is the case. Also, where reasonable grounds exist, issuers may include a forecast of the range of typical ongoing costs that may be expected, based			

Question	Answer	Where?	Reference / Comment
<p>on the information available when the PDS is prepared. [RG 97.33]</p> <p>[Clause 209(ma) of Part 2 of Schedule 10 as inserted by CO 14/1252]</p>			
137. Has the issuer disclosed to members fees and costs involved with insurance coverage and how they are calculated?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[RG 97.186]</p> <p>Note 1: For instance, information about the following should be disclosed:</p> <p>(a) insurance premiums, including matters affecting the premium (e.g. any adviser commission) and how these matters affect the member, quantification of the premiums and whether there is any rebate to the member;</p> <p>(b) the imposition of any loading factors, such as occupational-based loading or any additional amount charged because the member chooses to pay their premiums monthly rather than as an annual upfront payment;</p> <p>(c) any policy or administration fee charged by the trustee in addition to amounts to cover the premium payable to the insurer; and</p> <p>(d) whether the fund or the member will meet any costs of stamp duty and how stamp duty is calculated if the member is liable. [RG 97.186]</p> <p>Note 2: Insurance premiums are typically listed in table form. To allow members to more easily compare insurance premiums offered across different superannuation products, and ensure that the PDS is worded and presented in a clear, concise and effective manner, the information should relate to the member's current age. [RG 97.187]</p>			
138. When noting transactional and operational costs under 'Additional explanation of fees and costs', has the issuer:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>(a) set out how any costs resulting from issues and withdrawals will be borne?</p> <p>Note: If this is recovered in whole or part by a spread between the prices charged to the member for issue of and withdrawal from the product, the issuer should state this with an explanation of how the amount is determined. [RG 97.52]</p>			
(b) if any part of the spread between the acquisition and disposal price on assets is payable to the issuer or an external manager, described how and when these costs are recovered.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: For superannuation products, this may occur through the buy-sell spread, which is a fee that may be charged to recover transaction costs on a sale and purchase of assets of the</p>			

Question	Answer	Where?	Reference / Comment
entity. These costs do not have to be disclosed as an investment fee or indirect cost.			
[RG 97.53]			
(c) the portion of transactional and operational costs recouped by the trustee as a buy-sell spread payable by incoming investors and that the remaining amount has been reflected in reduced returns to members.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC encourages trustees to quantify the amount recouped in the relevant financial year as buy-sell spread.			
[ASIC Questions and Answers Question 15]			
139. Has information about transactional and operational costs and, for a superannuation product or investment option in a superannuation product, borrowing costs and property operating costs for a product or investment option, been disclosed in a PDS that is available during a particular financial year been determined for the previous financial year?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209AA as inserted by CO 14/1252]			
Note: For the definitions of 'borrowing costs' and 'property operating costs', see the Appendix.			
140. If the product or investment option was not offered from at least 11 months before the end of the previous financial year, have the transactional and operational costs and, for a superannuation product or investment option in a superannuation product, borrowing costs and property operating costs, been determined based on the responsible person's reasonable estimate at the time the PDS is prepared for those costs that will apply for the current financial year, and if the product or investment option was first offered in the current financial year, since the time the product or investment option was first offered, adjusted to reflect a 12 month period?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: For the definitions of 'borrowing costs' and 'property operating costs', see the Appendix.			
[Clause 209AA as inserted by CO 14/1252]			
141. Does the PDS include the following definitions (<i>italicised</i> below) under the heading 'Defined	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
fees':	<input type="checkbox"/> N/A		
<p>Note: The fee definitions required by this question may be incorporated by reference rather than set out in the Product Disclosure Statement. [CO 14/1252, para 6(f)(i)]</p>			
(a) Activity fees	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
A fee is an activity fee if:	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
<p>(a) the fee relates to costs incurred by the trustee [OR the trustees] of the superannuation entity that are directly related to an activity of the trustee [OR the trustees]:</p> <p>(i) that is engaged in at the request, or with the consent, of a member; or</p> <p>(ii) that relates to a member and is required by law; and</p> <p>(b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.</p>			
(b) Administration fees	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than:	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
<p>(a) borrowing costs; and</p> <p>(b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee [OR the trustees] of the entity or in an interposed vehicle or derivative financial product; and</p> <p>(c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.</p>			
<p>Note 1: ASIC states that intra-fund advice is often incorporated into the administration fee. The definition of 'advice fee' given in s29V(8) of the SIS Act contemplates the possibility that a fee for intra-fund advice can be charged as</p>			

Question	Answer	Where?	Reference / Comment
another form of fee, such as an administration or investment fee.			
Note 2: A fee for intra-fund advice that has the characteristics described in s29V(8)(a) of the SIS Act, and is charged as an administration fee (see s29V8(b)), will not be an advice fee and will need to be disclosed as an administration fee in the template. [INFO 197]			
(c) Advice fees	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
A fee is an advice fee if:	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(a) the fee relates directly to costs incurred by the trustee [OR the trustees] of the superannuation entity because of the provision of financial product advice to a member by:			
(i) a trustee of the entity; or			
(ii) another person acting as an employee of, or under an arrangement with, the trustee [OR the trustees] of the entity; and			
(b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.			
Note: If the intra-fund advice fee has the characteristics in s29V(8)(a), and is not otherwise charged as a fee under s29V(8)(b), the intra-fund advice will be an advice fee and will need to be disclosed as such in the template. [INFO 197]			
(d) Buy-sell spreads	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
A buy-sell spread is a fee to recover transaction costs incurred by the trustee [OR the trustees] of the superannuation entity in relation to the sale and purchase of assets of the entity.	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(e) Exit fees	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
An exit fee is a fee to recover the costs of disposing of all or part of members' interests in the superannuation entity.	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(f) Indirect cost ratio	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
The indirect cost ratio (ICR) , for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for	<input type="checkbox"/> No	<input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
<p><i>the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option.</i></p> <p>Note 1: <i>A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost. [Clause 104(1) of Part 1 of Schedule 10 as amended by CO 14/1252]</i></p>			
<p>(g) Investment fees</p> <p><u>[Transitional provisions apply in relation to the notional definition of investment fee until 30 September 2019. Before 30 September 2019, if a PDS for a MySuper product or investment option includes separate details of the property operating costs in the 'Additional Explanation of Fees and Costs' section for the MySuper product or investment option in accordance with question 136. (o), paragraph 11 of CO 14/1252 further amends the notional definition of investment fee in clause 209A of Schedule 10 of the Corporations Regulations, such that from a technical perspective, the definition of 'Investment fees' will be as follows:]</u></p> <p><i>An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:</i></p> <p>(a) <i>fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and</i></p> <p>(b) <i>costs that relate to the investment of assets of the entity, other than:</i></p> <p>(i) <i>borrowing costs; and</i></p> <p>(ii) <i>indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee [OR the trustees] of the entity or in an interposed vehicle or derivative financial product; and</i></p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><input type="checkbox"/> PDS</p> <p><input type="checkbox"/> IBR</p>	

Question	Answer	Where?	Reference / Comment
	<p>(iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee;</p> <p>but does not include property operating costs.</p> <p>Note: The costs referred to in paragraph (b) do not include transactional and operational costs referred to in paragraphs (b), (ea) and (eb) of the definition of transactional and operational costs.</p> <p>[Transitional provisions apply in relation to the notional definition of investment fee until 30 September 2019. Before 30 September 2019, if a PDS for a MySuper product or investment option does not include separate details of the property operating costs in the 'Additional Explanation of Fees and Costs' section for the MySuper product or investment option in accordance with question 136. (o), and from 30 September 2019 onwards, the definition of 'Investment fees' will be as follows:]</p> <p>An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:</p> <p>(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and</p> <p>(b) costs that relate to the investment of assets of the entity, other than:</p> <p>(i) borrowing costs; and</p> <p>(ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee [OR the trustees] of the entity or in an interposed vehicle</p>		

Question	Answer	Where?	Reference / Comment
	or derivative financial product; and		
(iii)	costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.		
Note:	The costs referred to in paragraph (b) do not include transactional and operational costs referred to in paragraphs (b), (ea) and (eb) of the definition of transactional and operational costs .		
Note 1:	The new definition of 'investment fee' for superannuation products incorporates performance fees. [INFO 197]		
Note 2:	The definitions of 'performance' and 'performance fee' have changed to take into account the different types of products on offer (e.g. a managed investment product, a superannuation product, a MySuper product or an investment option'. [INFO 197] .		
Note 3:	ASIC considers that the common practice of superannuation funds disclosing the previous year's performance fees as a reflection of what will occur in the current year may lead to misleading results because it implies that past performance fees are indicative of future performance fees. [REP 398.114]		
(h) Switching fees	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
<u>[In the case of a MySuper product:]</u>	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
A switching fee for a MySuper product is a fee to recover the costs of switching all or part of a member's interest in a superannuation entity from one class of beneficial interest in the entity to another.			
<u>[In the case of a superannuation product that is not a MySuper product:]</u>			
A switching fee for a superannuation products other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.			
Note:	If a Product Disclosure Statement covers both a MySuper product and another superannuation product, both definitions of switching fee must be included.		
[CO 14/1252, 209A Sch 10]			

Question	Answer	Where?	Reference / Comment
Additional questions for superannuation platforms			
142. Does the PDS disclose that retail clients do not have a statutory right to receive a periodic statement under s1017D setting out indirect costs attributable to the underlying investment? [RG 97.71]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
143. Does the PDS have prominent statements following the example of annual fees and costs that the fees and costs of the platform relate to access to the investments on the list, not the costs within those investments, and that additional costs will be charged by the issuers of the products that the investor decides to invest in? [RG 97.72]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
144. Does the PDS have an example that illustrates the combined effect of fees and costs of the platform and of an actual or hypothetical entity that may be regarded as typical, in terms of its fees and costs and investment strategy, for a major proportion of the investments selected by investors in the relevant platform? [RG 97.73]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	<p>Note 1: <i>The example would need to be on the same assumptions and basis as the example of annual fees and costs. In the case of a superannuation platform, the example would have to take into account fees and costs in the entity on the same basis as for a superannuation fund, even if the entity is, for example, a managed investment scheme. [RG 97.73]</i></p> <p>Note 2: <i>ASIC are of the view that it is likely to be misleading to compare the fees and costs of platforms with non-platform superannuation funds on the basis of fees and costs. [ASIC Questions and Answers Question 23]</i></p> <p>Note 3: <i>If a superannuation platform provides recommended investment selections i.e. pre-determined combinations that may be selected, then it would be appropriate for any comparison of fees and costs to be based on the fees and costs of the platform plus fees and costs that would be included in the investment in the pre-determined combination as if they were a non-platform superannuation fund with non-platform based investment options. [ASIC Questions and Answers Question 23]</i></p> <p>Note 4: <i>Platform operators should ensure that they do not permit members to be misled and have regard to ASIC's guidance in RG 97. In conducting surveillance ASIC will have a focus on ensuring that PDS disclosure and, also where relevant, marketing materials promotes informed investors. [ASIC Questions and Answers Question 23]</i></p>

Question	Answer	Where?	Reference / Comment
145. Are similar examples of the cumulative effect of the fees and costs of the investment provided for each investment on the list, taking into account the fees of the platform and the fees and costs for the investment that may be selected?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
Note: This information should be based on what is known, ought to be known or is reasonably estimated. Costs in such a disclosure would usually be based on the last financial year. For an investment in a registered scheme, generally a reasonable estimate for this purpose can be determined from the disclosed management costs plus the disclosed transactional and operational costs in the PDS for the managed investment product – unless there is use of over-the-counter (OTC) derivatives or similar financial products, in which case some adjustment may be needed (if necessary, through reasonable estimation) if it would be material to the amounts disclosed.			
[RG 97.74]			
Additional questions of fees and costs			
146. If the issuer has instituted a flexible charging structure (ie a fee may vary between members), does the 'additional explanation of fees and costs' section of the PDS disclose:	<input type="checkbox"/> N/A		
(a) any maximum for each fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) whether or not acquiring under the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(c) when the maximum would apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.157]			
Note: Details about any variations in the amount of fees or costs charged between members can be incorporated by reference. [RG 97.158]			
147. Has the issuer provided in the 'additional explanation of fees and costs' section of the PDS:	<input type="checkbox"/> N/A		
(a) an explanation of the contingent costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) the circumstances in which contingent costs are likely to be charged?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.160]			

Question	Answer	Where?	Reference / Comment
Rebates and related payments			
148. If the issuer offers a rebate, does the 'additional explanation of fees and costs' section of the PDS disclose:	<input type="checkbox"/> N/A		
(a) the amount of the rebate? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) when the rebate applies?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.157]			
Example of annual fees and costs			
149. Does the PDS contain an example of annual fees and costs and associated notes as the template example (see the Schedule to Part E -):	<input type="checkbox"/> N/A		
(a) with the same headings? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) in the same form?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[Reg 7.9.16N(2)(b), clauses 210(b) and 211 of Part 2 of Schedule 10]			
Note: An example of fees and costs is not required in a PDS for a defined benefit fund (as defined in sub regulation 1.03(1) of the SIS Regulations) [Clause 213 of Part 2 of Schedule 10].			
150. For the example of annual fees and costs, if a superannuation entity does offer a generic MySuper product, is the example based on the generic MySuper product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 220 of Part 2 of Schedule 10]			
Note: Whilst the legislation does not specifically require the example to be based on a generic MySuper product, this appears to be implied based on the template example in clause 211 of Part 2 of Schedule 10 and the language of clause 220 of Part 2 of Schedule 10.			
151. For the example of annual fees and costs, if a superannuation entity does not offer a generic MySuper product, is the example based on:			
(a) where the superannuation entity offers a balanced investment option, the balanced investment option under which most assets of the superannuation entity are invested? or	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
(b) where the superannuation entity does not offer a balanced investment option, the investment option under which most assets of the superannuation entity are invested?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 220 of Part 2 of Schedule 10]			
152. Is the example of annual fees and costs included in the 'Fees' section of the PDS, following the fees and costs template (comprising the template and the additional explanation of fees and costs)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 210(c) of Part 2 of Schedule 10]			
153. Are the fees and costs stated in the example typical ongoing fees that apply to the MySuper product or investment option?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 214 of Part 2 of Schedule 10]			
Note: The example should not be based on 'honeymoon rates'. It must be consistent with the statement for an existing member of the fund having the stated balance and level of contributions each year.			
154. If the example of fees and costs uses a lifecycle MySuper product, is the investment fee quoted in the example the highest investment fee for a lifecycle stage of the lifecycle MySuper product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[Clause 214A of Part 2 of Schedule 10]			
Note 1 lifecycle MySuper product means a MySuper product to which a lifecycle exception applies. lifecycle exception has the meaning given by subsection 29TC(2) of the SIS Act.			
Note 2 Under 29TC(2), a lifecycle exception is a rule under the governing rules of the fund that allows gains and losses from different classes of asset of the fund to be streamed to different subclasses of the members of the fund who hold a MySuper product: (a) on the basis, and only on the basis, of the age of those members; or (b) on the basis of the age of those members and other prescribed factors; or (c) on the basis of the age of those members and other prescribed factors in prescribed circumstances.			
155. Is the example (including the administration fees, investment fees, indirect costs, withdrawal fee or exit fee) for a MySuper product or an investment option offered by a superannuation entity applied to:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
<p>(a) an amount of \$50,000; or</p> <p>(b) if the minimum balance required to enter a superannuation entity is greater than \$50,000, an amount that is the lowest multiple of \$50,000 that exceeds the minimum entry balance?</p> <p>[Clauses 215, 216, 218 and 219 of Part 2 of Schedule 10]</p> <p>Note: <i>In calculating the amount of fees (including administration fees, investment fees, withdrawal fees or exit fees) do not include contributions that may be made during the year</i></p>			
<p>156. For the example of fees and costs that may be charged for a MySuper product or an investment option offered by a superannuation entity, if there is a range in the amount of fees (including administration fees, or investment fees) does the example use the highest fees in the range?</p> <p>[Clauses 218(2) and (4) of Part 2 of Schedule 10]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>157. For the example of fees, are the indirect costs for a MySuper product or an investment option offered by a superannuation entity worked out by applying the indirect cost ratio?</p> <p>Note 1: <i>See questions 128 to 134 for the meaning of 'indirect costs'.</i></p> <p>Note 2: <i>The definition of 'indirect costs' has been modified by [CO 14/1252] to make clear the extent to which costs are to be included as indirect costs. For superannuation products, the modifications mean that any amount that must be disclosed as a fee is not also included as indirect costs. Amounts payable by the trustee out of the fund for investment and administration are costs that must be disclosed as fees, generally as an administration or investment fee (see the definition of these fees in cl 209A), and are not indirect costs. This includes payments to an investment manager acting for the trustee under a mandate, including fees based on the returns achieved under their management or otherwise. [RG 97.26]</i></p> <p>Note 3: <i>Costs that are not payable out of the superannuation entity and that would otherwise be part of investment fees or administration fees (such as costs paid by the operator of an interposed vehicle in which the superannuation entity invests) may be instead treated as indirect costs if the superannuation fund trustee has elected in writing to treat those costs as indirect costs. The election may be made generally or for a particular kind of cost. [RG 97.27]</i></p> <p>[Clause 218(5) of Part 2 of Schedule 10]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
<p>158. If the minimum balance required to enter a fund is greater than \$50,000, is the example based on an amount that is the lowest multiple of \$50,000 that exceeds the minimum entry balance? [Clause 215 of Part 2 of Schedule 10]</p> <p>Example <i>If a fund has a minimum entry balance of \$65,000, the relevant amount for the example of annual fees and costs is \$100,000.</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>159. If a PDS relates to a product:</p> <p>(a) that is paid for by a single lump sum amount; and</p> <p>(b) for which no additional contributions can be made,</p> <p>is the example modified by removing references to contributions or contribution fees? [Clause 217(2) of Part 2 of Schedule 10]</p> <p>Note: <i>Following the amendments in the Superannuation Legislation (MySuper Measures) Amendment Regulations 2013, the example of fees and costs for superannuation products contains no reference to contributions or contribution fees.</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
<p>160. If there is a fee paid for the initial contribution, is this described as the establishment fee? [Note to clause 217 of Part 2 of Schedule 10]</p> <p>Note: <i>Section 99B of the SIS Act prohibits the trustee of a regulated superannuation fund from charging entry fees.</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
<p>161. Is additional voluntary information only included in the example of annual fees and costs in the limited circumstances where some tailoring of the example of annual fees and costs is deemed necessary to avoid the PDS being misleading? [RG 97.137 – RG 97.138]</p> <p>Note 1: <i>Additional information may be included after the example of annual fees and costs. For example, for a platform such information should state and illustrate the cumulative impact of fees and costs, taking into account fees and costs for a platform and fees of investments that may be acquired on member instructions. [RG 97.137]</i></p> <p>Note 2: <i>Instances where this might occur include (but are not limited to) instances where fees and costs do not affect the value of a retail client's investment (e.g. in the fees and costs template for a pure defined benefit superannuation fund)—in this case, an issuer may wish to include an explanatory note. [RG 97.138]</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
Changes in fees			
162. Is any statement in the PDS regarding changing fees consistent with the requirement to give at least 30 days' notice? [1017B(5), as modified by para 5B of CO 14/1252]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Clearer insurance premium disclosure			
163. Does the PDS:	<input type="checkbox"/> Yes		
(a) show all premiums on the fund's public website?	<input type="checkbox"/> No		
(b) show all premiums gross of tax?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) show premiums based on current age?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(d) show premiums per \$1,000 of cover?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(e) show income protection premiums excluding stamp duty?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(f) show any additional administration or policy fee alongside premium tables?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(g) separate insurance premiums from adviser commissions?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(h) show examples of insurance premiums in the PDS (similar to the fee example)?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[ME Suggestion]			

