



ASIC

Australian Securities & Investments Commission

CONSULTATION PAPER 274

Remaking ASIC class orders on application form requirements

November 2016

About this paper

This consultation paper sets out ASIC's proposals to remake our class orders on the application form requirements under Div 2 of Pt 7.9 and Pt 6D.2 of the *Corporations Act 2001*. Under the *Legislation Act 2003*, these class orders will expire ('sunset') if not remade.

We are seeking feedback from the financial services industry on our proposals to remake, with changes, as a single new instrument:

- [CO 02/260], [CO 02/262] and [CO 07/10] (paragraphs 4 and 8), which sunset on 1 April 2017; and
- [CO 02/437], which sunsets on 1 October 2017.

We are also seeking feedback on our proposals to incorporate ASIC Corporations (Options: Bonus Issues) Instrument 2016/77 and [CO 14/26] into the new instrument.

Note: The draft ASIC instrument is available on our website at www.asic.gov.au/cp under CP 274.

About ASIC regulatory documents

In administering legislation ASIC issues the following types of regulatory documents.

Consultation papers: seek feedback from stakeholders on matters ASIC is considering, such as proposed relief or proposed regulatory guidance.

Regulatory guides: give guidance to regulated entities by:

- explaining when and how ASIC will exercise specific powers under legislation (primarily the Corporations Act)
- explaining how ASIC interprets the law
- describing the principles underlying ASIC's approach
- giving practical guidance (e.g. describing the steps of a process such as applying for a licence or giving practical examples of how regulated entities may decide to meet their obligations).

Information sheets: provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Reports: describe ASIC compliance or relief activity or the results of a research project.

Document history

This paper was issued on 25 November 2016 and is based on the Corporations Act as at the date of issue.

Disclaimer

The proposals, explanations and examples in this paper do not constitute legal advice. They are also at a preliminary stage only. Our conclusions and views may change as a result of the comments we receive or as other circumstances change.

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The consultation process

You are invited to comment on the proposals in this paper, which are only an indication of the approach we may take and are not our final policy.

As well as responding to the specific proposals and questions, we also ask you to describe any alternative approaches you think would achieve our objectives.

We are keen to fully understand and assess the financial and other impacts of our proposals and any alternative approaches. Therefore, we ask you to comment on:

- the likely compliance costs;
- the likely effect on competition; and
- other impacts, costs and benefits.

Where possible, we are seeking both quantitative and qualitative information.

We are also keen to hear from you on any other issues you consider important.

Your comments will help us develop our policy on application form relief. In particular, any information about compliance costs, impacts on competition and other impacts, costs and benefits will be taken into account if we prepare a Regulation Impact Statement: see Section C, 'Regulatory and financial impact'.

Making a submission

You may choose to remain anonymous or use an alias when making a submission. However, if you do remain anonymous we will not be able to contact you to discuss your submission should we need to.

Please note we will not treat your submission as confidential unless you specifically request that we treat the whole or part of it (such as any personal or financial information) as confidential.

Please refer to our privacy policy at www.asic.gov.au/privacy for more information about how we handle personal information, your rights to seek access to and correct personal information, and your right to complain about breaches of privacy by ASIC.

Comments should be sent by 2 January 2017 to:

Dulce Asensi
Investment Managers and Superannuation
Australian Securities and Investments Commission
Level 7, 120 Collins Street
Melbourne VIC 3001
email: dulce.asensi@asic.gov.au
facsimile: + 61 3 9280 3541

What will happen next?

Stage 1	25 November 2016	ASIC consultation paper released
Stage 2	2 January 2017	Comments due on the consultation paper
Stage 3	By 1 April 2017	Commencement of remade instrument

A Background

Key points

Legislative instruments, such as class orders, are repealed automatically, or 'sunset', after 10 years, unless action is taken to exempt or preserve them. We will consult on all sunseting legislative instruments that have more than a minor or machinery regulatory impact.

