



FINANCIAL PLANNING
ASSOCIATION of AUSTRALIA

25 October 2019

Manager
Retirement Income Policy Division
Treasury
Langton Cres
Parkes ACT 2600
Email: superannuation@treasury.gov.au

RE: Remake of sunseting Unclaimed Money and Lost Members regulations

Dear: Sir/Madam

The Financial Planning Association of Australia¹ (FPA) welcomes the opportunity to provide feedback in response to the Treasury consultation on Remake of Sunsetting Unclaimed Money and Lost Members Regulations.

The FPA support the list of conditions of release whereby an account will not be an inactive low balance account and therefore will not be payable to the commissioner. However, we seek clarification on the time frames for meeting the conditions of release of benefits specified within Part 5 of the Exposure Draft of the Superannuation (Unclaimed Money and Lost Members) Regulations 2019. It is noted that some of these conditions of release are "point in time" (e.g. permanent incapacity, retirement, etc.) and other may be considered to be ongoing and provide a regular income stream payment for the member (e.g. attaining preservation age and paying a transition to retirement income stream).

Further, as death is the only condition of release where a benefit payment must be paid, we seek clarification on whether the proposed section Part 5 extend to death benefit income streams as any other benefits would generally have been paid as a lump sum death benefit payment and in this case, have left the superannuation system.

As noted above, the FPA support the proposed conditions of release and requests clarification as soon as possible from the regulator regarding the operation of the conditions of release for the Proposed Part 5 of the Exposure Draft of the Superannuation (Unclaimed Money and Lost Members) Regulations 2019.

If you have any questions, please contact FPA's Head of Policy, Ben Marshan at ben.marshan@fpa.com.au

Yours sincerely,
Ben Marshan CFP® LRS®
Head of Policy and Standards

¹ The Financial Planning Association (FPA) has more than 14,000 members and affiliates of whom 11,000 are practicing financial planners and 5,720 CFP professionals. The FPA has taken a leadership role in the financial planning profession in Australia and globally:

- Our first "policy pillar" is to act in the public interest at all times.
- In 2009 we announced a remuneration policy banning all commissions and conflicted remuneration on investments and superannuation for our members – years ahead of FOFA.
- We have an independent conduct review panel, Chaired by Graham McDonald, dealing with investigations and complaints against our members for breaches of our professional rules.
- The first financial planning professional body in the world to have a full suite of professional regulations incorporating a set of ethical principles, practice standards and professional conduct rules that explain and underpin professional financial planning practices. This is being exported to 26-member countries and the more than 175,570 CFP practitioners that make up the FPSB globally.
- We have built a curriculum with 18 Australian Universities for degrees in financial planning. Since 1st July 2013 all new members of the FPA have been required to hold, or be working towards, as a minimum, an approved undergraduate degree.
- CFP certification is the pre-eminent certification in financial planning globally. The educational requirements and standards to attain CFP standing are equal to other professional bodies, e.g. CPA Australia.
- We are recognised as a professional body by the Tax Practitioners Board.