Schedule I to Part E - Content requirements under CO 14/1252

1. Consumer advisory warning:

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

Note: *The Consumer Advisory Warning must be located at the beginning of the fees section of the Product Disclosure Statement. [Clause 222 of Part 2 of Schedule 10, as modified by para 6 of CO 14/1252]*

2. The fees and costs template for superannuation products

Fees and other costs

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

[If relevant] The fees and other costs for each MySuper product offered by the superannuation entity, and each investment option offered by the entity, are set out on page [insert page number].

[Name of superannuation product]		
Type of fee	Amount	How and when paid
<i>Investment fee</i>		
<i>Administration fee</i>		
<i>Buy-sell spread</i>		
<i>Switching fee</i>		
<i>Exit fee</i>		
<i>Advice fees</i> relating to all members investing in a particular MySuper product or investment option		
<i>Other fees and costs¹</i>		
<i>Indirect cost ratio</i>		

1. [If there are other fees and costs, such as activity fees, advice fees for personal advice or insurance fees, include a cross-reference to the "Additional Explanation of Fees and Costs".]

[201 of Part 2 of Schedule 10]

3. Superannuation products - Example of annual fees and costs

This table gives an example of how the fees and costs for the *[insert name of generic MySuper product or other investment option as required by subclause 220(1)]* for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE— <i>[insert name of generic MySuper product or other investment option as required by subclause 220(1)]</i>		BALANCE OF \$50 000
Investment fees	1.6%	For every \$50 000 you have in the superannuation product you will be charged \$800 each year
PLUS Administration fees	\$52 (\$1 per week)	And , you will be charged \$52 in administration fees regardless of your balance
PLUS Indirect costs for the superannuation product	1.2%	And , indirect costs of \$600 each year will be deducted from your investment
EQUALS Cost of product		If your balance was \$50 000, then for that year you will be charged fees of \$1 452 for the superannuation product.

Note: * Additional fees may apply. **And**, if you leave the superannuation entity, you may be charged an **exit fee** of **\$x** and a **buy/sell spread** which also applies whenever you make a contribution, exit, rollover or investment switch. The **buy/sell spread** for exiting is **y%** (this will equal to **\$z** for every \$50,000 you withdraw).

Note: Substitute the relevant exit fee, buy/sell spread and total amount payable you charge for \$x, y% and \$z.”;

[211 of Part 2 of Schedule 10 as modified by CO 14/1252]

Part F - Investments

Question	Answer	Where?	Reference / Comment
Member investment choice			
164. Does the PDS or IBR material include:			
(a) information about whether the person may choose an investment option or a combination of investment options?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) full information about:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) the investment objectives of each investment option? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) anything else the issuer reasonably believes a person would need to know to understand:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(A) the effect of each option? and			
(B) any risk involved in, each option?			
(c) any information the person requires to be fully informed of:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) the range of directions that can be given? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the circumstances in which they can be changed?			
(d) if the PDS will be issued to standard employer-sponsored members, the option that the person will be invested in if the person does not make a choice of where to invest, if applicable?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: This question is not a mandatory content requirement.			
[SIS Reg 4.02A]			

Question	Answer	Where?	Reference / Comment
Default investment option			
165. Where there is a default investment option, does the PDS specify which option is the default investment option? [ASIC Report 214.40]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Labour standards or environmental, social or ethical considerations			
<p>Note 1: <i>The following section applies even if a product does not promote or market itself as taking these standards and considerations into account. However, the more a product is marketed on the basis that such matters are taken into account in investment decisions, the more detail the issuer has to give about the standards or issues it has taken into account and how they are employed.</i></p> <p>Note 2: <i>If a product has multiple investment options, the PDS must include the requirements set out in questions 167 to 181 for each investment option.</i> [RG 65.26]</p>			
166. Is the section regarding labour standards or environmental, social or ethical considerations disclosed in the investment strategy section of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASIC states that it may, in addition, appear elsewhere – for example, in a general information section.</p> <p>[RG 65.48]</p>
Statement disclosing if standards or considerations are taken into account			
167. Does the PDS include, for the product or each investment option within the product:			
(a) a statement that the trustee does, or does not, take into account labour standards for the purpose of selecting, retaining or realising the investment within the product? [Reg 7.9.14C(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) a statement that the trustee does, or does not, take into account environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments within the product? [Reg 7.9.14C(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Note: Where labour standards or environmental, social or ethical considerations are not taken into account when selecting, retaining or realising an investment, the PDS must explicitly state this. [RG 65.22]			
168. If the issuer advertises or promotes themselves on the basis of their consideration of such matters, does the PDS include more detail about what exactly it takes into account and how?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 65.61]			
169. If the issuer does consider these standards and considerations to the extent they impact on the financial value of an investment, but does not advertise or promote themselves on the basis of their consideration of such matters, does the PDS not overstate how far it takes into account any of these issues?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that an impression should not be created that there is a greater focus than exists in reality.			
[RG 65.62]			
170. If the issuer does not take into account all of these standards or considerations, does the PDS clearly set out which of these standards or considerations are and are not taken into account?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC provides as an example, if the issuer only takes into account what it regards as environmental, social or ethical considerations, disclosure must not give the misleading impression that it also takes into account labour standards.			
[RG 65.37]			
171. Does the PDS disclose how far labour standards or environmental, social or ethical considerations are taken into account wherever such matters are considered in selecting, retaining or realising investments issued to retail clients?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 65.29]			
172. Where all or part of the investment decisions is delegated to others (eg. to an investment manager or by way of investment by the trustee into an underlying product) does the PDS make it clear to a client:	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
(a) who is making the decisions relating to labour standards or environmental, social or ethical considerations? [RG 65.30]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the degree to which reliance is placed on information provided by others? [RG 65.30]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) include a statement for the product or each investment option within the product that the investment manager or underlying issuer does, or does not, take into account labour standards for the purpose of selecting, retaining or realising the investment? and [Reg 7.9.14C(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) include a statement for the product or each investment option within the product that the investment manager or underlying issuer does, or does not, take into account environmental, social or ethical considerations for the purpose of selecting, retaining or realising the investment? [Reg 7.9.14C(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC provides two examples of underlying products; interests in a managed investment scheme and an investment-linked insurance policy issued by a life insurance company.			
Note 2: ASIC states that if the product issuer does not itself take account of these standards or considerations and does not retain ultimate responsibility for investment decisions made by others, there is no requirement for the issuer to make any disclosures about these standards or considerations, other than to explicitly state they are not taken into account. [RG 65.31]			
173. Where the issuer has used an external provider or ratings mechanism, does the PDS:	<input type="checkbox"/> N/A		
(a) identify the external provider?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) state where clients can find out more about the external provider's approach?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
<p>(c) provide the client with enough information about the approach of the external provider or ratings mechanism for the client to have a general understanding of the approach taken?</p> <p>Note: ASIC states that this is subject to section 1013K. Under this section, a PDS must only include a statement made by a person, or a statement made in the PDS to be based on a statement made by a person, if certain requirements are met (in particular, consent of the person who made the statement).</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 65 Table 2]			
Statement describing standards and considerations taken into account			
<p>174. If the PDS includes a statement that labour standards or environmental, social or ethical considerations are taken into account for the purpose of selecting, retaining or realising investments, does the PDS include a statement outlining, for the product or the relevant investment option(s):</p> <p>(a) the standards that the trustee, investment manager or underlying issuer considers to be labour standards for that purpose?</p> <p>(b) the considerations that the trustee, investment manager or underlying issuer regards as environmental, social or ethical considerations for that purpose?</p> <p>[Reg 7.9.14C(c)(i) and (d)(i)] [RG 65.38]</p> <p>Note: When making this disclosure, ASIC envisage that product issuers will use the terminology in the law (i.e. labour standards, environmental considerations, social considerations or ethical considerations), even if they also use other terms to describe some or all of these factors (e.g. sustainability issues). Such an approach will help promote comparison between products. [RG 65.55]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>175. If the trustee, investment manager or underlying issuer has no predetermined view about what it regards to be a labour standard, or an environmental, social or ethical consideration, does the PDS clearly state this? [RG 65.39]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Statement regarding the extent to which standards and considerations are taken into account			
176. Does the PDS outline the extent to which the trustee, investment manager or underlying issuer takes into account labour standards or environmental, social or ethical considerations ? [1013D(1)(l), Reg 7.9.14C(c)(ii) and (d)(ii)] Note: For example, a PDS may say that the fund manager will lobby companies in which investments are made to further certain labour, environmental, social or ethical goals, or that the fund will only invest in companies that follow certain labour practices or have no association with certain environmental, social or ethical activities. [RG 65.41]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
177. If the trustee, investment manager or underlying issuer has no predetermined view about how far labour standards or environmental, social or ethical considerations will be taken into account (ie there is no specific methodology), does the PDS clearly state this? [RG 65.43] Note: ASIC provides as an example, that a PDS may say that the issuer has no predetermined view other than it takes into account labour standards or environmental, social or ethical considerations it may become aware of, but only to the extent that they financially affect the investment.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
178. If the extent to which labour standards or environmental, social or ethical considerations are taken into account in a product (or each investment option within a product) varies between asset classes, does the PDS disclose: (a) the benchmark percentage of the investment product each asset class makes up? Note: ASIC states an example, '20% is invested in property, 40% in Australian shares and 40% in international shares'. [RG 65.28] (b) the nature and extent of the variation? Note: ASIC states an example, 'The environmental considerations listed are only considered for Australian and international shares. We do not apply them to our property investments.' [RG 65.28]	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	 <input type="checkbox"/> PDS <input type="checkbox"/> IBR <input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
179. In providing a statement outlining the extent to which labour standards or environmental, social or ethical considerations are taken into account, does the PDS disclose for the product or each relevant investment option:			
(a) either:			
(i) the methodology for taking the standards or considerations into account where one exists? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the absence of a methodology, if there is none?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if a methodology for taking the standards or considerations into account exists:	<input type="checkbox"/> N/A		
(i) either:			
(A) a general description of how adherence to the methodology for taking such standards into account will be monitored or reviewed? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) a statement that you have no set approach to monitoring or reviewing?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) either:			
(A) the timeframe for monitoring or reviewing investments? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) a statement that there is no set timeframe? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) either:			
(A) a general description about what will or may occur when an investment no longer matches the stated	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
investment policy and within what timeframe? or			
(B) if there is no predetermined view about this, a clear statement that the approach is determined case by case, or the timeframe is not fixed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) where a weighting system is used:	<input type="checkbox"/> N/A		
(i) the weight given to the standards? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) a general description of the weighting system?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC states that in most cases, you will not need to disclose specific details of very complex weighting systems that vary by sectors, but you may wish to consider referring clients to a secondary source for more detailed information about weightings or weightings systems used. [RG 65 Table 2]</p> <p>Note 2: Some product issuers may want to refer clients with special information needs to a secondary source for further details about their approach to taking into account labour standards or environmental, social or ethical considerations. Such clients may, for example, want more details on the external agency rating system or index used, the weighting system used or lists of investments actually made. [RG 65.46]</p> <p>Note 3: The PDS must contain all the information that a person would reasonably require for the purpose of making a decision, as a retail client, whether to acquire the financial product. When this requirement is satisfied, however, the product issuer can refer clients to secondary sources for information. Clients should be told in the PDS where they can access this additional information. [RG 65.47]</p>			
[RG 65.40; RG 65.42; RG 65.44]			
180. If a PDS claims investment decisions are based on objectives associated with labour standards or environmental, social or ethical considerations, does the PDS either:	<input type="checkbox"/> N/A		
(a) disclose at least some ways of measuring the extent that such objectives are met? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(b) disclose the fact that the issuer uses no specific measures?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC provides as an example, if a PDS states that the product issuer only invests in companies with good labour relations, they must either also mention at least some of the criteria by which they (or an external provider or ratings mechanism) measure this, or make it clear there are no specific criteria or mechanisms used for measuring this.			
[RG 65 Table 2]			

- | | | |
|--|---|--|
| 181. Does the PDS adequately explain the policies or approaches used, such that no claims are misleading or deceptive? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
|--|---|--|

Note 1: ASIC states this includes adequately explaining, where relevant, that a policy or approach is subject to qualification.

Note 2: ASIC provides the following example: If a claim is made that no investment is made in companies associated with product X, the disclosure should clarify what associations this negative screen captures. For example, is the negative screen limited to companies that are directly associated with product X (e.g. they manufacture, mine or grow it) or does it extend to companies that have indirect associations with it (e.g. they transport or retail it)? Also, does the negative screen look at the parent or subsidiaries of companies?

[RG 65 Table 2]

Delivery of product disclosure for investment strategy

Note 1: These questions apply in accordance with section 1012IA if a regulated acquisition of a financial product (the accessible financial product) may be made through a superannuation entity.

Note 2: Regulatory Guide 184 outlines three options for compliance with the requirements of section 1012IA for trustees of superannuation entities that offer choice of investment strategy to members. We have drafted questions for each of the three options.

