



11 July 2013

Gerald Yip  
Senior Lawyer  
Investment Managers and Superannuation  
Australian Securities and Investments Commission  
Level 24 120 Collins Street  
Melbourne VIC 3001

Email: [feedbackforAMFS@asic.gov.au](mailto:feedbackforAMFS@asic.gov.au)

Dear Mr. Yip,

### **ASX Managed Funds Service: Relief from the application form requirement**

The Self Managed Superannuation Funds Professionals' Association of Australia (SPAA) welcomes the opportunity to make a submission to the Australian Securities and Investments Commission (ASIC) in relation to the proposal to grant relief to ASX Limited from the requirement in section 1016A of the *Corporations Act 2001* (Corporations Act) for its ASX Managed Funds Service (AMFS).

SPAA supports ASIC's proposal to grant class order relief to ASX Limited which would apply to the responsible entities of registered schemes that are transacted through the AMFS. SPAA understands that the relief would exempt AMFS registered schemes from having to comply with the section 1016A product disclosure statement (PDS) requirements but retail investors would still receive the relevant current PDS. We believe this would strike the right balance between consumer protection, and an efficient market mechanism for AMFS registered schemes.

We support this relief on the basis that the AMFS would give self-managed superannuation fund (SMSF) trustees more efficient and less costly access to simple managed investment scheme (MIS) products. It would also allow SMSF investors to consolidate their equity and managed fund holdings through a single CHESS account. We also believe that the AMFS will increase competition in the distribution MIS products, which will lower distribution costs and drive efficiencies for MIS investors.

While there is a risk that SMSF trustees may not be provided with a PDS, we believe that this risk can be adequately managed through an ASX compliance program monitoring the provision of PDSs by AMFS brokers. Furthermore, we believe that any such risk is outweighed by the positives of wider availability of simple MIS products, increased competition and increased efficiency.

Accordingly, SPAA supports ASIC's proposal to grant class order relief to ASX Limited for its AMFS.



### **About SPAA**

SPAA is the peak professional body representing the SMSF sector throughout Australia. SPAA represents professionals, irrespective of their personal membership and professional affiliations, who provide advice to individuals aspiring to higher levels of participation in the management of their superannuation savings. Membership of SPAA is principally accountants, auditors, lawyers, financial planners and other professionals such as actuaries.

SPAA is committed to raising the standard of professional advice and conduct in the SMSF sector by working proactively with Government and the industry. In doing so, SPAA has contributed to SMSF advisors providing a higher standard of advice to SMSF trustees. This in turn has enabled trustees to make more informed decisions addressing the adequacy, sustainability and longevity of their own retirement savings. SMSFs offer trustees greater control and flexibility and have become an integral part of the Australian Superannuation landscape by providing significant and viable options for managers, business owners, executives and retail operators alike.

We would be happy to provide further information or to discuss any questions you may have about this submission with you.

Yours sincerely

Andrea Slattery  
CEO

**Contact Numbers:**  
Tel: (08) 8205 1900

**Mrs. Andrea Slattery**  
Chief Executive Officer

**Mr. Graeme Colley**  
Director, Technical and Professional Standards