

Tuesday, 11 December 2018

AIST welcomes longer transition period for fee and cost disclosure requirements

The **Australian Institute of Superannuation Trustees (AIST)** has welcomed today's announcement from the **Australian Securities and Investments Commission (ASIC)** that the transition periods for key fee and cost disclosure requirements have been extended.

AIST CEO Eva Scheerlinck said the longer transition periods would provide the industry with the opportunity to ensure the new requirements are consistent across products and therefore meaningful to consumers.

"While a lot of time and effort has already been spent on developing these disclosure requirements, it is clear that more work is needed to get them right," Ms Scheerlinck said. "Improving fee and cost disclosure in superannuation is vitally important both for consumers and regulators, but poor disclosure is not going to help anyone and could lead to serious unintended consequences."

Ahead of upcoming industry consultations following the Darren McShane review of its controversial RG 97 fee and cost disclosure requirements, ASIC has further extended the deadline for PDS disclosure of property operating costs to 29 September 2020. This gives the industry an extra 12 months on the existing – and already once extended – deadline.

Similarly, ASIC has extended the deadline for disclosure on periodic statements. Super funds will be able to continue using the interim arrangements for disclosure of buy/sell spreads, tax deductions and borrowing costs up until 29 June 2020. Similar relief is extended until 29 June 2020 for managed investment schemes.

Ms Scheerlinck said AIST looked forward to working with ASIC on its review of the disclosure requirements.

AIST continues to call on ASIC to:

- Extend the new disclosure requirements to provide transparency and comparability for members of both MySuper and Choice products.
- Provide greater comparability of fund performance, recognising that consumers need a better understanding of the important role of net returns in maximizing their retirement outcome.

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AIST is the peak body for the \$1.3 trillion profit-to-member superannuation sector which includes industry, corporate and public-sector funds.

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