

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID51QW: On 1 January 2020 what was your percentage share and nominal value of your listed and unlisted assets?

Answer: 100% of the assets of the Fund (\$1.546 billion) are invested in listed assets. There are no investments in unlisted assets such as infrastructure, direct property or private equity.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID52QW: On 1 January 2020 did your fund have liquidity issues resulting from honouring obligations to members?

Answer: The Fund has not had any liquidity issues.
All member obligations have been satisfied within agreed performance standards.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID53QW: What write down, if any, has been made to the value of unlisted assets?

Answer: The Fund does not have any unlisted assets.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID54QW: Listed companies holding infrastructure assets have had write downs of around 40 per cent:
a. How does this compare to your write down of unlisted assets?
If there is a difference, why is there a difference?

Answer: The Fund does not hold unlisted assets so this question is not relevant to our circumstances.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

- FID55QW:** Have you had any liquidity issues in honouring your obligations to members as a result of the:
- a. recent decline in the share market?
 - b. permission by the Federal government to allow members to remove up to \$10,000 per financial year if they lose their job?

Answer: The Fund has not had any liquidity issues. All obligations to members have been satisfied within agreed performance standards.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID56QW: What has been the current reduction of the value of your fund, and the unlisted and listed components since 1 January 2020?

Answer:	Date	Market Value of Fund Assets (all listed)
	1/1/20	\$1,564,000,000
	24/4/20	\$1,371,000,000

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID57QW: How many members, affected by COVID-19, have **requested the early release** of their superannuation since 12 March 2020, and to what value?

Please also provide monthly updates on the first of the month for the remainder of 2020 to the secretariat.

Answer: With regard to the existing early release due to financial hardship provisions, the Fund has received no applications in the period 12.3.20 to 1.5.20.

With regard to the recently introduced government initiatives allowing early release, the applications are processed through the ATO. The ATO does not advise of the number of requests but only advises of the approved requests (see FID58QW).

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID58QW: How many members, affected by COVID-19, have **had approved the early release** of their superannuation since 12 March 2020, and to what value?

Please also provide monthly updates on the first of the month for the remainder of 2020 to the secretariat.

Answer: The ATO has notified the Fund of the following approved early releases in the period 12.3.20 to 1.5.20

No. of approvals	= 39
Amount	= \$377,250

There have been no direct approaches (ie not through the ATO) to the Fund due to the existing financial hardship provisions.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID59QW: If some members, affected by COVID-19, have required the early release of their superannuation since 12 March 2020 and not been approved, please provide details of the grounds on which they have not been approved.

Answer: As advised in FID58QW, the ATO does not release any details on applications or reasons for non-approval of these application. The Fund only receives details of approved cases.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID60QW: Liquidity management:

- a. What is your fund's process for complying with APRA's prudential framework which requires trustees to have a liquidity management plan?
- b. How is the plan being reported to the trustee directors?
- c. Who is responsible for the day-to-day liquidity management for the fund?

Answer:

- a. Each member of the fund is advised by a registered Financial Adviser who designs a portfolio specific to the client's needs. With this in mind, the Trustee has designed the fund to offer a wide range of investment options which are, importantly, invested only in readily realisable listed investments. The Trustee has a Liquidity Management Plan which reflects this approach. The Fund has no investment in unlisted illiquid investments. If a member requires a partial payment, that member would advise which assets in their portfolio should be redeemed to fund the payment.
- b. The Trustee is very much aware of the processes and requirements in a. The appointed administrator reports quarterly on liquidity and fund processing. If there was a potential problem with a particular manager the Fund's Investment Committee would be made aware of same for immediate action.
- c. As stated in a. above, each member, in conjunction with their Financial adviser, establishes a portfolio of investments from the Fund's investment options. The Trustee or the administrator do not exercise any control on how that portfolio is structured. Members will advise the administrator of any changes or redemptions from their portfolio, which will be enacted by the administrator by realising specific assets (as advised by the member). As part of this process, the administrator will monitor liquidity.