

**Answer to question on notice and in writing:**

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS**

**AUSTRALIA'S FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS:  
SUPERANNUATION SECTOR**

**APRA-S04QW:**

Does APRA consider that penalties should be lower for superannuation funds where there is a risk that a penalty would make the trustee insolvent?

**Answer:**

No. Enforcement plays an important role in deterring misconduct and no trustee should be treated differently.

APRA does not determine the penalty for criminal or civil matters, these penalties are decided by the court.

In any court action where the court is requested to impose a penalty on a trustee, APRA's submissions about an appropriate penalty are informed by a range of factors, most importantly, the severity of the breach giving rise to the penalty sought.