

Relief to Facilitate Advice About Early Access to Superannuation

Email send by Michael Butler to Advisers - 14 April 2020

ASIC have today released Timely, Simple and Appropriate relief measures to assist advisers who have clients seek advice in regard to the emergency \$10,000 Early release from Superannuation arrangements.

I attach a link to the media release <https://asic.gov.au/about-asic/news-centre/find-a-media-release/2020-releases/20-085mr-asic-grants-relief-to-industry-to-provide-affordable-and-timely-financial-advice-during-the-covid-19-pandemic/>

Essentially the relief allows advisers to provide advice without providing an SoA and simply recording the advice provided as an RoA even though the clients circumstances have changed or where the client does not see their original adviser. ASIC have capped the fee for this advice at \$300 and will conduct surveillance to monitor the advice provided.

All applications must go to the ATO first for Hardship assessment and approval before going to the Superannuation Fund.

This timely relief which whilst not going to the extent of Garry Crole's argument that the Government should subsidise the provision of the advice enables the Adviser to assist these clients in a cost-effective manner.

Other than establishing that the client meets the test and a need for accessing the scheme the further need for undertaking extensive investigation is not required for the RoA.

ASIC have already acted to warn non planning industries about the need to be licensed to provide the advice in regard to the scheme and **we** should be ensuring that clients who seek access to the scheme are doing so out of a genuine need and not to purchase a Flat Screen TV or a new Motor Cycle. These withdrawals now will have a flow-on effect to the client's retirement amounts and should not be undertaken lightly.

If you have any further questions that cannot be answered by referral to the Media Release do not hesitate to contact me.

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