Delivery of product disclosure for investment strategy – Option 1 or 3

- | | |
|---|------------------------------|
| 182. If section 1012IA applies to the superannuation product or an investment option within the superannuation product and you have elected Option 1 or Option 3: | <input type="checkbox"/> N/A |
|---|------------------------------|

Note 1: If you elect to use option 1, you will be responsible for preparing the product disclosure information for both the accessible financial product and the superannuation entity as if you were the issuer. Option 1 allows you to provide the PDS for the accessible financial product

Question	Answer	Where?	Reference / Comment
separately to the PDS for the superannuation entity and upon the request of the member.			
Note 2: If you elect to use option 3 you will only be responsible for preparing the product disclosure information for the superannuation entity but must ensure that you are able to provide the PDS for the accessible financial product prepared by the product issuer upon the request of the member.			
(a) does the PDS include, at a minimum, information that a person would require as a retail customer to:			
(i) identify what accessible financial products are included in each investment strategy;	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) understand the investment strategy under which the accessible financial products may be acquired; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) work out whether to ask for further information about an accessible financial product;	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 184.58, RG 184.115]			
Note: Providing sufficient information about the available investment strategies means you need to include enough general information to enable a member to understand the key features of the available investment strategies (including the risks and benefits) and to decide what strategy or strategies they are interested in. You will need to include full disclosure about investment strategies that do not include accessible financial products. [RG 184.60, RG 184.118]			
(b) does the PDS include a statement that you will give to a person, on request, and free of charge, a PDS for each accessible financial product? [RG 184.58, RG 184.115]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) does the PDS make it clear that to understand all the fees payable by a member who selects a particular strategy, the member must look at both the superannuation entity's PDS and the accessible financial product PDS? [RG 184.76, RG 184.127]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: It is not necessary to include a separate fees and costs template and related			

Question	Answer	Where?	Reference / Comment
<i>additional information for the accessible financial product in the superannuation entity's PDS. [RG 184.75, RG 184.126]</i>			
(d) explain the difference between the rights of a person who directly acquires the accessible financial product and the rights of a person who acquires the accessible financial product through the superannuation entity? [RG 184.59, RG 184.116]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) if you have elected to use Option 1, have you completed the MinterEllison PDS checklist for the accessible financial product PDS to ensure that it:			
(i) complies with the general requirements in Pt 7.9 of the <i>Corporations Act 2001</i> (Cth)? [RG 184.59] and	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(ii) includes information regarding the separate fees and costs charged by the issuer of the accessible financial product? [RG 184.77]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<hr/>			
183. If you have elected to use Option 1, have you:			
(a) obtained a copy of the accessible financial product issuer's current PDS (or other disclosure documents) for each accessible financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) entered into an arrangement with the product issuer about the currency of the product disclosure information?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) checked that you have no reason to believe that the product disclosure information you have obtained under (a) or (b) is not up-to-date?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[RG 184.68]			
<hr/>			
184. If you have elected to use Option 3, do you have arrangements in place to ensure that the issuer of the accessible financial product PDS takes full responsibility for	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
the content of the accessible financial product PDS? [ME Suggestion]			
Note 1: ASIC considers that it is good practice to have an arrangement with the product issuer so that you are kept informed about the status of the issuer's accessible product PDS. [RG 184.122]			
Note 2: If the product issuer becomes aware that the issuer's accessible product PDS is defective, the issuer must notify you, the trustee: see s1021J. You must not continue giving a member the issuer's accessible product PDS once you know that the PDS is defective: see s1021F. [RG 184.122]			
Delivery of product disclosure for investment strategy – Option 2			
185. If section 1012IA applies to the superannuation product or an investment option within the superannuation product and you have elected Option 2, does the integrated PDS:	<input type="checkbox"/> N/A		
Note: If you elect to use Option 2, you will be responsible for preparing the product disclosure information for both the accessible financial product and superannuation entity. Under this option you must integrate the product disclosure information into one PDS. However, incorporation by reference is still possible.			
(a) meet the general requirements in Pt 7.9 of the Corporations Act 2001, including, where applicable, the shorter PDS requirements or the content test in section 1013D, for all investment strategies? [RG 184.86]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) meet the additional disclosure requirements in section 1012IA of the Corporations Act 2001 for all accessible financial products? [RG 184.86]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) include information about all investment strategies? [RG 184.90]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) explain the difference between the rights of a person who directly acquires the accessible financial product and the rights of a person who acquires the accessible financial product through the superannuation entity? [RG 184.87]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(e) comply with the enhanced fee disclosure regulations in respect of both:			
(i) the fees and costs charged by the superannuation entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the fees and costs charged by the issuer of the accessible financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 184.103, RG 184.105]			
Note 1: You can comply with the enhanced fee disclosure requirements by integrating all of the information into one fees and costs template or you can provide the information in two separate tables. [RG 184.106]			
Note 2: If you choose to prepare a split table, your integrated PDS must make it clear that to understand all of the fees that might be payable by a member who selects a particular strategy, the member must look at separate areas in the PDS (ASIC expect you to include specific cross-references). [RG 184.107]			
Note 3: Providing sufficient information about the available investment strategies means you need to include enough general information to enable a member to understand the key features of the available investment strategies (including the risks and benefits) and to decide what strategy or strategies they are interested in. [RG 184.91]			
186. If the above question applies, have you (if possible):			
(a) obtained a copy of the accessible financial product issuer's current PDS (or other disclosure documents) for each accessible financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) entered into an arrangement with the product issuer about the currency of the product disclosure information?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) checked that you have no reason to believe that the product disclosure information you have obtained is not up-to-date?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[RG 184.97]			
187. If you have elected to use Option 2, do you have arrangements in place with the issuer of the accessible financial product	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
to ensure you are promptly advised of any material adverse changes or significant events that adversely affect a matter required to be in a PDS for the accessible financial product immediately before the change or event occurs? [ME Suggestion]			
Note: ASIC considers that it is good practice to have an arrangement with the product issuer of the accessible financial product to ensure you are kept informed about the product so that you can keep your integrated PDS up-to-date. These arrangements should include being provided copies of any supplementary PDSs or new PDSs prepared by the product issuer for the accessible financial product. [RG 184.122]			

Past performance information

188. If past performance information is shown, is it free from misleading or deceptive representation that may arise from:
- (a) the currency of past performance information?
- ☐ N/A
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A
- (b) the length of time a product or investment strategy has been in existence or the investment period selected?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A
- (c) the periods for which past performance information is shown?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A
- (d) whether the past performance information is shown in accordance with industry standards, eg FSC Standard No. 6.00 'Product Performance - Calculation of Returns'?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A
- (e) any explicit or implicit suggestion of a link between past performance and future prospects?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A
- (f) the use of hypothetical or reconstructed past performance figures?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A
- (g) changes in the state of the market such that returns in the short to medium term are likely to be
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- ☐ N/A

Question	Answer	Where?	Reference / Comment
significantly less than the past performance being quoted?			
(h) changes in the method or mechanism by which the investment strategy is implemented?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 168.145, INFO 197]			
Note: FSC members must comply with the requirements of ASIC's Guide on the Use of Past Performance in Promotional Material when preparing a PDS. [FSC Standard 10.00, para 9.1 and 10.1]			
189. If past performance information is included in the PDS, is it accompanied by a prominent warning that past performance is not necessarily a guide to future performance? [RG 168.146]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: This warning should not be in the footnotes or in a small font and should be located near the past performance information. [ASIC Report 214.49 and 214.51]			
190. If past performance is included in the PDS, is it shown for standardised periods (eg 1, 3, 5 and 10 years)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 53.9.1]			
191. If the PDS refers to a benchmark:	<input type="checkbox"/> N/A		
(a) does the issuer have a reasonable basis for selecting the benchmark? [769C]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if performance information is included in the PDS, does the PDS also show performance against the benchmark? [RG 53 16.1]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
192. If past performance information is included in the PDS and the issuer is an FSC member:	<input type="checkbox"/> N/A		
(a) are actual fund returns kept / shown separately from non actual returns for the purpose of creating a fund history?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) is there full disclosure of the methodology used to calculate returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) is the following terminology used when presenting returns:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(i) Total Returns?	<input type="checkbox"/> N/A		
(ii) Growth Return?			
(iii) Distribution Return?			
(d) have the Total Returns been reported?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) are Growth and Distribution returns reported along-side each other with the Total Return?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) if one of the components of a Distribution is a part return of the capital, has the Scheme Operator disclosed the amount of capital returned to Scheme Holders?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[FSC Standard No. 10.00]

Information on asset classes			
193.	Does the PDS contain sufficient information on each asset class invested in, including defining terms which may otherwise be generic (eg 'growth', 'defensive', 'multi-strategy' and 'cash')?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[ASIC Report 214.35 and 214.36]			
194.	If an asset class is listed as 'property', does the PDS state whether the property is listed or unlisted and whether the property is Australian or overseas?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[ASIC Report 214.36]			

Part G - Prospective financial information

ASIC states that prospective financial information should only be included in a disclosure document where that information is **relevant** to its audience and **reliable** (ie there must be a reasonable basis for it).

ASIC states that an issuer must decide whether prospective financial information needs to be disclosed based on whether a person would reasonably require that information to decide whether to acquire the product or to make an informed assessment about the product.

This will be based on:

- a) the nature and extent of the obligation to make disclosure;
- b) the information value of what is being disclosed by ensuring there are 'reasonable grounds' for the inclusion of the information; and
- c) the risk that the disclosure might be misleading.

ASIC notes that the less reliable information is, the less relevant it becomes to investors, and the less likely it is that it should be included in the disclosure document.

[RG 170.8-11] [1013D]

Questions	Answer	Where?	Reference / Comment
Reasonable grounds			
195. Are there reasonable grounds for any prospective statements about future matters (financial information or otherwise) that are included in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[769C]</p> <p>Note: ASIC states that a statement about any future matter is misleading or deceptive if the maker does not have reasonable grounds for making it. ASIC also provides the example that a statement about prospective financial information based on a number of hypothetical assumptions is unlikely to be based on reasonable grounds. [RG 168.144]</p>			
Assumptions			
196. Does the PDS specifically disclose any assumptions used in compiling the prospective financial information that materially affect the forecast outcome?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC states that the assumptions should be detailed and specific enough to enable the investor to work through all of the prospective financial information.</p> <p>Note 2: ASIC states that this includes assumption about expenditures, revenues, inflation rates and other such variables, and should be clearly disclosed, and highlighted where different assumptions have been used for different parts of the term that the prospective financial information covers.</p>			
[RG 170.61]			

	Questions	Answer	Where?	Reference / Comment
197.	Do the assumptions included in the PDS enable the investors to assess:			
(a)	the validity of the assumptions on which the prospective financial information is based?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b)	the likelihood of the assumptions actually occurring? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c)	the effect on the prospective financial information if the assumptions vary?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	[RG 170.62]			
198.	Does the PDS or IBR material that includes prospective information disclose material assumptions about:			
(a)	specific future economic conditions; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b)	particular circumstances affecting a company or financial product and the industries relevant to that company or financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	Note: ASIC states it is not sufficient to state the general nature of an assumption, specific quantities or amounts must also be set out.			
	[RG 170.63 and RG 170.66]			
199.	Does the disclosure of the material assumptions allow an investor or adviser to make an informed assessment of the product's prospects, or a person as a retail client to make an informed decision whether to acquire the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	[RG 170.64]			
	Impact of assumptions			
200.	Does the PDS include an assessment of the impact of these assumptions on prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	[RG 170.65]			
	Note: ASIC states that when disclosing the assumptions the issuer does not have to: (a) state general assumptions, such as the absence of war or natural disasters, unless the forecast takes these events into account; or			

Questions	Answer	Where?	Reference / Comment
<i>(b) disclose assumptions that would not materially affect the prospective financial information. [RG 170.65]</i>			
201. Is the information about assumptions, and other matters underlying prospective financial information, in the same part of the PDS as the prospective financial information itself?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.85]			
Presentation of assumptions			
202. Are the assumptions and limits presented:			
(a) in a way that investors are not likely to overlook them?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) prominently, and displayed immediately after the information, or in a way that ensures that an investor is made aware of the existence, nature and quantity or amount of the assumptions and limits at the time they read it? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) not less prominently than the prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.85][RG 170.86]			
Sensitivity analysis			
203. Does the disclosure about the assumptions include a sensitivity analysis that shows the impact of a change on significant assumptions to highlight the importance of those assumptions in calculating the prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.69]			
Note 1: A sensitivity analysis alone is not an adequate substitute for prospective financial information prepared in accordance with s728(2) (if it is required) or explaining all relevant assumptions and risks. [RG 170.69]			
Note 2: Sensitivity analyses using positive or optimistic variables should generally be accompanied by a corresponding set of analyses based on negative or pessimistic variables of substantially similar weight. The range of variables covered by a sensitivity analysis should be reasonable. [RG 170.70]			

Questions	Answer	Where?	Reference / Comment
Time Period			
204. Do the assumptions provided in respect of prospective financial information over a given period also include an explanation why a particular period was selected?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that for periods affected by cyclical or seasonal factors, or income support guarantees that will expire after the period, the issuer must ensure that the reader is not misled about how representative the period is likely to be. If there are specific considerations that affect a chosen period, those matters should be disclosed.			
[RG 170.72]			
205. Is the prospective financial information based on the financial year of the issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states that this allows investors to compare results with previous year financial results and so that periods are not selected to create a misleading impression.			
Note 2: ASIC states that if reliable prospective financial information can only be reasonably stated for part of a financial year, it can be made for that part only.			
[RG 170.73][RG 170.74]			
Technical terms			
206. Does the PDS avoid using technical terms like 'forecast' that may imply that their contents are calculated in accordance with auditing or accounting standards?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that issuers should ensure that the use of any technical terms is adequately explained in a PDS, is consistent with its usage throughout the document, and is not misleading.			
[RG 170.89]			
Risks to prospective financial information			
207. Does the PDS indicate, in an unambiguous and unequivocal form, what factors may lead to a significant difference between the prospective financial information and the actual results?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.75]			
208. Does the PDS include risks associated with a particular asset class for the financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Questions	Answer	Where?	Reference / Comment
<p>Note: ASIC states an example of such a risk being the volatility of share prices or the fact taxation deductions may be disallowed for scheme interests subject to a product ruling.</p> <p>[RG 170.76(a)]</p>			
209.	Does the PDS include risks specific to the proposed investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
<p>Note 1: ASIC states examples of such risks being the risks associated with particular investment plans or investing in emerging industries.</p> <p>[RG 170.76(b)]</p> <p>Note 2: ASIC states that in the absence of these warnings relating to risk, prospective financial information may have a greater capacity to be misleading.</p> <p>[RG 170.77]</p>			
Methodology, accounting and industry standards			
210.	Does the PDS disclose the material details about the enquiries and research undertaken and the process followed in preparing the prospective information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 170.78]			
211.	If the PDS includes financial information that is not prepared in accordance with accounting or industry standards, does the PDS include:	<input type="checkbox"/> N/A	
(a)	the reasons for any departure from current accounting or industry standards that apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b)	the reason a particular accounting or industry standard is applied in a particular way when there is some discretion involved? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(c)	the reason a particular accounting or disclosure treatment is adopted when current practices differ among relevant professionals?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 170.79]			
212.	Where non-statutory financial information is included in a PDS, does it also include the corresponding information that is prepared in accordance with the recognition and measurement requirements of accounting standards	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

Questions	Answer	Where?	Reference / Comment
should also be disclosed with sufficient prominence.			
Note: <i>'Non-statutory financial information' is any financial information, financial figure, measure or ratio that is prepared on a basis that is not in accordance with all relevant accounting standards.</i>			
[RG 170.80]			
213. Does the PDS include a statement about the effects of any chosen accounting treatment on the prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>ASIC states that the effects should be disclosed in enough detail for investors to properly assess the information.</i>			
[RG 170.81]			
Experts			
214. If an expert adopts a particular methodology in preference to others when preparing prospective financial information, are the expert's reasons for choosing this methodology explained?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.82]			
Use of ranges			
215. If prospective financial information is expressed as a range, is the range small enough to give meaningful information about an issuer's prospects?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.88]			
216. If prospective financial information is expressed as a range, does the PDS state which variables will have a significant effect on the outcome within the range?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>ASIC states that it may be misleading to include a range when the maker expects the results to be at the lower end of the range.</i>			
[RG 170.88]			
217. If prospective financial information is expressed as a range, is the link between the assumptions and the upper and lower ends of the range made clear ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.88]			
Note: <i>It may be appropriate to express prospective financial information as a statement, that a result of at least a specific amount is likely, rather than as a range.</i>			

Questions	Answer	Where?	Reference / Comment
[RG 170.88]			
218. If prospective financial information is expressed as a range, has the issuer ensured that prominence is not given to a more favourable figure or fact in the forecast range?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.86]			
Warning about reliability of prospective financial information			
219. Does the PDS include a warning so that a reader of the document will understand its predictive character and the risks in placing undue reliance on the prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.91]			
220. Does the PDS include unambiguous statements clarifying that the prospective financial information:	<input type="checkbox"/> N/A		
(a) is predictive in character?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) may be affected by inaccurate assumptions or by known or unknown risks and uncertainties?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) may differ materially from results ultimately achieved?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) should not be relied on as indicative of future performance?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that the use of warnings and other cautionary language will not always be sufficient to prevent particular information being misleading and importantly will not, of itself, affect the requirement for there to be reasonable grounds to state the information.			
[RG 170.93 – 170.94]			
221. Is any cautionary language (question 220) that is used displayed together with the prospective financial information or otherwise in a manner sufficiently prominent to ensure that a reader of the PDS will be no less likely to view it than the prospective financial information itself?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.92]			

Questions	Answer	Where?	Reference / Comment
In the absence of prospective financial information			
Generally			
Note: <i>If prospective financial information is not included in a PDS, there must still be adequate disclosure about the benefits and risks of the financial product.</i> [RG 170.20]			
222. If prospective financial information has not been included because there are no reasonable grounds for it, does the PDS include a statement to that effect?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>ASIC notes that if there are no reasonable grounds to be set out prospective financial information, disclosure may still be needed on certain matters to meet the requirements of the Corporations Act. For example the significant benefits and features may include anticipated acquisitions, risks, product development and market share and certain historical price or yield information (making sure that investors will not think it is a guarantee of future performance).</i>			
Start-up ventures			
223. In the case of start-up ventures and where there are reasonable grounds for establishing future costs, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) the likely rate of expenditure for the venture?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if and when further funds will be required to continue business operations? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) how those funds might be raised?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.49]			

Part H - Expert Reports

Question	Answer	Where?	Reference / Comment
AFSL and advice warning			
224. This Part H - applies if all of the following apply:	<input type="checkbox"/> N/A		
(a) the PDS contains an expert's report;			
(b) the expert does not have an AFSL authorising them to give general financial product advice to retail clients; and			
(c) the advice contained in the report is an opinion on matters other than financial products and does not include advice on a financial product;			
Note: Regulation 7.6.01(1)(u) includes the example of a geologist's report on a mining lease included in a PDS.			
225. Does the expert's report contain:			
(a) a statement that the expert is not operating under an AFSL when giving the advice?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) information about any remuneration (including commission) or other benefits that any of the following will receive that might reasonably be expected to be or have been capable of influencing the expert in providing the report:	<input type="checkbox"/> N/A		
(i) the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) a related body corporate of the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) a director or employee of the expert or a related body corporate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) an associate of any of the above?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(c) information about:			
(i) any other interests, whether pecuniary or not and whether direct or indirect, of the expert or of any associate of the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) any associations or relationships between the expert or any associate of the expert and the issuers of any financial products?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
that might reasonably be expected to be or have been capable of influencing the expert in providing the report?			