Purpose of 'sunseting' legislative instruments

- 1 Under the Legislation Act, legislative instruments cease automatically, or 'sunset', after 10 years, unless action is taken to exempt or preserve them. Section 50(1) repeals a legislative instrument on either 1 April or 1 October—whichever date occurs first on or after the 10th anniversary of its registration on the Federal Register of Legislation (FRL). Repeal does not undo the past effect of the instrument.
- 2 To preserve its effect, a legislative instrument, such as a class order, must be remade before the sunset date. The purpose of sunseting is to ensure that instruments are kept up to date and only remain in force while they are fit for purpose.

Our approach to remaking legislative instruments

- 3 If it is necessary to remake a legislative instrument, our focus is on making it clear and user friendly. We will also, where possible, simplify and rationalise its content and conditions. For example, we will remove or reduce an obligation or burden in a legislative instrument if we are able to do so without undermining ASIC's priorities of promoting investor and consumer trust and confidence and ensuring fair and efficient markets.
- 4 We will consult affected stakeholders on all ASIC legislative instruments that have more than a minor or machinery regulatory impact, and are subject to sunseting, to ensure:
 - (a) we are able to carefully consider the continuing regulatory and financial impact of the instrument; and
 - (b) the instrument retains its effectiveness in addressing an identified issue or problem.
- 5 Generally, a Regulation Impact Statement (RIS) is required for new and amended policy that has a significant regulatory impact: see the [Australian Government Guide to Regulation](#). We will review, including public

consultation, all class orders that have a significant regulatory impact before the scheduled sunset date. Where our review finds that a class order is not operating effectively and efficiently, we will prepare a RIS to assess any proposed changes to the class order that are not minor and machinery. Where the class order is operating effectively and efficiently, we will remake the instrument without substantive changes.

B Remaking and consolidating ASIC legislative instruments

Key points

We are proposing to remake, as a single new instrument, the following class orders:

- Class Order [CO 02/260] *Product Disclosure Statements: Application forms created by a licensee*, which sunsets on 1 April 2017;
- Class Order [CO 02/262] *Applications to switch managed investment products*, which sunsets on 1 April 2017;
- Class Order [CO 07/10] *Technical disclosure relief for reconstructions and capital reductions* (paragraphs 4 and 8), which sunsets on 1 April 2017; and
- Class Order [CO 02/437] *Eligible applications: Relief from s1016A for managed investment products*, which sunsets on 1 October 2017.

We have formed the preliminary view that these class orders are operating effectively and efficiently, and continue to form a useful part of the legislative framework. The class orders have been redrafted using ASIC's current style and format, while preserving the current effect of the instruments, except as indicated in this section.

We are also proposing to consolidate all relief from the application form requirements by incorporating the following into the new instrument:

- ASIC Corporations (Options: Bonus Issues) Instrument 2016/77; and
- Class Order [CO 14/26] *Personalised or Australian financial services licensee created application forms*.

The draft ASIC instrument is available at www.asic.gov.au/cp under CP 274.

Your feedback

- 6 In this section, we have invited specific feedback on proposed changes. However, you are invited to comment on our proposals in this section, including whether the class orders that we are proposing to remake are currently operating effectively and efficiently. The proposals are only an indication of the approach we may take and are not our final policy.

Class Order [CO 02/260] *Product Disclosure Statements: Application forms created by a licensee*

