

EXPLANATORY MEMORANDUM TO UPDATED VERSION OF PROFESSIONAL STANDARD 403 - PREPARATION OF BENEFIT CERTIFICATES

March 2020

1. ABOUT THIS EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared by the Superannuation Practice Committee (SPC) to assist Members in understanding proposed changes to Professional Standard 403 Preparation of Benefit Certificates (PS 403), which relates to preparation of Benefit Certificates under the Superannuation Guarantee (Administration) Act 1992 (Cth) (the SG Act).

As the nature of the changes to PS 403 are not substantive they have not previously been exposed to Members, but were approved by Council as part of an expedited process.

2. CHANGES TO PS 403

The main changes to PS 403 are to align it with current legislation, in particular:

- ▶ To cater for making of the Superannuation Guarantee (Administration) Regulations 2018 (Cth), which replaced the Superannuation Guarantee (Administration) Regulations 1993 (Cth); and
- ▶ To amend Clause 4.1 to reflect the current provisions of Section 10(3) of the SG Act.

Changes have also been made to align PS 403 with the current drafting guidelines for Professional Standards and the new Code of Conduct which is to apply from 31 March 2020.

3. COMMENCEMENT DATE

The updated PS 403 takes effect from 31 March 2020. Accordingly, it will apply to Benefit Certificates issued on or after 31 March 2020.

END OF EXPLANATORY MEMORANDUM