[Reg 7.6.01(1)(u), 947B(2)(d) and (e)]

Content of Expert Report

226.	If the PDS contains an expert report, does the report:	<input type="checkbox"/> N/A	
(a)	clearly explain the meaning of the expert's opinion and the significance of that opinion to the decision to be made by security holders?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b)	highlight key information? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(c)	address the varying information needs of a report's audience?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

[RG 111.84]

227.	Is the expert report easy to navigate and understand?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
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Note: ASIC provides the following examples of navigational aids that may make an expert report easy to understand:

- an up-front summary of the expert's opinion and the reasons for the opinion;
- the use of content tables, signposting, cross-references, numbered sections, sub-sections; and
- the avoidance of jargon.

[RG 111.84]

	Question	Answer	Where?	Reference / Comment
228.	Is the report as brief as possible? [RG 111.84]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
229.	Does the expert report avoid including information that is not directly related to the decision to be made by investors? [RG 111.85] Note: ASIC provides the following example: <i>An analysis of the industry in which the company (i.e. the subject of the opinion) operates might be useful. However, copying material out of an industry research database may merely add to the length of reports. An expert should include an analysis of the material and relate the material directly to its opinion.</i> [RG 111.86]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
230.	Does the expert report avoid using technical terms, where possible? [RG 111.87]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
231.	If the expert report uses technical terms, does it use them consistently throughout the report, and consistently with the way they are used in the relevant industry? Note: ASIC states that a glossary may be appropriate, especially when the definition or interpretation of specific terms is central to the report. [RG 111.87]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
232.	If the PDS contains a concise or short form expert report, has the commissioning party made a longer expert report containing additional, more technical or detailed information available on request, free of charge, or ensured that it is accessible online? [RG 111.88]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Note: ASIC provides the following examples of information that an expert might consider putting in and leaving out of a concise expert report.			
Include in the concise expert report	<ul style="list-style-type: none"> • Expert's conclusion • Meaning of conclusion; • significance for the decision to be made; • Summary of reasons for conclusion; • Summary of valuation including: <ul style="list-style-type: none"> ○ methodologies used; ○ material assumptions; and ○ a justification of these; and • Financial Services Guide. 		
Leave out of the concise expert report	<ul style="list-style-type: none"> • Industry overview; • Disclaimers; • Detailed financial information; • Detailed profile of parties to the transaction; • Qualifications, declarations (e.g. indemnities) and consents; • Detailed share price analysis; • Details of capital structure (e.g. shareholder spread and directors' relevant interests if not linked to the expert's analysis); and • List of previous ASX announcements. • List of sources of information. 		

233. Does the expert report set out the reasons (on reasonable grounds) for the expert's opinion?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 111.90]

234. Does the expert report avoid including prospective financial information (including forecasts and projections) or any other statements or assumptions about future looking matters (together, 'forward looking information') unless there are reasonable grounds for the information?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 111.95]

235. If the expert report does contain 'forward looking information', does the report set out all the information that may be required for users of the report to assess the reasonableness of the methodology and assumptions used, including:
- ☐ N/A

Question	Answer	Where?	Reference / Comment
(a) the nature of the information, its limitations and the reason for its inclusion in the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the material inputs and assumptions used and the reason for using those assumptions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) if applicable, the discount rate selected and rationale?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) the extent and nature of the adjustments made to the discounted cash flow (DCF) (if any) to allow for the development stage risks attaching to these cash flows (whether through risk weighting cash flows, adjustments to discount rates or other methods)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) the extent of inquiries and research undertaken by the expert and the compiler of that information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the technical and financial qualifications of the expert and the compiler in relation to the relevant industry and asset? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the specific period to which the information relates and the reason for the use of that period?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 111.100]			
Note 1: ASIC states that any 'forward looking information' must be made on reasonable grounds, otherwise the opinion will be misleading under s 670A(2) of the Corporations Act.			
Note 2: ASIC also provides that full disclosure of the types of matters raised in this question and any other risk disclosure, warnings or cautionary language does not affect the requirement for forward-looking information to be based on reasonable grounds. It will also not prevent particular information from being misleading.			
[RG 111.95 & 101]			

	Question	Answer	Where?	Reference / Comment
236.	Does the expert report avoid using disclaimers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASIC states that the purpose of an expert report is to give security holders an assessment on which they can rely. A disclaimer defeats this purpose.</p> <p>[RG 111.106]</p>
237.	When an expert decides that its report will assist security holders despite limitations that the expert cannot resolve (e.g. because the expert does not have time to investigate the reliability of certain information), has the expert prominently explained the nature of the uncertainties and the impact on its opinion so that security holders can assess what weight to attach to the opinion?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: This is not a mandatory requirement.</p> <p>[RG 111.109]</p>
238.	Does the expert report explain the effect of any indemnity that relieves the expert from liability?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: This is not a mandatory requirement.</p> <p>[RG 111.113]</p>
239.	<p>If an expert report has not been prepared on the basis that:</p> <p>(a) the expert has made all the enquiries that it believes are desirable and appropriate in order to prepare the report; and</p> <p>(b) the report has included all matters that the expert regards as material to security holders' assessment of the expert's conclusions,</p> <p>does the report prominently explain why this is the case and the impact of this on the report?</p> <p>Note: If the report is unable to be prepared on such a basis, the expert may need to consider refusing to give the report.</p>	<input type="checkbox"/> N/A		<p>[RG 111.114 – 111.115]</p>

Question	Answer	Where?	Reference / Comment
240. Does the expert report disclose to security holders (to the extent necessary to help them assess what weight to give to reports):			
(a) the source of the material used in the reports?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the inquiries made by the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) any unacceptable or unusual time constraints the expert worked under?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether the expert is dissatisfied with the quality of the information used for the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) whether any concerned party to the relevant transaction has refused to provide adequate access to information or explanations, if the information or the explanations might have impacted on the report's conclusions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 111.116]			
241. Does the expert state in the report its qualifications and experience or, if the report is made by a corporation or firm, the qualifications and experience of the individuals responsible for preparing the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: This is not a mandatory requirement.			
[RG 111.117(c)]			
Independence of Expert			
242. Does the PDS clearly inform investors about any relationships or interests (including financial or other interests) that could reasonably be regarded as relevant to the independence of the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 112.28]			

Question	Answer	Where?	Reference / Comment
243. Does the expert report prominently disclose:			
(a) the business or professional relationships with a commissioning party or any other interested party?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) any financial or other interest that could reasonably be regarded as capable of affecting the expert's ability to give an unbiased opinion on the matter being reported on?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) any fee or benefit (whether direct or indirect) to be received in connection with the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 112.31 and RG 112.34]			
Note: ASIC states that these disclosures should relate to relationships or interests existing at the time of preparation of the report or existing in the previous two years. This two year period is a minimum period for disclosure and earlier relationships might be so significant that they warrant disclosure as well.			
[RG 112.34]			
244. Are the disclosures made in respect of question 243 timely, prominent, specific and meaningful?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states that an expert should not use 'boilerplate' disclosures (e.g. that the expert has been paid a 'normal professional rate')			
Note 2: Fee disclosure should disclose the actual fees paid to the expert for the report.			
[RG 112.35]			
245. Where a draft report was provided to the commissioning party and alterations are consequently made to the report at the suggestion of the commissioning party or its advisers, and the alteration/s affects the expert's analysis or conclusions in the report, are these alterations clearly and prominently disclosed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states that this should include an explanation of the changes, the reasons why the expert considered the changes appropriate, and the significance of the changes to the expert's opinion.			
Note 2: ASIC states that minor factual corrections made at the suggestion of the commissioning party or its advisers that are immaterial to an expert's analysis, conclusions or opinion need not be disclosed in the report.			

Question	Answer	Where?	Reference / Comment
[RG 112.57 and RG 112.58]			

Part I - Other

Question	Answer	Where?	Reference / Comment
Consents			
246. If the PDS includes a statement made by a person, or a statement said in the PDS to be based on a statement made by a person:	<input type="checkbox"/> N/A	<input type="checkbox"/> N/A	
(a) has the person consented to the statement being included in the PDS in the form and context in which it is included? [1013K(1)(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) does the PDS state that the person has given this consent? [1013K(1)(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: While this statement can be incorporated by reference, we recommend that this statement be included together with the statement to which it relates.			
(c) has the person not withdrawn this consent before the date of the PDS? [1013K(1)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(d) does the PDS identify the statement for which consent was obtained? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states the example of: 'Consultant Pty Ltd has given its written consent to all statements by it or said to be based on statements by it in the form and context in which they are included, and has not withdrawn this consent as at the date this disclosure document is lodged with ASIC. The statements are in sections 4.1, 4.2 ... of the prospectus' [RG 55.46]			
Note 2: Consent is not required in relation to a statement which:			
(a) fairly represents what purports to be a statement made by an official person; or			
(b) is a correct and fair copy of, or extract from, what purports to be a public official document; or			
(c) is a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication,			
provided the statement was not made or published in connection with the issuer, its business, or the promotion the subject of the PDS or any property to be acquired by the issuer which is the subject of the PDS.[ASIC Corporations (Consent to Statements) Instrument 2016/72, Para 8]			
Note 3: ASIC Corporations (Consent to			

Statements) Instrument 2016/72 provides relief from the requirement for consents to quote trading data and geological reports in certain circumstances.

Eligible Rollover Funds

247. Does the PDS include information about: ☐ N/A
- (a) the circumstances in which the trustee may pay a benefit to an Eligible Rollover Fund (**ERF**)? ☐ Yes ☐ PDS
☐ No ☐ IBR
- (b) the effect of paying a member's benefit to an ERF? ☐ Yes ☐ PDS
☐ No ☐ IBR

[ASIC Report 28]

Note: ASIC have expressed the view in QFS 138 that a superannuation trustee's ability to pay a member's benefits to an ERF is a significant characteristic, feature, term or condition of a superannuation product, and so must be disclosed in a PDS pursuant to s.1013D(1)(f).

Family law

248. Does the PDS state that the trustee can charge fees in connection with family law requests? [59 Family Law (Superannuation) Regulations 2001] ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
249. Does the PDS set out the implications of flagging and splitting superannuation interests under the *Family Law (Superannuation) Regulations 2001* and SIS Regs? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Referring to other products

250. If the PDS contains any recommendation or opinion about another financial product not offered under the PDS: ☐ N/A
- (a) does the issuer have an AFSL authorising it to provide general advice to retail clients in relation to the other financial product? or [766B, 911A(1)] ☐ Yes
☐ No
- (b) if not: ☐ N/A
- (i) is a licensee clearly identified as taking responsibility for the advice? ☐ Yes ☒ PDS*
☐ No
- (ii) does the PDS contain the licence number of that licensee? ☐ Yes ☒ PDS*
☐ No

[912F(1), Reg 7.6.01C(1)(c)]

- (c) does the PDS contain the general advice warning? [949A(2)]
- ☐ Yes ☒ PDS*
- ☐ No

251. If the PDS advertises, or contains a statement reasonably likely to induce people to acquire, another product not offered under the PDS, does the PDS contain the advertising restriction notice? [1018A(1)]
- ☐ Yes ☒ PDS
- ☐ No ☐ IBR
- ☐ N/A

Note: It may be possible to incorporate this statement by reference. However, given the nature of the information, incorporation by reference does not seem to be appropriate.

Tax file numbers

252. Does the PDS include the following statements and information:

- (a) that the trustee is authorised to collect, use and disclose the individual's tax file number (TFN) under SIS?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- (b) that the trustee may disclose their TFN to another superannuation provider, when their benefits are being transferred, unless they request the trustee in writing that their TFN not be disclosed to any other superannuation provider?
- ☐ Yes ☒ PDS
- ☐ No ☐ IBR
- (c) that declining to quote a TFN to the trustee of a superannuation fund is not an offence?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- (d) that the advantages of giving their TFN are that:
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- (i) the superannuation fund will be able to accept all permitted types of contributions to their account/s?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR

- (ii) other than the tax that may ☐ Yes ☐ PDS
ordinarily apply, they will ☐ No ☐ IBR
not pay more tax than they
need to and that this
affects both contributions
to their superannuation and
benefit payments when
they start drawing down
their superannuation
benefits?
- (iii) it will make it much easier ☐ Yes ☐ PDS
to find different ☐ No ☐ IBR
superannuation accounts in
their name so that they
receive all their
superannuation benefits
when they retire?

Note 1: *The information in question 252 is not technically a PDS content requirement and the SIS approval can be complied with orally. However in our experience, it is common market practice to include this information in a PDS or IBR material.*

Note 2: *The matters in this question may be told to the individual using the following form of words:*

"Under the Superannuation Industry (Supervision) Act 1993, your superannuation fund is authorised to collect, use and disclose your tax file number.

The trustee of your superannuation fund may disclose your tax file number to another superannuation provider, when your benefits are being transferred, unless you request the trustee of your superannuation fund in writing that your tax file number not be disclosed to any other superannuation provider.

Declining to quote your tax file number to the trustee of your superannuation fund is not an offence. However giving your tax file number to your superannuation fund will have the following advantages:

- *your superannuation fund will be able to accept all permitted types of contributions to your account/s;*
- *other than the tax that may ordinarily apply, you will not pay more tax than you need to - this affects both contributions to your superannuation and benefit payments when you start drawing down your superannuation benefits; and*
- *it will make it much easier to find different superannuation accounts in your name so that you receive all your superannuation benefits when you retire."*

■

[Superannuation Industry (Supervision) Tax

File Number approval No. 1 of 2017]

Privacy

253. Does the PDS state such of the following matters as are reasonable in the circumstances:

- | | | | |
|-----|---|---|--|
| (a) | if: | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | (i) the issuer collects the personal information from someone other than the individual; or | <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| | (ii) the individual may not be aware that the issuer has collected the personal information; | <input type="checkbox"/> N/A | |
| | the fact that the issuer so collects, or has collected, the information and the circumstances of that collection? | | |
| (b) | that the APP privacy policy of the issuer contains information about how the individual may access their personal information that is held by the issuer and seek the correction of such information? | <input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> N/A | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (c) | that the APP privacy policy of the issuer contains information about how the customer may complain about a breach of the APPs, or a registered APP code (if any) that binds the issuer, and how the issuer will deal with such a complaint? | <input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> N/A | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (d) | the purposes for which the personal information is collected? | <input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> N/A | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (e) | any other APP entity, body or person (or the types of any other APP entities, bodies or persons) to which the issuer usually discloses personal information of the kind collected by the individual? | <input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> N/A | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (f) | if the collection of the personal information is required or authorised by or under an Australian law or a court/tribunal order — the fact that the collection | <input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> N/A | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

is so required or authorised
(including the name of the
Australian law, or details of the
court/tribunal order, that requires
or authorises the collection)?

- (g) the main consequences (if any) for the individual if all or some of the personal information is not collected? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- (h) whether the issuer is likely to disclose the personal information to overseas recipients? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- (i) if the issuer is likely to disclose the personal information to overseas recipients, the countries in which such recipients are likely to be located if it is practicable to specify those countries in the notification or to otherwise make the individual aware of them? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[5 Australian Privacy Principles]

254. Does the PDS contain any information required by State and Territory health records legislation? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[ME Suggestion]

Note: In particular, refer to:

- (a) the **Health Records and Information Privacy Act 2002 (NSW)**;
(b) the **Health Records Act 2001 (Vic)**; and
(c) the **Health Records (Privacy and Access) Act 1997 (ACT)**.