Background

- 7 Under s1016A(2) of the *Corporations Act 2001* (Corporations Act), the issue or sale of a financial product to a retail client can only be made with an application form that was included in, or accompanied, a current Product Disclosure Statement (PDS) that was given to the retail client.
- 8 [CO 02/260] permits responsible entities of registered managed investment schemes (schemes) to issue a managed investment product to retail clients using an application form prepared and partly completed by an Australian financial services (AFS) licensee (licensee form), if the responsible entity has ‘reasonable grounds’ to believe that the form was distributed or made available with a PDS for the interest.
- 9 [CO 02/260] allows for an alternative means by which retail clients can apply for an interest in a scheme other than in the manner prescribed under s1016A, without compromising its policy objective to ensure that a retail client is given a current PDS before they are issued with an interest in a scheme.
- 10 Similar relief is given under Class Order [CO 14/26] *Personalised or Australian financial services licensee created application forms* to allow offerors of securities to issue or transfer securities in response to an application form that has been:
- (a) personalised by an AFS licensee for an applicant—this relief overcomes any concerns about the personalised application form not being one that is distributed by the offeror or not being copied or directly derived from such a form by the applicant; or
 - (b) created by an AFS licensee—this relief overcomes any concerns about an application form created by a licensee not being one that is distributed by the offeror or not being copied or directly derived from such a form by the applicant.

Proposal

- B1** To preserve its effect beyond the sunset date of 1 April 2017, we propose to continue the relief currently given by [CO 02/260] in a new legislative instrument that reflects current drafting practice, with changes: see draft ASIC Corporations (Application Form Requirements) Instrument 2016/XX attached to this consultation paper. You can access the current instrument at www.legislation.gov.au by clicking on the following direct link: [\[CO 02/260\]](#).

The only changes proposed are to:

- (a) combine the class order with the other legislative instruments in this section and update the name of the legislative instrument;
- (b) remove conditions that impose:
 - (i) additional requirements when a PDS or application form is given electronically, or for the provision of a paper copy of the PDS or application form, in line with our technologically neutral approach to disclosure in [Regulatory Guide 221](#) *Facilitating digital financial services disclosures* (RG 221);
 - (ii) a requirement that the licensee form contain all the information in the application form that is in the current PDS;
 - (iii) record-keeping obligations; and
 - (iv) obligations on the issuers concerning statements or warnings in the application;
- (c) reflect current drafting practice and update the format of the current document;
- (d) simplify the drafting to give greater clarity;
- (e) update legislative references and definitions; and
- (f) correct any minor drafting errors.

Rationale

- 11 We have formed the preliminary view that [CO 02/260] is operating effectively and efficiently, and continues to form a useful part of the legislative framework. We are not aware of any issues with the current operation of this class order.

Removal of conditions

- 12 We are proposing to remove the conditions of the relief in line with our technologically neutral approach to disclosure in RG 221 and because we consider that the protections provided by the conditions are adequately addressed by the general obligations of AFS licensees.
- 13 We are of the view that the removal of the conditions will not compromise the policy objectives of s1016A(2) of the Corporations Act.

Class Order [CO 02/262] Applications to switch managed investment products

Background

- 14 [CO 02/262] allows a responsible entity to issue an interest in a scheme without complying with s1016A if a member of a scheme redeems an interest in the scheme and uses the proceeds to acquire interests in another

scheme, where both schemes are operated by the same responsible entity (also known as ‘switching’).

- 15 The relief applies when the investor has received a PDS (including a Short-Form PDS or supplementary PDS) that:
- (a) describes the switching arrangement;
 - (b) describes how and when a copy of the current PDS and any statement about withdrawal rights will be provided; and
 - (c) states that a copy of the current PDS is available free of charge on request by the retail client.
- 16 This condition was intended to assist a retail client in case the PDS that was received previously has been lost. This gives that person an opportunity to receive the information and, if desired, obtain advice before making the switch.
- 17 [CO 02/262] also exempts responsible entities from compliance with s1016E because it already makes particular provision for the treatment of applications made pursuant to a defective PDS.
- 18 [CO 02/262] requires that the switch be under a written arrangement between the member and the responsible entity. The member may enter the arrangement by exercising the right to switch if the responsible entity has previously set out in writing the terms of the arrangement. This must be in the PDS.
- 19 We have given relief on the basis that the retail client has been given a PDS for the interest in the scheme into which their investment is being switched because we consider members of another scheme operated by the same responsible entity:
- (a) should be treated as having the same information needs as new investors, including receiving information about the relevant scheme that complies with s1012J, 1013C and 1013D; and
 - (b) should have the same civil remedies when applying for interests as other investors, which means they should receive information in a PDS, or that would give them the same rights as if the information was in a PDS; and
 - (c) should not be locked into their decision to acquire an interest in the other scheme where there is a change in the information in the PDS that is materially adverse from the point of view of a retail client.

