



15 July 2019

RESPONSE: CONSULTATION ON NEW APPLICATION FORM – APPROVAL TO OWN OR CONTROL AN RSE LICENSEE

As a result of changes to the *Superannuation Industry (Supervision) Act 1993* (SIS Act) by the *Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation Measures No. 1) Act 2019*, from 5 July 2019, APRA must approve any acquisition of a stake greater than 15 per cent in an RSE licensee. These new powers enable APRA to consider the suitability of persons seeking to take a controlling stake in an RSE licensee to ensure the applicant in acquiring the stake will not impede the RSE licensee in meeting its fiduciary obligations under the SIS Act.

APRA received four submissions during the consultation period for the draft *Application Form – Approval to own or control an RSE licensee* (application form) and accompanying Instruction Guide. As a result of the feedback received, the application form has been revised to streamline the assessment of changes in directors where the beneficial owner of the shareholding does not change.

In addition, some minor changes were made to the Instruction Guide to provide further clarification including expectations on risk assessments, additional information on the impact of financial resources and clarifying the timing of changes in a director or service provider that may be covered in the application.

At this point, APRA does not intend to provide any examples of scenarios where the 15 per cent controlling stake trigger for approval will be met. Rather, APRA will work with stakeholders to clarify any uncertainties relating to the need to seek approval as well as the information required in any application and the assessment process.

The approved form and instruction guide are now available on the APRA website at: <https://www.apra.gov.au/apply-approval-own-or-control-registrable-superannuation-entity-licensee>.

Yours sincerely,

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