Social security

255. If applicable, does the PDS include information about the impact of the product on the investor's social security entitlements? [1013D(1)(c) and (f)] ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Accessing other information relating to the product

256. Does the PDS include a statement about how other information relating to the product that is available to holders or prospective holders of the product, or people more generally, may be accessed? [1013D(1)(j)] ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Employer-sponsored funds

257. Does the PDS:

- | | | |
|---|------------------------------|------------------------------|
| (a) explain when benefits will be transferred to the personal division? | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| | <input type="checkbox"/> N/A | |
| (b) meet the PDS requirements for the personal division? | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| | <input type="checkbox"/> N/A | |
| (c) explain any insurance continuation that applies? | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| | <input type="checkbox"/> N/A | |

[1012D(2)]

Duty of disclosure

258. Does the PDS clearly inform customers of the general nature and effect of the duty of disclosure and the consequences if they fail to comply with it? [21, 22 and 29 Insurance Contracts Act 1984, Reg 3 and Sch 1 and Sch 2 Insurance Contracts Regulations]
- | | |
|------------------------------|--------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> Appl. |
| <input type="checkbox"/> N/A | Form |

Note 1: This information can be incorporated by reference, subject to the requirement under section 22 of the Insurance Contracts Act that, **before** entering into a contract, the insurer must clearly inform the insured in writing of the general nature and effect of the duty of disclosure and consequences if they fail to comply with it.

Note 2: This information may be included in the application form. If it is not included in the application form disclosure should be made in the PDS.

BPAY Guidelines

259. Where the issuer allows payment by BPAY, does the PDS and IBR material include the BPAY logo in accordance with the BPAY brand identity guidelines, ie:

- | | | |
|--|------------------------------|------------------------------|
| (a) always show BPAY in upper case, with no space between 'B' and 'PAY'? | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| (b) set the 'PAY' at 85% of the size of the 'B'? | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| (c) with the first mention of BPAY, contain the trademark symbol ®? | <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> No | <input type="checkbox"/> IBR |

- (d) with the first mention of BPAY, include the following footnote:
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |

® Registered to BPAY Pty Limited
ABN 69 079 137 518.

[BPAY brand identity guidelines]

Anti-Money Laundering

260. Does the PDS include a statement that the issuer is required to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |

[ME suggestion]

261. Does the PDS include a statement that the issuer may need to collect identification information and documentation from an member, the member's estate or anyone acting on the member's behalf to comply with its obligations under the AML/CTF Act?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |

[ME suggestion]

262. Does the PDS include a statement that the issuer may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of units, if they are concerned that the request or transaction may breach any obligation of, or cause them to commit or participate in an offence under, any AML/CTF Law, and that they will not incur any liability if they do so?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |

[ME suggestion]

Departed former temporary resident information

263. If you are relying on CO 09/437, does the PDS include the following statement and information:

- (a) a statement that the trustee relies on ASIC relief to the effect that the trustee is not obliged to notify or give an exit statement to a non-resident in circumstances where the trustee pays unclaimed superannuation to the Commissioner of Taxation under Division 3 of Part 3A of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*;
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |

- (b) information about:
- (i) the obligation of the trustee to pay unclaimed superannuation of a non-resident to the Commissioner of Taxation under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999; and
- (ii) the right of a non-resident to make an application to the Commissioner of Taxation to claim the unclaimed superannuation under Division 4 of Part 3A of that Act.
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR

264. If the trustee has a website, are the statement and information specified in the above question prominently disclosed on the website?
- ☐ Yes
- ☐ No

[ASIC CO 09/437, para 5-6]

Information provided to APRA under a reporting standard

265. Where an RSE licensee provides information calculated in a particular way to APRA under a reporting standard and the RSE licensee gives the same or equivalent information to another person, including on a website, is this information calculated in the same way as the information given to APRA? [S 29QC(1) SIS Act]
- ☐ Yes
- ☐ No

Note: A RSE licensee of a registrable superannuation entity does not have to comply with subsection 29QC(1) of the Act until 1 January 2019 [CO 14/541, para 4]

Note: ASIC and APRA note that whilst, compliance with the law is ultimately a matter for RSE licensees, APRA and ASIC have provided the following clarification on the operation of section 29QC based on the most frequently asked questions:

Investment performance: SRS 702.0 includes a calculation methodology for both a net investment return and a net return. The operation of section 29QC, therefore, means that whenever a net investment return or net return is quoted in disclosure material, the methodology in SRS 702.0 must be applied when calculating this information.

Return targets: SRS 700.0 requires an RSE licensee to calculate a return target for the purpose of information to be

included in a MySuper product dashboard. This methodology requires the calculation of this return target to represent the mean annualised estimate of the percentage rate of net return that exceeds the growth in the CPI over ten years. ASIC considers that "investment return objective" information for an investment option required to be disclosed in a shorter PDS under Schedule 10D of the Corporations Regulations 2001 is equivalent to "return target" information required to be provided to APRA for a MySuper product under SRS 700.0. This means that investment return objective information disclosed in a shorter PDS will need to be calculated in the same way as the return target information provided to APRA.

Asset allocation: *ASIC considers that asset allocation disclosure requirements are impacted by SRS 533.0. To the extent that an RSE licensee provides information in their disclosure material about asset allocation, the RSE licensee is required to adopt the asset class types as defined by SRS 533.0 so as to calculate asset allocation information in the same way as provided to APRA.*

Although SRS 533.0 requires detailed information, such as movements in asset allocation, to be provided to APRA, this information need not be included in disclosure material simply because it is required to be reported to APRA. Section 29QC when read with SRS 533.0 does not affect the way in which information about asset allocation that is not the same or equivalent information to that provided to APRA is to be disclosed. An RSE licensee could provide additional information about the assets of their fund if they wish to do so. For example, an RSE licensee may opt to give information about the top 10 share holdings or the split of growth and defensive assets and will not be required to calculate this information in a particular way given it is not the same or equivalent information to that provided to APRA.

Fees and costs: *an RSE licensee is required to disclose fees and costs information in its PDS in accordance with Schedule 10 and 10D. Subclause 204(7) of Schedule 10 requires that a cost or amount paid or payable must include, if applicable, GST (less any reduced inputs tax credits) and stamp duty.*

[Joint ASIC/APRA letter: The Administration of Section 29QC and APRA's Reporting Standards]

Part J - Incorporation by reference

Important note: Under Regulation 7.9.15DA, statements and information mentioned in Part 7.9 can be incorporated into a PDS (which is not a 'shorter PDS') if the statement or information is in writing in publicly available material, (which is not a Shorter PDS) other than the PDS or a short-form PDS (i.e. a PDS that complies with the requirements of Division 3A of Part 7.9).

This Part only applies if you are using the incorporation by reference provisions. All of the other questions in this checklist continue to apply as if references to a PDS include references to a PDS or incorporated by reference material, subject to any comments included in relation to specific questions.

If you are proceeding by incorporation by reference, you should also complete the Incorporated by reference material checklist for each separate 'document'.

Question	Answer	Reference / Comment
Additional information to be included in the PDS		
266. Does the PDS refer to the statement or information included in the incorporated by reference material? [Reg 7.9.15DA(1)(b)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
267. Does the PDS provide sufficient information to enable a person to identify, by a unique identifier, the incorporated by reference material, or part of the incorporated by reference material, that contains the statement or information? [Reg 7.9.15DA(1)(b)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
268. Does the PDS provide sufficient information to enable a person to locate the statement or information? [Reg 7.9.15DA(1)(b)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
269. Does the PDS provide sufficient information to enable a person to decide whether or not to obtain the incorporated by reference material or to read the statement or information? [Reg 7.9.15DA(1)(b)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
270. Does the PDS state that the incorporated by reference material may be obtained from the responsible person on request at no charge? [Reg 7.9.15DA(1)(b)(iii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
271. If the PDS does not include the information required to be disclosed by section 1013D(1)(b) or (f), in relation to significant benefits and significant characteristics and features of the product, does the PDS include a description, in summary, of the purpose and key features of the product? [Reg 7.9.15DA(4)(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: See Questions 22 and 58.		

Question	Answer	Reference / Comment
272. If the PDS does not include the information required to be disclosed by section 1013D(1)(c), in relation to significant risks, does the PDS include a description, in summary, of the key risks of the product? [Reg 7.9.15DA(4)(b)] Note: See Question 31.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
273. Does the PDS include information required by: (a) paragraphs 1013D(1)(a), (g) and (i) of the Act; and (b) Divisions 1 and 2 of Part 2 of Schedule 10; and (c) paragraphs 209(e) and (h) of Division 4 of Part 2 of Schedule 10; and (d) Divisions 5 and 6 of Part 2 of Schedule 10? [Reg 7.9.15DA(4)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
274. Does the PDS include the Consumer Advisory Warning in Division 7 of Part 2 of Schedule 10? [Reg 7.9.15DA(4)(d)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Incorporated by reference material checklist		
275. Have you completed MinterEllison's Incorporated by Reference Material checklist for each incorporated 'document'? [ME suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Part K - Wording and presentation

Question	Answer	Reference / Comment
Restricted terms		
276. Is any use of the words 'independent', 'impartial', 'unbiased' (or any other word that has a similar meaning) permitted by section 923A?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
277. Is any use of the words 'stockbroker', 'sharebroker', 'futures broker', 'insurance broker', 'insurance broking', 'general insurance broker' or 'life insurance broker' (or any other word or expression that has a similar meaning) permitted by an AFSL? [923B]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
278. Has APRA's consent been obtained for any use of the words 'bank', 'banker', 'banking', 'building society', 'credit union' or 'credit society'? [66 Banking Act 1959]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
279. If the word ANZAC is used, does its use comply with the <i>Protection of Word 'Anzac' Act 1920 (Cth)</i> ? Note: <i>The Protection of Word 'Anzac' Regulations state that 'no person may use the word 'Anzac', or any word resembling it, in connection with any trade, business, calling or profession or in connection with any entertainment or any lottery or art union or as the name or part of a name of any private residence, boat, vehicle of charitable or other institution, or other institution, or any building without the authority of the Minister for Veterans' Affairs.'</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Clear, concise and effective		
280. Is the information in the PDS worded and presented in a clear, concise and effective manner? [1013C(3)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
281. Where possible, is the PDS in plain language and free of industry and legal jargon? [RG 168.74]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
282. Where industry or legal jargon is used, does the PDS explain the meaning of that jargon by including a glossary of technical terms? [RG 168.74] Note 1: <i>ASIC notes that although some definitions are generally appropriate, too many defined terms are likely to confuse retail investors. [ASIC Report 201.37]</i> Note 2: <i>ASIC considers that disclosing that capitalised terms are defined terms may be useful for retail clients who are unaware of this practice. [ASIC Report 201.38]</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
283. Have communication tools (eg text, tables, diagrams and graphs) been used in a way that promote product understanding and comparability? [RG 168.73]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
284. Have navigational aids (eg tables of contents and clear signposting) been used to allow information be found more effectively in the PDS? [RG 168.73]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
285. If the product is not generally understood by consumers, eg if it is new or complex, has a greater level of disclosure been provided? [RG 168.77]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
286. If extraneous material is included in the PDS (including advertising or promotional material by the product issuer or a third party, for example, advertising about other products or immaterial benefits associated with acquisition of the product), is the extraneous material:	<input type="checkbox"/> N/A	
(a) clearly distinguishable from other information? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) no more prominent than other information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.81]		
287. Is the PDS drafted in a way that makes it easier for consumers to make comparisons:		
(a) between two or more competing financial products? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) about options that may be available to them under the terms of a particular financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 168.87]		
288. Is information designed to assist with comparison of product options or different financial products clearly identified so that consumers are better able to use it? [RG 168.88]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
289. Does the PDS:	<input type="checkbox"/> Yes	
(a) adopt a clear, logical and consistent document structure;	<input type="checkbox"/> No	
(b) use a clean and visually appealing layout;	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) provide investors only with 'salient' and relevant information;	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(d) use appropriate language and tone; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Question	Answer	Reference / Comment
(e) work with people's behavioural biases.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Note: ASIC has provided research that these features characterise 'more effective disclosure' for financial product disclosure documents. [ASIC Report 205.131]		
False and misleading statements		
290. Is the PDS free from statements or information that is false in a material particular or is materially misleading? [1041E]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
291. Does the PDS give prominence to:		
(a) key information about the product so as to reflect the relative importance of the information to consumers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Note 1: ASIC provides the following example: Information about benefits and risks should have similar prominence in the PDS.		
Note 2: See disclosure of significant risks in questions 31- 55 for further questions relating to prominence of risk disclosure.		
(b) 'warnings' associated with particular items of information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(c) information about significant unusual product features?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC provides the following example: Non-standard features or features not normally associated with a particular type of product in the market place.		
(d) information about significant product features which, while they are not unusual, may lead to a significant financial impact for a consumer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note 1: ASIC provides the following example The cost to a consumer of early termination or sale of an investment based financial product (break costs), especially where the investment objectives were disclosed as being short-term.		
Note 2: See questions 48-51 for further disclosure on break costs.		
(e) other significant details?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC provides the following example: Information about who is going to provide any ongoing services relating to the product or particular aspects of the product, and how to contact them.		

Question	Answer	Reference / Comment
(f) key information about the product in summary at the front of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.91]		
292. Is the PDS drafted so that it is likely that the client's attention will be drawn to information they most need, having regard to:		
(a) size of typeface?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) layout?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) use of colour and graphics?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(d) the order in which information is presented?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(e) the location and boldness of the information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.95]		
293. Where illustrations or examples have been provided, are they accompanied by a clear explanation of:	<input type="checkbox"/> N/A	
(a) the facts and assumptions upon which they are based?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) their purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.152]		
294. Where disclaimers are used:		
(a) are they sufficiently prominent to clearly counterbalance the effect of a misrepresentation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) are they generally able to be seen and understood by those persons who otherwise might be misled?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.153]		
295. Is the PDS free from statements which have one or more reasonably possible meanings? [RG 168.154]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
296. Have comparisons of the product to a competitor been:	<input type="checkbox"/> N/A	
(a) done in a careful manner?	<input type="checkbox"/> Yes	

Question	Answer	Reference / Comment
	<input type="checkbox"/> No	
(b) based on assumptions that returns are reinvested only if it is possible to reinvest returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) calculated and shown on a consistent basis?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(d) accompanied by an explanation of the basis on which returns information is being provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[1013C(3), RG 168.155]		
297. If the PDS contains a statement of opinion, is it free from any of the following, which may amount to a misleading or deceptive representation:	<input type="checkbox"/> N/A	
(a) a statement of opinion about a future matter where it is not based upon reasonable grounds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) a statement of opinion which conveys that there is a basis for the opinion, that it is honestly held, and when expressed as the opinion of an expert that it is honestly held upon rational grounds involving the application of the relevant expertise, where that is not the case?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) a statement of opinion involving a state of mind which conveys the meaning (expressly or by implication) that the maker had that state of mind when making the statement, and that there was a basis for it, where that is not the case?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.147]		
(d) a statement of opinion published when the maker no longer holds the opinion or the grounds on which it was made have substantially changed? [RG 168.148]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
298. If the PDS contains ambiguous statements, are neither of the reasonably possible meanings misleading or deceptive? [RG 168.154]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Separation wording		
299. If the issuer belongs to a conglomerate group with an ADI and the PDS contains a common brand name used by the ADI and the issuer:	<input type="checkbox"/> N/A	
(a) has section 66 of the <i>Banking Act 1959</i> (Cth) governing the use of restricted expressions in	<input type="checkbox"/> Yes	

Question	Answer	Reference / Comment
Australia by an ADI or by any other person been complied with?	<input type="checkbox"/> No	
(b) are the roles and responsibilities of different group members clearly disclosed to reduce the risk of giving an impression that a non-ADI member of the group is an ADI, or that (contrary to the legal position) a group member is guaranteed or supported by an ADI in the group?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[APRA Prudential Standard APS 222, para 15]		
Note: APRA may require an entity not to use a particular brand name if that would give rise to a prudential concern having regard to the following factors:		
<ul style="list-style-type: none"> ▪ the presence of appropriate disclosures; ▪ the type of entities involved (whether regulated or unregulated); ▪ the manner in which various products and services are marketed; and ▪ the types of customers involved. 		
[APRA Prudential Standard APS 222, para 16]		
300. If the issuer belongs to a conglomerate group with an ADI, does the PDS include clear, comprehensive and prominent disclosure that:	<input type="checkbox"/> N/A	
(a) the issuer with whom the customer is dealing is not an ADI and the issuer's obligations do not represent deposits or other liabilities of the ADI in the group ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) the ADI does not stand behind the issuer (unless support is provided for in a legal agreement – see (c) below)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) where support is provided to the issuer by the ADI in a formal legal agreement, the nature and limit of such support?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[APRA Prudential Standard APS 222, para 17]		
Photographs and drawings		
301. If the PDS contains photographs and drawings of assets which may be reasonably assumed to be assets of the financial product being promoted:	<input type="checkbox"/> N/A	
(a) are the photographs and drawings of the real assets connected to the financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) are the photographs of the assets of a financial product the most recent available?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	

Question	Answer	Reference / Comment
(c) have the assets in the photographs materially changed in appearance since the photo was taken?		
[FSC Standard No. 10.00, para 10.7.1 and 10.7.2]		
302. If the PDS contains photographs and drawings of public buildings or panoramic views:	<input type="checkbox"/> N/A	
(a) is it clear to a reasonable investor that these do not depict trust assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) if not, does the PDS include a disclaimer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(c) if the photographs are panoramic photographs of areas in which assets of the financial product are or will be located, are the assets or their future location highlighted in the photograph?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(d) if the photographs depict an asset in which the financial product owns or is entitled to only a small portion, does the PDS include a statement making clear that the financial product does not own the entire asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[FSC Standard No. 10.00, para 10.7.1 and 10.7.3]		