Proposal

- B2** To preserve its effect beyond the sunset date of 1 April 2017, we propose to continue the relief currently given by [CO 02/262] in a new legislative instrument that reflects current drafting practice, with

changes: see draft ASIC Corporations (Application Form Requirements) Instrument 2016/XX attached to this consultation paper. You can access the current instrument at www.legislation.gov.au by clicking on the following direct link: [\[CO 02/262\]](#).

The changes proposed are to:

- (a) combine the class order with the other legislative instruments in this section and update the name of the legislative instrument;
- (b) remove conditions that:
 - (i) impose record-keeping obligations;
 - (ii) impose content requirements on the PDS; and
 - (iii) require that the information about the switching arrangement be in the PDS;
- (c) limit the relief to interests in schemes and not broadly to managed investment products;
- (d) simplify the requirements relating to giving a PDS and information relating to the switching arrangement to members in paragraph 1 of [CO 02/262] by also allowing the PDS to be made available by a nominated electronic means;

Note: 'Nominated electronic means' is defined in s761A (as notionally inserted by [ASIC Corporations \(Facilitating Electronic Delivery of Financial Services Disclosure\) Instrument 2015/647](#)).

- (e) remove the requirement under paragraph 4 of [CO 02/262] where the PDS that was provided at the time of the switch request was defective and apply the general provisions that apply to financial products under s1016E;
- (f) extend the relief to include a member-approved switching arrangement where:
 - (i) the arrangement has been entered into as a result of members voting in favour of a resolution to approve the arrangement at a members' meeting; and
 - (ii) under the arrangement all members will switch all or part of their interests to interests in another scheme operated by the responsible entity or a related body corporate;
- (g) extend the relief to allow switching between products issued by a responsible entity and its related body corporate;
- (h) reflect current drafting practice and update the format of the current document;
- (i) simplify the drafting to give greater clarity;
- (j) update legislative references and definitions; and
- (k) correct any minor drafting errors.

Your feedback

B2Q1 Should the relief be limited to interests in schemes and not broadly to managed investment products as set out in proposal B2(c)? Please provide reasons for your response.

- B2Q2 Do you agree with the simplified requirements set out in proposals B2(d) and B2(e)? Please provide reasons for your response.
- B2Q3 Should the relief be extended to a member-approved switching arrangement as set out in proposal B2(f)? Please provide reasons for your response.
- B2Q4 Should the relief be extended to switching between products issued by a responsible entity and its related body corporate as set out in proposal B2(g)? Please provide reasons for your response.
- B2Q5 As an alternative to proposal B2(g), should any extension be limited to where there is a single PDS relating to the schemes in accordance with [Class Order \[CO 03/1092\]](#) *Further relief for joint Product Disclosure Statements*? Please provide reasons for your response.

Rationale

- 20 We have formed the preliminary view that in general terms [CO 02/262] is operating effectively and efficiently, and continues to form a useful part of the legislative framework. We are not aware of significant issues with the current operation of this class order.

Removal of conditions

- 21 We are proposing to remove the conditions of the relief as set out in proposal B2(b) in line with our technologically neutral approach to disclosure in RG 221 and our approach to reducing regulatory burdens.
- 22 We are of the view that the removal of the conditions will not compromise the policy objectives of s1016A(2) of the Corporations Act.

Limiting relief to interests in schemes

- 23 We are seeking your views on our proposal to limit our relief to interests in schemes as set out in proposal B2(c). We have narrowed the relief in the understanding that switching arrangements only occur between schemes and not broadly across managed investment products (e.g. options to acquire interests in registered managed investment schemes).

