

Attachment to CP 253: Draft instrument



ASIC

Australian Securities & Investments Commission

ASIC Corporations (Disclosure in Dollars) Instrument 2016/XX

I, <insert name>, delegate of the Australian Securities and Investments Commission, make the following legislative instrument.

Date 2016

<signature>

<insert name>

Contents

Part 1—Preliminary	3
1 Name of legislative instrument.....	3
2 Commencement	3
3 Authority.....	3
4 Definitions	3
Part 2—Exemptions	4
5 Costs of the financial product.....	4
6 Non-monetary benefits or interests.....	4
7 Foreign currency amounts	5
8 Exclusion from reliance on this instrument.....	6

Part 1—Preliminary

1 Name of legislative instrument

This instrument is *ASIC Corporations (Disclosure in Dollars) Instrument 2016/XX*.

2 Commencement

This instrument commences on the day after it is registered on the Federal Register of Legislative Instruments.

Note: The register may be accessed at www.comlaw.gov.au.

3 Authority

This instrument is made under subsections 951B(1) and 1020F(1) of the *Corporations Act 2001*.

4 Definitions

In this instrument:

Act means the *Corporations Act 2001*.

providing entity has the meaning given in section 944A of the Act.

responsible person has the meaning given in subsection 1013A(3) of the Act.

warrant has the meaning given by subregulation 1.0.02(1) of the *Corporations Regulations 2001*.

Part 2—Exemptions

5 Costs of the financial product

Product Disclosure Statements: General insurance and life risk insurance

- (1) A responsible person for a Product Disclosure Statement for a general insurance product or life risk insurance product does not have to comply with paragraph 1013D(1)(m) of the Act in relation to information to be disclosed in accordance with paragraph 1013D(1)(d) of the Act in the Statement other than information about any excess or deductible (however described) that applies in relation to a claim under such a financial product.

Product Disclosure Statements: Derivatives, foreign exchange and warrants

- (2) A responsible person for a Product Disclosure Statement for a derivative, foreign exchange contract or warrant does not have to comply with paragraph 1013D(1)(m) of the Act in relation to information to be disclosed in accordance with paragraph 1013D(1)(d) of the Act in the Statement.

Circumstances where the exemptions apply

- (3) An exemption in subsection (1) or (2) is only available where the Product Disclosure Statement for the financial product specifies any significant factors that will affect the cost of acquiring the product and includes an explanation of the impact of each of those factors on the cost of acquiring the product.

6 Non-monetary benefits or interests

Statements of Advice

- (1) A providing entity does not have to comply with paragraphs 947B(2)(h), 947C(2)(i) and 947D(2)(d) of the Act in relation to information about non-monetary benefits or interests to be disclosed in accordance with paragraph 947B(2)(d), subparagraph 947B(2)(e)(i), paragraph 947C(2)(e), subparagraph 947C(2)(f)(i) and paragraph 947D(2)(a) of the Act in a Statement of Advice.
- (2) The exemptions in subsection (1) are only available where the Statement of Advice includes the following information about the non-monetary benefit or interest:
 - (a) the nature and extent of the non-monetary benefit or interest;

- (b) for non-monetary benefits or interests which may be provided or that may arise in the future—the circumstances in which the non-monetary benefit or interest may be provided or may arise;
- (c) the estimated value of the non-monetary benefit or interest (expressed as an amount in dollars or a range of amounts in dollars) where a retail client would reasonably require such an estimated value for the purposes of deciding whether to act on the advice provided.

Product Disclosure Statements

- (3) A responsible person for a Product Disclosure Statement does not have to comply with paragraph 1013D(1)(m) of the Act in relation to information concerning non-monetary benefits to be disclosed in the Statement in accordance with paragraph 1013D(1)(b) of the Act.
- (4) The exemption in subsection (3) is only available where the Statement includes the following information:
 - (a) the nature and extent of the non-monetary benefit;
 - (b) for non-monetary benefits which may be provided or that may arise in the future—the circumstances in which the non-monetary benefit may be provided or may arise;
 - (c) the estimated value of the non-monetary benefit (expressed as an amount in dollars or a range of amounts in dollars) in cases where a retail client would reasonably require such an estimated value for the purposes of deciding whether to acquire the financial product.

7 Foreign currency amounts

Statements of Advice

- (1) A providing entity does not have to comply with paragraphs 947B(2)(h), 947C(2)(i) and 947D(2)(d) of the Act to the extent that those provisions require an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a Statement of Advice.

Product Disclosure Statements and periodic statements

- (2) A responsible person does not have to comply with paragraph 1013D(1)(m) and subsection 1017D(5A) of the Act to the extent that those provisions require an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a Product Disclosure Statement or a periodic statement.

8 Exclusion from reliance on this instrument

A person cannot rely on an exemption in section 5 or 6 from a date if ASIC has given the person a notice in writing stating that the person cannot rely on the exemption from the date and the notice has not been withdrawn by ASIC.