Part L - Application form

Question	Answer	Where?	Reference / Comment
General requirements			
303. Does the application form include:			
(a) the full name of the issuer? [153(1), 601DE(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the ABN, ACN or ARBN of the issuer with its full name on the first page that it appears? [153(2), 601DE, 1344]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) the issuer's Australian financial services licence number (if applicable)? [912F(1), Reg 7.6.01C]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
304. Does the application form make provision for:			
(a) the applicant's name?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the applicant's date of birth?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) the applicant's address?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
			[Reg 7.9.74(1)]
305. If the application form for the product is for use by an employer that is applying as a prospective standard employer-sponsor, does the application form make provision for:	<input type="checkbox"/> N/A		
(a) the employer's name?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the employer's address?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
			[Reg 7.9.74(2)]
306. If transaction confirmations are only provided by means of a standing facility, does the application form include agreement by the client that confirmation of transactions involving the product may be provided by means of the facility? [1017F(5A)(b)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
<p>307. Does the application form include a declaration that the client has received and read the current PDS? [1012D(1)]</p> <p>Note: While not specifically required by 1012D(1), this may assist the product issuer to establish reasonable belief that the customer has received the PDS.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
<p>308. Does the application form only collect personal information about someone other than the applicant when it is not reasonable and practicable to collect it from the individual concerned? [3.6 Australian Privacy Principles]</p> <p>Note: The Privacy Act 1988 (Cth) defines 'personal information' to mean 'information or an opinion about an identified individual, or an individual who is reasonably identifiable: (a) whether the information or opinion is true or not; and (b) whether the information or opinion is recorded in a material form or not.'</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
<p>309. If the application form collects personal information about an individual from someone else:</p> <p>(a) has the issuer taken reasonable steps to ensure that the individual is or has been made aware of the matters listed in APP 5? [5 Australian Privacy Principles].</p> <p>(b) either:</p> <p>(i) where the information is reasonably necessary for one or more of the issuer's functions or activities, has the customer consented to the collection of sensitive information from someone else? or</p> <p>(ii) is the collection of the information is required or authorised by or under an Australian law or a court/tribunal order? [3.3 and 3.4 Australian Privacy Principles]</p> <p>Note 1: The Privacy Act 1988 (Cth) defines 'sensitive information' to mean information or an opinion about an individual's: (a) racial or ethnic origin; or (b) political opinions; or</p>	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
<p>(c) membership of a political association; or</p> <p>(d) religious beliefs or affiliations; or</p> <p>(e) philosophical beliefs; or</p> <p>(f) membership of a professional or trade association; or</p> <p>(g) membership of a trade union; or</p> <p>(h) sexual orientation or practices; or</p> <p>(i) criminal record, that is also personal information or</p> <p>(j) health information about an individual; or</p> <p>(k) genetic information about an individual that is not otherwise health information; or</p> <p>(l) biometric information that is to be used for the purpose of automated biometric verification or biometric; or</p> <p>(m) biometric templates.</p>			
<p>310. Does the application obtain the customer's consent to any use of personal information other than for:</p> <p>(a) the primary purpose for which it was collected;</p> <p>(b) a related (directly related for sensitive information) secondary purpose of collection which the customer would reasonably expect the issuer to use the information for;</p> <p>(c) direct marketing (if not sensitive information)?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>		
<p>[Australian Privacy Principles 6]</p> <p>Note: Direct marketing is addressed in APP 7, as a discrete subject. If the issuer wishes to use the customer's personal information for the purpose of direct marketing, the issuer will need to ensure the conditions of APP 7 are met.</p>			
<p>311. If payment can be made by direct debit, does the PDS include a direct debit request and service agreement in a form approved by sponsoring bank?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>		
<p>[BECS Regulations and Procedures]</p>			

Question	Answer	Where?	Reference / Comment
Funds management and securitisation			
312. If the issuer belongs to a conglomerate group with an ADI, does the application form contain a signed acknowledgement in close proximity to the following disclosures indicating that the customer has read and understood them:	<input type="checkbox"/> N/A		
(a) the issuer with whom the customer is dealing is not an ADI and the issuer's obligations do not represent deposits or other liabilities of the ADI in the group?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the ADI does not stand behind the issuer except to the extent provided for in a legal agreement between the ADI and the issuer (where applicable)?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) where support is provided to the issuer by the ADI in a formal legal agreement, the nature and limit of such support?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[APRA Prudential Standard APS 222, para 17]			
Insurance and superannuation			
313. Does the application form include an acknowledgment that the customer is aware of the duty of disclosure and has complied with it? [21 and 22 Insurance Contracts Act 1984, Reg 3 and Sch 1 and Sch 2 Insurance Contracts Regulations]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
314. Does the application form contain a declaration that the client understands that the insurance applied for will not become effective until this application is accepted by the issuer in writing?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
315. If the issuer requires access to medical records, does the application form obtain any consent required under State and Territory health records legislation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
316. If consent is sought to obtain a health status report, does the application form state that ACT residents have the right to request a copy of any health status report obtained from an ACT health service provider? [7(3)(a) Health Records (Privacy and Access) Act 1997 (ACT)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
Superannuation			
317. If the trustee permits binding death benefit nominations, does the election form make provision for:	<input type="checkbox"/> N/A		
(a) one or more persons to be nominated as a beneficiary?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the proportion of the benefit that will be paid to the person or each of those persons?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) signing and dating by the member in the presence of two witnesses, each of whom has turned 18 and neither of whom is a person nominated as a beneficiary?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(d) signing and dating by the witness stating that the notice was signed by the member in their presence?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[SIS Reg 6.17A]			
318. If the application is for an employer to become a sponsor of the fund, does the application form include a statement from the trustee that the fund:	<input type="checkbox"/> N/A		
(a) is a resident regulated superannuation fund within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) is not subject to a direction under section 63 of that Act?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[25 <i>Superannuation Guarantee (Administration) Act 1992</i>]			
Life risk through superannuation			
319. If the product is provided through a superannuation fund and the issuer permits binding death benefit nominations, does the application form include provision for:	<input type="checkbox"/> N/A		
(a) one or more persons to be nominated as a beneficiary?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the proportion of the benefit that will be paid to the person or each of those persons?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
(c) signing and dating by the member in the presence of two witnesses, each of whom has turned 18 and neither of whom is a person nominated as a beneficiary?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(d) signing and dating by the witness stating that the notice was signed by the member in their presence?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[SIS Reg 6.17A]			
320. If the application is for an employer to become a sponsor of the fund, does the application form include a statement from the trustee that the fund:	<input type="checkbox"/> N/A		
(a) is a resident regulated superannuation fund within the meaning of the Superannuation Industry (Supervision) Act 1993?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) is not subject to a direction under section 63 of that Act?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[Section 25 Superannuation Guarantee (Administration) Act 1992]			
321. If a client's TFN is to be collected in the application form, does the form include provision for the client's authorisation to quote a TFN; to apply an exemption; or to decline to quote a TFN? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
Anti-Money Laundering			
322. Does the application form collect the minimum identification information required under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth)?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[Part 2 AML Act] [Chapter 4 AML Rules] [ME Suggestion]			

Part M - Combining with a FSG

This Part sets out the additional requirements which apply if a PDS is combined with a Financial Services Guide (FSG). In addition to the requirements below, the FSG part of the document must comply with the FSG requirements (see our FSG Checklist).

Question	Answer	Where?	Reference / Comment
General requirements			
323. Is the providing entity for the financial service (ie the entity that is required to provide the FSG) also the product issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No If no, do not combine.		
[7.7.08A(2)(a)]			
324. Is the document divided into two separate parts:			
(a) a part identifiable as an FSG that complies with the FSG requirements? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(b) a part identifiable as a PDS that satisfies the PDS requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
[7.7.08A(2)(b)]			
325. Is the title 'Combined Financial Services Guide and Product Disclosure Statement' used on the cover of the document or at or near the front of the document?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
[7.7.08A(2)(c)]			
326. Is the document is provided to a client at the earlier of the time at which an FSG must be provided and the time at which a PDS must be provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[7.7.08A(2)(d)]			

Part N - Online and electronic disclosure

The Corporations Act expressly permits the electronic delivery of a PDS: [1015C] [Reg 7.9.02A].

In addition, ASIC provides relief under the *ASIC Corporations (Facilitating Electronic Delivery of Financial Services Disclosure) Instrument 2015/647 (ASIC Instrument 2015/647)* (released in July 2015) to enable providers to make many disclosures available electronically to investors provided it has first sent a notice to the investor of its intention to do so, and the investor has not opted out of receiving those disclosures electronically.

Further to these provisions, ASIC has released guidance through ASIC RG 221 (**RG 221**) for financial services providers that use (or plan to use) technology, including email and the internet, to deliver financial products and financial services disclosure to clients.

Question	Answer	Reference / Comment
Electronic Statement		
327. If the PDS is to be given in electronic form, is it:		
(a) as far as practicable, presented in a way that will allow the person to whom it is given, to keep a copy of it so that the person can have ready access to it in the future?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) presented in a way that clearly identifies the information that is part of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[Reg 7.9.02B(1)]		
Note 1: ASIC notes that the requirements outlined above do not prevent the use of hyperlinks and references to website addresses in delivering disclosures, provided there is some capacity for the client to either store the disclosure, or continue to have access to that disclosure. [RG 221.61]		
Note 2: ASIC notes that the requirements outlined above do not prevent the delivery of disclosures to, for example, smartphones or tablet apps or online facilities, as long as the provider satisfies itself that the client will have access to the disclosure in future and the ability to keep a copy. This might include, for example, multimedia online disclosures that can be saved/downloaded or continually accessed for a reasonable period (see ASIC's good practice guidance (no. 5) in Section D of RG 221), or an app that can be kept on a smartphone or tablet, or a disclosure that can be saved offline, printed or forwarded to an email address. [RG 221.62]		
Note 3: The requirement to keep a copy could include the ability to save a digital copy. When the disclosure is provided through a hyperlink or a reference to a website or digital facility, a provider should direct clients to take a digital or, where practical, a printed copy of the disclosure. So that clients can keep a copy of the disclosure, the provider should also ensure the disclosure continues to be accessible from the link, at the website address or through the digital facility, for a period that is reasonable for that information. [RG 221 Table 2 Item 5]		
328. Has the PDS been either:	<input type="checkbox"/> Yes	
(a) given to a person, or the person's agent personally? [1015C(1)(a)(i)]	(Go to Q333)	

Question	Answer	Reference / Comment
(b) sent to the person, or the person's agent, at an address (including an electronic address) or fax number nominated by the person or the agent? or [1015C(1)(a)(ii)]	<input type="checkbox"/> No	
(c) made available to the person, or the person's agent, by a nominated electronic means?	<input type="checkbox"/> Yes	(Go to Q329)
[1015C(1)(a)(iii) as notionally inserted by ASIC Instrument 2015/647, Para 5(4)]	<input type="checkbox"/> No	
Note 1: This relief allows for disclosure by, for example, sending clients: (a) an email, SMS, app notification, social media notification or other digital message with a hyperlink or similar connection, or instruction to access the disclosure; or (b) a notification that the disclosure is available digitally. [RG 221.33]		
Note 2: While this method of delivery is already possible under the legislation, the client must agree. ASIC relief allows the provider to use this method of delivery by default, even if it has not first secured client agreement. To use this method, the provider must first give the client the opportunity to opt out of this method. [RG 221.34]		
(d) if the regulated person is a trustee of a standard employer-sponsored fund (within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i>), sent to an electronic address provided to the regulated person or another trustee of a standard employer-sponsored fund by the person's employer (as at the time the address was provided)?	<input type="checkbox"/> Yes	(Go to Q332)
[1015C(4A) as notionally inserted by ASIC Instrument 2015/647, Para 5(9)(a)]	<input type="checkbox"/> No	
(e) made available to the person in any way that is agreed to by the person and allows the regulated person to be satisfied, on reasonable grounds, that the person has received the PDS? [Reg 7.9.02A(1)(a)]	<input type="checkbox"/> Yes	(Go to Q333)
	<input type="checkbox"/> No	
(f) made available to the person's agent in any way that is agreed to by the agent and allows the regulated person to be satisfied on reasonable grounds, that the agent has received the PDS? [Reg 7.9.02A(1)(b)]	<input type="checkbox"/> Yes	(Go to Q333)
	<input type="checkbox"/> No	
Note 1: For the avoidance of doubt, sub regulation (1) of 7.9.02A does not apply to a Statement that is made available to a person, or a person's agent, by a nominated electronic means. [7.9.02A(1A) as inserted by ASIC Instrument 2015/647, Para 5(5)]		
Note 2: ASIC states there are no legislative requirements relating to the form of that agreement, and so providers need only satisfy themselves that the client has agreed to this method of delivery. [RG 221.26]		
Note 3: ASIC notes that for ongoing disclosures, an example of digital delivery in a way agreed by the client might be a product that includes in its terms and conditions that disclosures will be made available on social media, a particular app or an online platform, rather than being		

Question	Answer	Reference / Comment
	given directly. [RG 221.28]	
Note 4:	ASIC states that to satisfy itself that it has met its obligation to give the disclosure, the provider might wish to seek specific initial agreement that the client will access the PDS in the ways mentioned. [RG 221.28]	
Note 5:	Many disclosure provisions enable a disclosure to be sent, given, provided, notified or delivered digitally, including to an electronic address: see RG 221.12. The legislation does not generally specify how providers might use contact details to give a disclosure digitally. [RG 221.18]	
Note 6:	To promote greater confidence for providers in delivering PDSs, FSGs and SOAs digitally, ASIC has given relief in ASIC Instrument 2015/647 from the requirement for the provider to be reasonably satisfied that the client has received the disclosure where the provider delivers the disclosure digitally, including by the publish and notify method. [RG 221.58]	
Note 7:	Providers need to consider whether other laws or requirements restrict how they may deliver disclosures or impose additional consent requirements. ASIC notes that they have modified the ePayments Code to allow digital disclosure in a similar manner to that permitted under the Corporations Act (as modified by the ASIC Instrument 2015/647). [RG 221.71]	
Note 8:	Providers also need to consider their other legal obligations when delivering disclosures digitally (eg providers should ensure they comply with the Spam Act 2003 and meet privacy obligations. including under the APPs.) [RG 221.72]	

Electronic delivery

329. If the PDS has been made available to the person, or the person's agent, by a nominated electronic means, have the following been satisfied:
- (a) the providing person made the relevant communication available by an electronic means and notified the receiving person orally or by giving the receiving person a notice in printed or electronic form:
- (i) that the providing person has made the relevant communication available by the electronic means; and
- (ii) how the receiving person can obtain the relevant communications through, or by using, the electronic means;
- Note:** A notification under paragraph (a) must be made each time a relevant communication is made by a nominated electronic means. A standing notice may be given for the purposes of subparagraph (b)(ii) (see question 329. (b)(ii) below). [761A as amended by ASIC Instrument 2015/647, Para 5(1)]
- ☐ Yes
☐ No
☐ N/A

Question	Answer	Reference / Comment
(b) either:	<input type="checkbox"/> Yes	
(i) the receiving person and the providing person have agreed that the relevant communication, or relevant communications of that type, could be made available to the receiving person by the electronic means; or	<input type="checkbox"/> No <input type="checkbox"/> N/A	
(ii) the providing person has given the receiving person a notice in printed or electronic form that states that:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(A) the providing person may use the electronic means to make the relevant communication, or relevant communications of that type, available to the receiving person unless the receiving person elects, by a means reasonably specified in the notice, not to receive relevant communications by the electronic means; and		
(B) an election referred to in subparagraph (A) will apply to relevant communications made after the election; and		
(C) if the receiving person makes the election within 7 days after the providing person has given the notice, the election referred to in subparagraph (A) will apply to any relevant communications made in the period between the notice being given and the election being made, provided that the notice need not include such a statement if the providing person has no reasonable grounds for believing that it will make a notification referred to in question 329. (a) in the period of 7 days from the time it gives the notice?		