Simplifying relief

- 24 We are seeking your views on our proposal to simplify the relief as set out in proposal B2(d). We have simplified the requirements in line with our technologically neutral approach to disclosure in RG 221.

Removal of the exemption from s1016E

25 At the time a PDS is given it must be up to date and not defective, subject to any other relief that may apply. If at the time that a switch may be acted on the PDS that had been given at the time of the switch request is or has become defective in a way that is materially adverse to the retail client, s1016E(2) generally sets out the options available to the responsible person for the PDS. In proposal B2(e), we are proposing to remove the conditions relating to the treatment of applications made under a defective PDS and instead apply the general provisions under s1016E.

26 The responsible entity may choose not to proceed with the switch or it may choose to proceed after it has:

- (a) given corrective disclosure in a PDS or supplementary PDS; and
- (b) provided the retail client with a month to consider the disclosure.

27 In addition, under s1016E(2)(c), in contrast to condition 4 in [CO 02/260], the responsible entity can instead choose to proceed to give effect to the switch without delay after it provides the corrective disclosure. In that case, under s1016E(2)(c)(ii) if the retail client opts not to proceed within a month after receiving the disclosure the client must be repaid either in money or, if the client agrees, by issue of an interest in the scheme from which the switch occurs.

Extension of relief to member-approved switching arrangements

28 We are seeking your views on our proposal to extend our relief to cover a member-approved switching arrangement as set out in proposal B2(f). We have previously given case-by-case relief from s1016A(2) in these circumstances. We consider that application forms are inappropriate when interests in a scheme are issued as a result of a vote by members on a switching arrangement.

Extension of relief for switching between related bodies corporate

29 We are seeking your views on our proposal to extend our relief to allow switching between managed investment schemes issued by product issuers who are related bodies corporate (and continue to be related bodies corporate) as set out in proposal B2(g). We are also seeking your views on whether, as an alternative, relief should only be extended to switching between schemes in a single PDS in accordance with [CO 03/1092].

Class Order [CO 07/10] *Technical disclosure relief for reconstructions and capital reductions* (paragraphs 4 and 8)

Background

- 30 Among other things, [CO 07/10] gives relief in the context of a reconstruction from:
- (a) s723(1)—if an offer of securities needs a disclosure document, the securities may only be issued or transferred in response to an application form;
 - (b) s734(2)—if an offer, or intended offer, needs a disclosure document, a person must not advertise the offer or publish a statement that refers to the offer or is reasonably likely to induce people to apply for the securities; and
 - (c) s1016A(2)—a person must only make a restricted issue or sale of a relevant financial product to a person if the issue or sale is made pursuant to an eligible application.
- 31 A reconstruction is a compromise or arrangement that:
- (a) is between a foreign company and its members or any class of them and is reasonably believed by the offeror to be regulated by or under a law that is in force in, or in a part of, an eligible foreign country; or
 - (b) relates to a scheme and is between the responsible entity of the scheme and the members of the scheme or any class of them.
- 32 A capital reduction offer may be under Ch 2J.1 or a foreign capital reduction offer as defined in [CO 07/10].
- 33 This relief means that an application form is not required and any advertisement referring to the securities does not need to state that an application form is required.
- 34 We consider that application forms are inappropriate when securities or interests are issued or transferred as a result of a vote by members on a reconstruction or capital reduction.

Proposal

- B3** To preserve its effect beyond the sunset date of 1 April 2017, we propose to continue the relief currently given in paragraphs 4 and 8 of [CO 07/10] in a new legislative instrument that reflects current drafting practice, with changes: see draft ASIC Corporations (Application Form Requirements) Instrument 2016/XX attached to this consultation paper. You can access the current instrument at www.legislation.gov.au by clicking on the following direct link: [\[CO 07/10\]](#).

