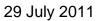
NATIONAL SECRETARIAT

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The Manager Philanthropy and Exemptions Unit Personal and Retirement Income Division The Treasury Langton Crescent PARKES ACT 2600

Dear Sir / Madam

Exposure Draft – Public Ancillary Funds

The TCA is the peak representative body for the trustee corporations industry in Australia.

It represents 16 organisations, comprising all 8 regional Public Trustees and the great majority of the 11 private licensed trustee company groups.

Those entities and the 3 private licensed trustee companies which are not TCA members make up the trustee corporations industry.

TCA members provide a wide range of financial services to individual, family and corporate clients, including the management of over 2,000 charitable trusts or foundations with assets of around \$3.3b.

We are pleased to have the opportunity to comment on the exposure draft of the legislation in relation to the new regulatory framework for public ancillary funds (PuAFs).

We later will be providing a separate submission on the proposed guidelines for PuAFs.

Comments

Our only comments on the exposure draft relate to the terminology used in the draft and in the associated explanatory materials.



Trustee Corporations Association of Australia

ANZ Trustees

Australian Executor Trustees

Equity Trustees

National Australia Trustees

New South Wales Trustee and Guardian

Perpetual

Public Trustee for the Australian Capital Territory

Public Trustee for the Northern Territory

The Public Trustee of Queensland

> Public Trustee South Australia

The Public Trustee Tasmania

Public Trustee Western Australia

Sandhurst Trustees

State Trustees Victoria

Tasmanian Perpetual Trustees

The Trust Company

Paragraph 1.29 of the explanatory materials indicates that 'professional trustee corporations' would be considered constitutional corporations.

Paragraph 1.46 refers to directors of 'registered trustee companies' in relation to administrative penalties.

We assume that both of those descriptions are meant to refer to 'licensed trustee companies', being entities which hold Australian financial services licences authorising them to provide traditional trustee company services within the meaning of Chapter 5D of the *Corporations Act.*

On that basis, we suggest that item 20 of the exposure draft be amended to read:

20 Subparagraph 426-120(2)(b)(ii) in Schedule 1

Omit "not a registered trustee company", substitute "neither a licensed trustee company nor the Public Trustee of a State or Territory".

Yours faithfully

has Ellis

Ross Ellis Executive Director