Note 1: The notification need not be specific, but should cover the form of the PDS the provider intends to use. For example, a notification might say that the provider will deliver disclosures in the future using an online portal, or via an app. If a provider creates a new method not envisaged by the original notification, a new notification and seven-day period to opt out (or other form of agreement) would be necessary. [RG 221.39]

Note 2: For example, if a client has provided a postal address,

Question	Answer	Reference / Comment
	the provider could post a letter to the client notifying the client that the disclosure is available. [RG 221.44]	
Note 3:	The provider should endeavour to make the process of retrieval as easy as possible. For example, if a password or username is required, this should be able to be updated or retrieved immediately, rather than, for example, requiring the client to apply to or contact the provider by telephone or email [RG 221.47]	
Note 4:	If the disclosure contains personal financial information, the provider should ensure that the information is adequately secured, such as by password protection. This requirement should be met in a way that recognises the desirability for the client to actually access the information. If a provider does not have the required technology to implement a secure and relatively seamless process for accessing disclosures, it should consider whether an alternative method may be more appropriate for its clients. [RG 221.46 & 48]	
Note 5:	ASIC states giving the opportunity to opt out might mean providing an option for the client to have disclosures delivered (in full) either to an electronic address or to a postal address. [RG 221.40]	
Note 6:	ASIC states the provider may choose to provide the notification that disclosure is available to access at the same time as the opt-out notice, but it would not satisfy its obligation to deliver the disclosure until the seven-day opt-out period has expired, without the client opting out. If the provider chooses to provide disclosure in this way within the first seven days of sending the notification, it must include in the notification a message that, if the client makes an election to opt out of the publish and notify method, the election will also apply to any disclosure made available in this way within that period. However, the provider need not include this message where the provider has no reasonable grounds for believing it will provide disclosure using the publish and notify method during this seven-day period. [RG 221.38]	
Note 7:	ASIC states that alternatively, the provider could secure the client's agreement to this method. If the provider wishes to deliver the disclosure by the publish and notify method immediately, it should obtain agreement from the client. If agreement is secured, no seven-day period for opting out is required. Agreement can be sought in any way—such as orally, in person or over the telephone, by using a tick box on a form, or by SMS. Agreement could be sought as part of the application process. As a consequence, this method may be most useful when providers wish to use the publish and notify method for disclosure delivery for existing clients. [RG 221.41-42]	
Note 8:	ASIC states that after the provider has delivered the first notice and seven days has passed, a provider may deliver all future disclosures by publishing the disclosure digitally, such as on a website or other digital facility, and notifying the client by any means, provided the notification is able to be retrieved or stored. This could include, for example, a notification sent to the electronic address (including an electronic mailbox address or social media address) or postal address, telephone number or fax number that the client has provided for the purposes of receiving information from the provider. [RG 221.43]	
	[761A as amended by ASIC Instrument 2015/647, Para 5(1)(b)(ii) (A-C)]	

Question	Answer	Reference / Comment
<p>330. If paragraph 329. (b)(ii) applies, has the receiving person not made an election referred to in 329. (b)(ii) as at the later of:</p> <p>(a) the time the providing person gives the notice referred to in 329. (a);</p> <p>(b) 7 days after the providing person gives the notice referred to in 329. (b)(ii);</p> <p>Note: <i>This means that if subparagraph 329. (b)(ii) applies, it can only be determined whether a relevant communication has been given by a nominated electronic means as at the later of these times.</i></p> <p>[761A as amended by ASIC Instrument 2015/647, Para 5(1)]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
<p>331. If the providing person gives a notice referred to in paragraph 329. (a) or subparagraph 329. (b)(ii) in printed or electronic form, has the providing person given the notice to the receiving person:</p> <p>(a) personally? or</p> <p>(b) by sending the notice to the receiving person at an address (including an electronic address) or fax number nominated by the receiving person? or</p> <p>(c) by making the notice available to the receiving person in any way that is agreed to by the receiving person?</p> <p>(d) if the providing person is a trustee of a standard employer-sponsored fund (relevant fund) within the meaning of the Superannuation Industry (Supervision) Act 1993—by sending the notice to an electronic address provided to the providing person or another trustee of a standard employer-sponsored fund by the receiving person's employer (as at the time the address was provided) if the following are satisfied:</p> <p>(i) section 1015C, 1017B, 1017D or 1017DA applies to the giving of the relevant communication;</p> <p>(ii) the employer contributes, or has contributed, to the relevant fund for the benefit of the receiving person in the absence of there being a chosen fund (within the meaning of the <i>Superannuation Guarantee (Administration) Act 1992</i>) for the receiving person;</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
(iii) the employer provided the electronic address as part of providing contact details for the receiving person;		
(iv) the notice is accompanied by a statement that, if requested, the providing person will send the notice and other communications to another electronic or postal address nominated by the receiving person;		
(v) the receiving person has not requested that the providing person send the notice to another electronic or postal address;		
(vi) the providing person has no reasonable grounds for believing that the electronic address is not a current electronic address for the receiving person.		

[761A as amended by ASIC Instrument 2015/647, Para 5(1)(d)]

Electronic addresses supplied by employers to trustees of standard employer-sponsored superannuation funds

Note: Question 332 only applies if you have answered 'yes' to 328. (d)

332. Have each of the following been complied with in order for the regulated person to be able to provide the PDS using the method in question 328. (d) :
- (a) the employer contributes, or has contributed, to the relevant fund for the benefit of the person in the absence of there being a chosen fund (within the meaning of the *Superannuation Guarantee (Administration) Act 1992*) for the person; and ☐ N/A
- (b) the employer provided the electronic address as part of providing contact details for the person; and ☐ Yes ☐ No
- (c) the PDS is accompanied by a statement that, if requested, the regulated person will send the PDS and other communications to another electronic or postal address nominated by the person; and ☐ Yes ☐ No
- (d) the person has not requested that the regulated person send the PDS to another electronic or postal address; and ☐ Yes ☐ No

Question	Answer	Reference / Comment
(e) the regulated person has no reasonable grounds for believing that the electronic address is not a current electronic address for the person?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>[1015C(4A) as notionally inserted by ASIC Instrument 2015/647 Para 5(9)]</p> <p>Note 1: <i>If, within 14 days after sending a PDS to a person at an electronic address in accordance with subsection 1015C(4A) or a notice to a person at an electronic address in accordance with subparagraph (d)(iv) of the definition of nominated electronic means in s761A in the course of making a PDS available to the person by a nominated electronic means, a trustee of a standard employer-sponsored fund has reasonable grounds for believing that the electronic address is not a current electronic address for the person, the trustee must give the PDS to the person:</i></p> <p>(a) <i>within 14 days after having the reasonable grounds; and</i></p> <p>(b) <i>in accordance with section 1015C.</i></p> <p>[1015C(4B) as notionally inserted by ASIC Instrument 2015/647 Para 5(9)]</p> <p>Note 2: <i>The trustee must have no reason to believe that the electronic address is not a current electronic address for the holder. If the trustee subsequently, within 14 days of sending the email, has reason to believe the electronic address is not current, it must attempt an alternative method of giving the statement. [RG 221.52]</i></p> <p>Note 3: <i>For example, if the trustee were not receiving contributions for the employee, this would be an indication that it could not hold such a reasonable belief. Similarly, if the trustee received a 'hard' email bounce-back (e.g. undeliverable) or similar notification, this would indicate that the electronic address was no longer current. [RG 221.53]</i></p> <p>Note 4: <i>The period of time since acquiring the email address may also be relevant. For example, if the trustee acquired the email address many years ago, it might not have reason to believe it is still current, without checking with the employer. If an employer frequently updates contact details, the address is much more likely to be current. [RG 221.54]</i></p>		
<p>Fully digital products and services</p>		
333. If the products or services are sold as digital only and providers are not making printed or printable copies of the PDS available, was the client made aware that they would only receive communications in digital form before the purchase took place?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
<p>Note: <i>ASIC states that where a provider seeks to shift a product or service from having printed and posted disclosures available to a fully digital product, it must have the agreement of each relevant holder of that product.</i></p> <p>[RG 221.29, RG 221.31]</p>		

Question	Answer	Reference / Comment
PDSs given electronically –good practice		
Note: ASIC states its good practice guidance for digital disclosure applies to any method of digital delivery of financial services disclosures. ASIC encourages providers to apply its good practice guidance when delivering disclosures digitally. <i>[RG 221.107-108]</i>		
334. Is the PDS:		
(a) easy to access?	<input type="checkbox"/> Yes	
Note: ASIC states it is up to the provider to determine which means is most appropriate for the client to easily access the disclosure. <i>[RG 221 Table 2 Item 1]</i>	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
(b) readily navigable so the client can easily identify particularly relevant sections, or move around in the disclosure in a way that is meaningful to them?	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
Note: ASIC states this could be achieved by including features such as a menu on an app, chapters in a video or a contents bar on a webpage. This is to ensure that a client can easily access those parts of the disclosure that might be most important to them. Key parts of the disclosure should be available to the client without them having to see or go through the whole disclosure to locate them. <i>[RG 221 Table 2 Item 1, RG 221.103]</i>		
335. If a generic web address hyperlink or other direction device that does not take a client directly to the disclosure is given, are instructions provided on how to access the disclosure?	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
<i>[RG 221 Table 2 Item 1]</i>		
Note: ASIC states instructions should be clear and easy to understand. Providers should ensure that any process to access the disclosure is simple. <i>[RG 221 Table 2 Item 1]</i>		
336. If a specific document address or a hyperlink that takes a client directly to the disclosure is given, does the address or the hyperlink take a client to the beginning of the disclosure?	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
Note: <i>E.g. a hyperlink should not take the client straight to an application form).</i>		
<i>[RG 221 Table 2 Item 1]</i>		
337. Has the provider ensured that any process to access the disclosure is simple?	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	
<i>[RG 221 Table 2 Item 1]</i>	<input type="checkbox"/> N/A	
338. Has the provider ensured that the PDS does not include features that:		
(a) channel clients away from important information; or	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
(b) distract clients from key features of the confirmation?	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	

Question	Answer	Reference / Comment
[RG 221 Table 2 Item 2]	<input type="checkbox"/> N/A	
Note: To ensure disclosure is clear, concise and effective, appropriate prominence should be given to each aspect of the product that the consumer should understand before purchasing the product. [RG 221.105]		
339. Does the disclosure flow logically in a way that aids understanding of the product? [RG 221.106]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC is concerned that the digital environment might make it easier for a disclosure to channel a consumer away from parts of the disclosure that may be less appealing or for which it might not be in the provider's interest to draw the client's attention to.		
340. Are clients able to identify the whole disclosure, such that the electronic document can clearly be identified as, or part of, a specific disclosure document?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 3]		
341. When disclosure is provided through a hyperlink or a reference to a website or a digital facility, does the provider direct clients to take a digital or, where practical, a printed copy of the disclosure?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 5]		
342. To allow clients to keep a copy of the disclosure, has the provider ensured the disclosure continues to be accessible from the link, at the website address or through the digital facility, for a period that is reasonable for that information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC considers that a period of two years is reasonable for most disclosures, unless the disclosures have been superseded or updated sooner or have become out of date, for example, because the product or services are no longer available and there are no longer any clients affected by it.		
[RG 221 Table 2 Item 5]		
343. If it is not possible to continue to make the disclosure available from the specified link, website address or digital facility throughout a reasonable period, does the provider make it easy for clients to request a digital copy of the disclosure at no cost to the client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC uses the example of providing a toll-free telephone number or an electronic address or a request button clients can use to request a copy.		
[RG 221 Table 2 Item 5]		
344. Has the provider maintained records of all versions of the PDS that have been disclosed online and the periods in which they were available?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 6]		
Note: ASIC considers that as a matter of good practice, these records should be kept for a period of at least seven years (or as required by law).		

Question	Answer	Reference / Comment
345. Where the disclosure is provided through a hyperlink or a reference to a website address or digital facility, does the disclosure make it clear to clients that they can request a copy of the disclosure at no cost to the client during the period the provider is required to maintain records?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 6]		
346. Does the provider include a statement in any disclosure that the client may opt out of digital disclosure at any time and at no cost by using the electronic address or telephone number set out in the message?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC notes that this is not necessary where the terms and conditions of the product exclude certain methods of communication, provided those terms and conditions are made clear to the client before purchasing or the client has clearly agreed to those terms and conditions after purchase.		
[RG 221 Table 2 Item 7]		
347. Where a generic disclosure is delivered via a hyperlink in an email, does the email contain a statement that the client will not be asked to provide any personal financial details online?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 8]		
348. If the disclosure contains personal financial information, has the provider ensured that the information is adequately secured, such as by password protection and encryption?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 8]		
Note 1 ASIC states that this requirement should be met in a way that recognises the desirability for the client to actually access the information and makes the process of retrieval as easy as possible. If a provider does not have the required technology to implement a secure and relatively seamless process for accessing disclosures, it should consider whether an alternative method may be more appropriate for its clients. [RG 221.46-48]		
Note 2 ASIC states providers should continue efforts to educate clients about internet scams and other security risks and may wish to direct clients to www.staysmartonline.gov.au and www.moneysmart.gov.au . [RG 221 Table 2 Item 8]		
349. Does the provider monitor bounce-backs and attempt an alternative method of delivery where a 'hard' bounce-back is received?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
<p>Note 1 ASIC has stated providers could also consider using software or technology to monitor for emails being opened and attempt other methods of delivery if there is a pattern of unopened emails. ASIC notes that this will not be possible or appropriate in all circumstances, but encourages providers to use technology to provide the best possible service for their clients. [RG 221.69]</p> <p>Note 2 Both notification and possible monitoring are intended to mitigate against situations such as where a client gave an incorrect email address, where the passage of time has meant the email address given is no longer accessed, or where a client, not expecting a communication from their financial services provider, does not open an email. [RG 221.70]</p> <p>[RG 221.67]</p>		
350. If a provider becomes aware that a client has not received the disclosure, have reasonable attempts to contact the client by other means to give the disclosure been taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
<p>[RG 221 Table 2 Item 4]</p> <p>Note: For example if the provider receives an undeliverable email notice (a 'hard' bounce-back) or the post is returned to sender, it should make reasonable attempts to contact the client by other means to give them the disclosure (e.g. by sending the disclosure to an alternative electronic address of the client if one has been provided or by sending a printed copy of the disclosure to the client). [RG 221 Table 2 Item 4]</p>		
351. If a provider is changing the way they deliver disclosures to existing clients (e.g. from paper to email delivery), have they notified clients using their existing method of communication before doing so?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221.66]		

Part O - Administration requirements

Lodgement

- ☐ A PDS in-use notice was lodged with ASIC on[1015D(2)]

Record keeping

- ☐ A copy of any consents in respect of a statement made by a person included in the PDS, or a statement said in the PDS to be based on a statement made by a person, will be kept for a period of 7 years from the date of the consent. [1013K(2), Reg 7.9.76]
- ☐ A copy of the PDS will be kept for a period of 7 years after the date of the PDS. [1015D(3)]

Third line forcing

- ☐ ACCC notification or authorisation has occurred in relation to any third line forcing? [47(6) and (7), 88 and 93 Competition and Consumer Act 2010]

Employer-sponsored class order relief

- ☐ ASIC has given relief to permit the lodgement of a single in-use notice in relation to the common part used by each PDS or Supplementary PDS for standard employer-sponsored superannuation funds. Issuers using this new procedure will also be required to provide ASIC with a list of those superannuation products that have used that common part. This list must be updated on a monthly basis.

Instead of lodging a notice (form FS 88) with ASIC in relation to every Product Disclosure Statement (PDS) or Supplementary PDS that is in use, ASIC Class Order [CO 12/415] allows the lodgement of one primary notice in circumstances where a number of PDSs share the same common part.

Where this alternative is utilised, this notice must be lodged by the person who is required to prepare the PDS or Supplementary PDS, or on whose behalf it is required to be prepared (see subsection 1013A(3)).

Providing a copy

- ☐ If a person requests a copy of the PDS or any information incorporated by reference the issuer must give the person the PDS or information incorporated by reference, free of charge, within 8 business days. [7.9.11R, 1015C(5)(a)]

Note 1: *If the PDS is in an electronic form and some or all of the material contained in the PDS is of a kind that is not able to be printed and a request by a person for a copy of the Product Disclosure Statement does not nominate a relevant electronic means for the person to receive a copy of the PDS,*

- (a) *paragraph 7.9.11R(2)(a) of the Corporations Regulations 2011 does not apply in relation to that request; and*
- (b) *the responsible person for the PDS must notify the person who made the request within 8 business days;*
 - (i) *of each relevant electronic means and that the person must nominate one of those electronic means in order to receive a copy of the PDS; and*
 - (ii) *if there is another PDS for the financial product that is in use and is able to be printed—a statement that that is the case and that the person may request a copy of that PDS.*

Note 2: Relevant electronic means in relation to a PDS for a financial product means an electronic means which the responsible person for the PDS uses to make the PDS available to persons who acquire the financial product.