Note: The relief in paragraph 9 of [CO 07/10] was consulted on in [Consultation Paper 255](#) *Remaking ASIC class orders on financial services disclosure*

requirements (CP 255) and no submissions were received. As such, the new legislative instrument remaking the relief in paragraph 9 of [CO 07/10] is expected to be executed before 1 April 2017.

The only changes proposed are to:

- (a) combine paragraphs 4 and 8 with the other legislative instruments in this section;
- (b) extend the relief to cover securities and financial products that are sold under a compromise or arrangement;
- (c) reflect current drafting practice and update the format of the current document;
- (d) simplify the drafting to give greater clarity;
- (e) update legislative references and definitions; and
- (f) correct any minor drafting errors.

Rationale

- 35 We have formed the preliminary view that paragraphs 4 and 8 of [CO 07/10] are operating effectively and efficiently and continue to form a useful part of the legislative framework. We are not aware of significant issues with the current operation of paragraphs 4 and 8 of this class order.

Extension of relief

- 36 We have previously given case-by-case relief similar to the relief in paragraphs 4 and 8 of [CO 07/10] where the proposal under compromise or arrangement does not technically satisfy the definition of an offer in s1010C because the transfer is automatic or done by way of an in-specie distribution as a result of the vote on the compromise or arrangement. We consider that the relief should cover this circumstance because the same policy basis applies.

Class Order [CO 02/437] Eligible applications: Relief from s1016A for managed investment products

Background

- 37 [CO 02/437] exempts a responsible entity from s1016A(2)(a), in relation to reg 7.9.74(1)(b) of the Corporations Regulations 2001, to the extent that the eligible application form to subscribe for an interest in a scheme must include the applicant's date of birth, provided that the application form states that the person is at least 18 years of age.

- 38 [CO 02/437] was intended to address privacy concerns in disclosing an applicant's date of birth in an application form to subscribe to interests in a scheme.

Proposal

- B4** To preserve its effect beyond the sunset date of 1 October 2017, we propose to continue the relief currently given by [CO 02/437] in a new legislative instrument that reflects current drafting practice, with changes: see draft ASIC Corporations (Application Form Requirements) Instrument 2016/XX attached to this consultation paper. You can access the current instrument at www.legislation.gov.au by clicking on the following direct link: [\[CO 02/437\]](#).

The only changes proposed are to:

- (a) combine the class orders with the other legislative instruments in this section and update the name of the legislative instrument;
- (b) reflect current drafting practice and update the format of the current document;
- (c) simplify the drafting to give greater clarity;
- (d) update legislative references and definitions, if needed; and
- (e) correct any minor drafting errors.

Rationale

- 39 We have formed the preliminary view that [CO 02/437] is operating effectively and efficiently, and continues to form a useful part of the legislative framework. We are not aware of significant issues with the current operation of this class order.

ASIC Corporations (Options: Bonus Issues) Instrument 2016/77

Background

- 40 ASIC Corporations (Options: Bonus Issues) Instrument 2016/77 gives relief from s723(1) of the Corporations Act to a body in relation to a pro-rata bonus offer of options of the body to the extent that it only permits an issue of the options in response to an application form included in or accompanied by a disclosure document.

Proposal

- B5** We propose to:
- (a) combine ASIC Corporations (Options: Bonus Issues) Instrument 2016/77 with the other legislative instruments in this section (see draft ASIC Corporations (Application Form

Requirements) Instrument 2016/XX attached to this consultation paper. You can access the current instrument at www.legislation.gov.au by clicking on the following direct link: [ASIC Corporations \(Options: Bonus Issues\) Instrument 2016/77](#)); and

- (b) expand the relief to include a bonus issue of an interest in a scheme, where the interest forms part of stapled securities and shares in a body that also forms part of the stapled securities.

Rationale

- 41 We are proposing to consolidate all of our relief from the application form requirements in the one instrument for ease of reference.
- 42 We are also proposing to include in the relief the bonus issue of an interest in a scheme, where the interest forms part of stapled securities and shares in a body that also forms part of the stapled securities. We have previously given case-by-case relief in this circumstance and consider that the underlying principles supporting relief apply.