[1015C(5A) and (5B), as notionally inserted by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649]

Website publication

- ☐ The most recent PDS for each superannuation product offered by a registrable superannuation entity must be made publicly available, and kept up to date, at all times on the registrable superannuation entity's website within 20 business days after a copy of the product disclosure statement (including any Supplementary Product Disclosure Statement or Replacement Product Disclosure Statement) is first given to a person in a recommendation, issue or sale situation. ASIC notes that RSE licensees may publish the most recent PDS on the RSE's website when it has been prepared and dated, and need not wait until the PDS is first given to a retail client. [SIS Act 29QB, SIS Reg 2.38(2)(e)] [2(e), Table 2, RG 252]

Note 1: Until 30 June 2024, this requirement does not apply where the PDS only relates to the registrable superannuation entity because it relates to a standard employer-sponsored sub-plan. In this instance, if the exemption in paragraph 7(1) of ASIC Superannuation (RSE Websites) Instrument 2017/570 is relied on, there is no disclosure obligation. [paragraph 7(1) of ASIC Superannuation (RSE Websites) Instrument 2017/570]

Note 2: Separately, until 30 June 2024, this requirement does not apply where the PDS contains information that only relates to the registrable superannuation entity because it relates to a standard employer-sponsored sub-plan. In this instance, the RSE licensee may make publicly available and update a version of the document in accordance with paragraphs 8(1) or (2) of ASIC Superannuation (RSE Websites) Instrument 2017/570, as applicable, that has been redacted to exclude any or all information that only relates to the registrable superannuation entity because it relates to a standard employer-sponsored sub-plan. [paragraphs 7(2) and 8(3) of ASIC Superannuation (RSE Websites) Instrument 2017/570]

Note 3: This requirement does not apply where the PDS contains information that is personal information in relation to a beneficiary or former beneficiary of the registrable superannuation entity. In this instance, the RSE licensee may make available and update a version of the document in accordance with paragraphs 8(1) or (2) of ASIC Superannuation (RSE Websites) Instrument 2017/570, as applicable, that has been redacted to exclude any or all information that is personal information in relation to a beneficiary or former beneficiary of the registrable superannuation entity. [paragraphs 7(3) and 8(3) of ASIC Superannuation (RSE Websites) Instrument 2017/570]

Note 4: ASIC has extended the deferral of the application of section 29QB of the SIS Act in relation to information about employer sub-plans until 30 June 2024 to allow the Government time to consider the practical implications of applying section 29QB to employer sub-plans, and settle its policy position. The deferral does not represent a policy view by ASIC in relation to the disclosure of information about employer sub-plans nor a view as to the time likely to be taken by the Government in settling a policy view. Accordingly, the deferral until 30 June 2024 is subject to change pending and according to the finalisation of the Government's policy position. [Explanatory Statement to ASIC Corporations (Amendment) Instrument 2018/474]

Signature

Date

Appendix

Key fees and costs concepts under ASIC Class Order [CO 14/1252]

Meaning of 'borrowing costs'

1. **Borrowing costs** has the meaning given by clause 101A of Schedule 10 of the Corporations Regulations (as inserted by CO 14/1252). Clause 101A of Schedule 10 contains the following definition of borrowing costs:

borrowing costs means costs, including costs in an interposed vehicle, relating to a credit facility within the meaning of regulation 7.1.06 relating to the provision of credit within the meaning of subregulation 7.1.06(3) to:

- (a) a trustee of a superannuation entity; or
- (b) an interposed vehicle, or a trustee of an interposed vehicle, in or through which the property of a superannuation fund is invested.

Meaning of 'property operating costs'

2. **Property operating costs** has the meaning given by clause 101A of Schedule 10 of the Corporations Regulations (as inserted by CO 14/1252). Clause 101A of Schedule 10 contains the following definition of property operating costs:

property operating costs means amounts that are paid or payable in relation to the holding of real property or an interest in real property, but do not include any of the following:

- (a) borrowing costs;
- (b) amounts that are paid or payable relating to the acquisition or disposal of real property or an interest in real property;
- (c) an amount that is otherwise charged as any of the following:
 - (i) an administration fee;
 - (ii) a buy-sell spread;
 - (iii) a switching fee;
 - (iv) an exit fee;
 - (v) an activity fee;
 - (vi) an advice fee;
 - (vii) an insurance fee.

Meaning of 'indirect cost'

3. **Indirect cost** has the meaning given by clause 101A of Schedule 10 of the Corporations Regulations (as inserted by CO 14/1252). Clause 101A of Schedule 10 contains the following definition of indirect costs:

Note: Refer to Part B of *ASIC Regulatory Guide 97* for detailed guidance on the calculation of indirect costs.

101A Indirect costs

- (1) Despite subsection 1013C(2) of the Act, the indirect cost of a MySuper product, an investment option offered within a superannuation product other than a MySuper product, managed investment product or investment option offered by a managed investment scheme means any amount that:
 - (a) either:

- (i) a responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate has reduced or will reduce (as applicable) whether directly or indirectly the return on the product or option that is paid from or reduces the amount or value of:
 - (A) the income of or the property attributable to the product or option; or
 - (B) the income of or the property attributable to an interposed vehicle in or through which the property attributable to the product or option is invested; or
 - (ii) satisfies both the following:
 - (A) the amount is paid or payable by or on behalf of a person who may make payments that form part of the return on, or the value of, the product or option whether directly or through an interposed vehicle;
 - (B) payment of the amount is a benefit that increases the returns or value of the product or option or provides a benefit to the issuer in relation to the product or option that is retained by the issuer; and
- (b) for a MySuper product or an investment option offered within a superannuation product other than a MySuper product is not charged to a member as a fee; and
- (c) is not a fee as defined in clause 209A or an insurance fee; and
- (d) subject to subsection (3), would, if the amount had been paid as a cost out of a superannuation entity, be an investment fee or administration fee for the superannuation product or, if the amount had been paid out of the scheme property of the registered scheme, be a management cost of the managed investment product.”;
- (2) For the purposes of subclause (1):
 - (a) property is invested in or through an interposed vehicle even if:
 - (i) the property is in turn invested in or through one or more other interposed vehicles; or
 - (ii) the property was invested in the first mentioned interposed vehicle through or by another interposed vehicle; and
 - (b) property is not invested in or through an interposed vehicle if the property is invested in the vehicle by a body, trust or partnership that:
 - (i) is not an interposed vehicle; and
 - (ii) is not the trustee or responsible entity.
- (3) Without limiting subclause (1), the indirect costs of a product or investment option referred to in subclause (1) include:
 - (a) the following amounts where the responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate those amounts:
 - (i) in relation to a derivative financial product that is not an option to acquire or dispose of a financial product—the amount that is the difference between the underlying return and the actual return for the derivative financial product, where the actual return on the product or option is less than the underlying return on the derivative financial product over the relevant financial year; or
 - (ii) in relation to a derivative financial product that is an option to acquire or dispose of a financial product—any amount by which the cost incurred to acquire the derivative financial product exceeds the amount that would be obtained on its disposal at that time; or
 - (b) where the responsible person does not know, does not believe they reasonably ought to know, and is not able to reasonably estimate without taking steps that the responsible person

considers unreasonable, the amount in paragraph (a) (as applicable) in relation to a derivative financial product—the following amounts in relation to the derivative financial product:

- (i) in relation to a derivative financial product that is not an option to acquire or dispose of a financial product—the greater of:
 - (A) the amount calculated using the following formula:

$$\text{relevant percentage} \times \text{value} \times (n/365)$$
 where:
n means the number of days that the derivative financial product was held by the responsible person or interposed vehicle during the relevant financial year.
relevant percentage means 0.1%.
value, in relation to a derivative financial product, means the value of the ultimate reference assets, in each case taking into account any leverage, offsets or similar adjustments applied to or between the ultimate reference assets under the terms of the derivative financial product; and
 - (B) the minimum amount that the responsible person believes or has reasonable grounds to believe would apply under paragraph (a);
- (ii) in relation to a derivative financial product that is an option to acquire or dispose of a financial product—the lesser of:
 - (A) the amount that would apply under subparagraph (i) if the exclusion from that subparagraph (i) of options did not apply; and
 - (B) the premium paid by the responsible person or interposed vehicle for the option,

where the amount referred to in paragraph (a) or (b) is attributable to:

- (c) the product or investment option; or
- (d) an interposed vehicle through which the property attributable to the product or investment option is invested.

(3A) In subclause (3):

actual return means the return that has been or would be received (as applicable), or loss that would be payable, by the responsible entity, trustee or interposed vehicle in relation to the derivative financial product over the relevant financial year if the derivative financial product was:

- (a) acquired at the time the derivative financial product was acquired, or, if the derivative financial product was not acquired during the relevant financial year, acquired at the commencement of the relevant financial year for the same price at which it would have been disposed at the end of the preceding financial year; and
- (b) disposed of at the time the derivative financial product was disposed of, or, if the derivative financial product was not disposed of during the relevant financial year, disposed of at the end of the relevant financial year for the price at which it would have been disposed of at that time.

derivative financial product means a financial product that:

- (a) is:
 - (i) a derivative; or
 - (ii) either:
 - (A) a security other than a share in a body or a debenture of a body; or
 - (B) a managed investment product or financial product referred to in paragraph 764A(1)(ba) of the Act other than an interest in a managed investment scheme,

under which:

- (C) financial products (delivery products) will be delivered or an amount paid at a specified time (maturity) in the future; and
 - (D) the value of the delivery products to be delivered at maturity or the amount to be paid is ultimately determined, derived from or varies by reference to the value or amount of one or more of the following (each, a reference asset):
 - (I) financial products other than the delivery products;
 - (II) an asset other than a financial product;
 - (III) a rate (including an interest rate or exchange rate);
 - (IV) an index;
- provided that the reference asset is not related to the value of:
- (V) a share in a body or debenture of a body to which the delivery products relate; or
 - (VI) the assets of the managed investment scheme to which the delivery products relate; or
 - (VII) the assets attributable to a class of interests in the managed investment scheme to which the delivery products relate; and

- (b) is not able to be traded on a financial market at the time it is acquired.

reference asset:

- (a) in relation to a derivative financial product that is a derivative—means the something else that the amount of the consideration, or the value of the arrangement, is ultimately determined, derived from, or varies by reference to and, if the something else is a rate of interest or inflation, the amount on which that rate is applied under the derivative financial product in determining the amount to be paid or received;
- (b) in relation to a derivative financial product that is a security, managed investment product or financial product referred to in paragraph 764A(1)(ba) of the Act other than an interest in a managed investment scheme—has the meaning given by clause 101A(3A)(a)(ii)(D).

relevant financial year means the financial year for which responsible person is calculating indirect costs.

ultimate reference asset, in relation to a derivative financial product and each reference asset for the derivative financial product, means:

- (a) to the extent that the reference asset is:
 - (i) a derivative financial product; or
 - (ii) rights in an entity that would be an interposed vehicle if it were held by the superannuation entity or scheme; or
 - (iii) an index that includes a derivative financial product referred to in sub-paragraph (i) or rights in an entity referred to in sub-paragraph (ii),

the asset or assets from which the returns from the derivative financial product or rights in the entity are determined, or any asset or assets that are held in or through any other derivative financial products or entities that would be an interposed vehicle if they were held as part of the superannuation entity or scheme;
- (b) to the extent that the reference asset is not covered by any of the subparagraphs in paragraph (a)—the reference asset.

underlying return, in relation to a derivative financial product, means the return that has been or would be received (as applicable), or loss that would be payable, because of the change in the value of

the ultimate reference assets taking into account any leverage, offsets or similar adjustments applied to or between the ultimate reference assets under the terms of each relevant derivative financial product or interest in an interposed vehicle over the relevant financial year for which the derivative financial product was held.

- (4) Despite subclause (1) and (3), indirect costs of a managed investment product or an investment option of a managed investment scheme do not include amounts referred to in subclause (3):
- (a) where the derivative financial product referred to in subclause (3) is acquired or disposed of for the primary purpose of avoiding or limiting the financial consequences of fluctuations in, or in the value of, receipts or costs of the managed investment scheme whether or not the receipts or costs arise in or through an interposed vehicle; and
 - (b) where the indirect costs were calculated under paragraph (3)(a), to the extent that the difference would result from the incurring of transactional or operational costs in relation to the ultimate reference assets.

Note: Costs excluded under subparagraph (4) are likely to be transaction costs under clause 102.
Indirect costs for superannuation products generally include transaction costs.

Meaning of 'interposed vehicle'

Interposed vehicle has the meaning given by clause 101B of Schedule 10 of the Corporations Regulations (as inserted by CO 14/1252). Clause 101B of Schedule 10 contains the following definition of interposed vehicle:

101B Interposed vehicle

- (1) A body, partnership or trust (each an entity) is an interposed vehicle in relation to a product or investment option if both of the following are satisfied:
 - (a) property attributable to the product or investment option to which the Product Disclosure Statement relates is invested in or through the entity;
 - (b) the responsible person for the Product Disclosure Statement believes or has reasonable grounds to believe that the entity has more than 70% of its assets by value invested in securities or other financial products.
- (2) For the purposes of subclause (1) and subject to subclause (3), in determining whether an entity (the first entity) has more than 70% of its assets by value invested in securities or other financial products, disregard for the numerator, securities or other financial products that:
 - (a) are reasonably regarded as a means by which the first entity makes an investment in real property or an infrastructure entity; or
 - (b) confer on the first entity control of another entity (the second entity), unless the responsible person for the Product Disclosure Statement has reasonable grounds to believe that the second entity has more than 70% of its assets by value invested in securities or other financial products.
- (3) For the purposes of paragraph (2)(b), in determining whether the second entity has more than 70% of its assets by value invested in securities or other financial products, apply subclause (2) to the second entity as if the second entity was the first entity referred to in that subclause.
- (4) An entity is also an interposed vehicle in relation to a product or investment option if, having regard to the Product Disclosure Statement for the product or investment option and any other information issued by the responsible person, a security or interest in the entity could be reasonably regarded, by retail clients who may be expected to be given the Product Disclosure Statement or other information, as the means by which the benefit of investments by or through the entity is obtained, rather than the investment of the superannuation entity or registered scheme to which the product or investment option relates.

- (4A) Subject to subclause (4B), an entity is also an interposed vehicle in relation to a product or investment option if:
- (a) the Product Disclosure Statement for the product or investment option or any other information issued by the responsible person relating to the product or investment option issued by the responsible person that has been given or may be reasonably be expected to be given to retail clients refers to "property", "real estate" or "land" or similar terms in the description of the product or investment option or as one of the assets (relevant asset) in which investment may be made under the product or investment option; and
 - (b) real property or an interest in land to which the reference relates is directly or indirectly held by or through the entity;
- (4B) An entity is not an interposed vehicle because of subclause (4A) if both the following are satisfied:
- (a) the reference in the Product Disclosure Statement or other information is merely part of a reference to an entity (whether specified or not) that directly or indirectly invests in real property or interests in land or to physical infrastructure referred to in paragraphs (a) to (j) of the definition of infrastructure entity in subclause (6);
 - (b) a retail client who has read the Statement or other information could not reasonably believe that the product or investment option or the relevant asset may be intended for persons predominantly intending to benefit from increases in the value of, or returns from holding, real property or an interest in land other than physical infrastructure referred to in paragraphs (a) to (j) of the definition of infrastructure entity in subclause (6).
- (4C) Subject to subclause (4D), an entity is also an interposed vehicle in relation to a product or investment option if:
- (a) the Product Disclosure Statement for the product or investment option or any other information issued by the responsible person relating to the product or investment option that has been given or may be reasonably expected to be given to retail clients refers to the product or option as being directly or indirectly invested in or through an entity (whether specified or not) other than an infrastructure entity which the responsible person believes has a majority of its assets invested in physical infrastructure referred to in paragraphs (a) to (j) of the definition of infrastructure entity in subclause (6); and
 - (b) the reference relates to the entity.
- (4D) An entity is not an interposed vehicle because of subclause (4C) if:
- (a) either of the following is satisfied:
 - (i) the entity is admitted to the official list of a prescribed financial market or a financial market operated outside of this jurisdiction that is regulated by a foreign government or an agency of a foreign government;
 - (ii) the issuer of the securities or financial products of the entity has applied, or stated in a regulated disclosure that they will apply, for such admission; and
 - (b) the securities or financial products of the entity are, or are to be, held under an investment strategy for the product or investment option that:
 - (i) relates to, or is publicly measured by the responsible person by reference to, a widely used index (reference index) of securities or financial products of entities that satisfy subparagraph (a)(i); and
 - (ii) is a strategy of holding directly or indirectly securities or financial products:
 - (A) of entities that satisfy paragraph (a); and

- (B) that represent at least 80% by value of the net assets attributable to the investment strategy; and
 - (c) the value of all the securities or financial products of the entity that are in the same class as the securities or financial products held under the investment strategy does not exceed 30% of the value of the reference index.
- Note: If paragraphs (a) to (c) are satisfied in relation to an entity, the entity may still be an interposed vehicle because of provisions of clause 101B other than subclause (4C).
- (5) Despite anything in subclauses (1) to (4D), an entity will not be an interposed vehicle in relation to a product or investment option if all of the following apply:
 - (a) the Product Disclosure Statement for the product or an investment option states that a holder of the product may give instructions, directions or requests for financial products to be acquired;
 - (b) the responsible person for the Product Disclosure Statement has published a list of financial products in relation to which the instructions, directions or requests may be given that includes a security or interest in the entity;
 - (c) the arrangement under which the instructions would be acted on is a custodial arrangement as defined in subsection 1012IA(1) of the Act.
- (6) In this clause:

infrastructure entity means an entity that provides a return to its shareholders or members mainly from owning or operating any of the following:

 - (a) airports;
 - (b) electricity generation, transmission or distribution facilities;
 - (c) gas transmission or distribution facilities;
 - (d) hospitals;
 - (e) ports;
 - (f) railways;
 - (g) roads;
 - (h) sewerage facilities;
 - (i) telecommunication facilities;
 - (j) water supply facilities; or
 - (k) other physical infrastructure.