Class Order [CO 14/26] *Personalised or Australian financial services licensee created application forms*

Background

- 43 [CO 14/26] allows offerors of securities to issue or transfer securities in response to an application form that has been:
 - (a) personalised by an AFS licensee for an applicant; or
 - (b) created by an AFS licensee.

Proposal

- B6** We propose to combine [CO 14/26] with the other legislative instruments in this section: see draft ASIC Corporations (Application Form Requirements) Instrument 2016/XX attached to this consultation paper. You can access the current instrument at www.legislation.gov.au by clicking on the following direct link: [\[CO 14/26\]](#).

Rationale

- 44 We are proposing to consolidate all of our relief from the application form requirements in the one instrument for ease of reference.

C Regulatory and financial impact

45 In developing the proposals in this paper, we have carefully considered their regulatory and financial impact. On the information currently available to us we think they will strike an appropriate balance between:

- (a) reducing the regulatory burden on AFS licensees and corporations in relation to application forms; and
- (b) providing adequate regulatory safeguards to ensure retail clients receive appropriate financial product disclosure.

46 Before settling on a final policy, we will comply with the Australian Government's regulatory impact analysis (RIA) requirements by:

- (a) considering all feasible options, including examining the likely impacts of the range of alternative options which could meet our policy objectives;
- (b) if regulatory options are under consideration, notifying the Office of Best Practice Regulation (OBPR); and
- (c) if our proposed option has more than minor or machinery impact on business or the not-for-profit sector, preparing a Regulation Impact Statement (RIS).

47 All RISs are submitted to the OBPR for approval before we make any final decision. Without an approved RIS, ASIC will not give relief or make any other form of regulation, including issuing a regulatory guide that contains regulation.

48 To ensure that we are in a position to properly complete any required RIS, please give us as much information as you can about our proposals or any alternative approaches, including:

- (a) the likely compliance costs;
- (b) the likely effect on competition; and
- (c) other impacts, costs and benefits.

See 'The consultation process', p. 6.

Key terms

Term	Meaning in this document
AFS licence	An Australian financial services licence under s913B of the Corporations Act that authorises a person who carries on a financial services business to provide financial services Note: This is a definition contained in s761A.
AFS licensee	A person who holds an AFS licence under s913B of the Corporations Act Note: This is a definition contained in s761A.
ASIC	Australian Securities and Investments Commission
[CO 14/26] (for example)	An ASIC class order (in this example numbered 14/26) Note: Legislative instruments made from 2015 are referred to as ASIC instruments.
Corporations Act	<i>Corporations Act 2001</i> , including regulations made for the purposes of that Act
Corporations Regulations	Corporations Regulations 2001
Product Disclosure Statement (PDS)	A document that must be given to a retail client in relation to the offer or issue of a financial product in accordance with Div 2 of Pt 7.9 of the Corporations Act Note: See s761A for the exact definition.
reg 7.9.74(1)(b)	A regulation of the Corporations Regulations (in this example numbered 7.9.74(1)(b)), unless otherwise specified
retail client	A retail client as defined in s761G of the Corporations Act and Div 2 of Pt 7.1 of Ch 7 of the Corporations Regulations
RIS	Regulation Impact Statement
s25 (for example)	A section of the Corporations Act (in this example numbered 25), unless otherwise specified
scheme	A managed investment scheme that is registered under s601EB of the Corporations Act
Short-Form PDS	A PDS that complies with the requirements set out in Div 3A of Pt 7.9 of the Corporations Act, which were introduced by the Corporations Amendment Regulations 2005 (No. 5), and which provide issuers with the option of giving retail clients a Short-Form PDS (unless excluded) as long as a full PDS is available on request: see s1017H as inserted by Sch 10BA of the Corporations Regulations
sunsetting	The practice of specifying a date at which a given regulation or legislative instrument will cease to have effect