ASIC Royal Commission implementation update

September 2019
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Overview

This update sets out ASIC’s work and planned actions in relation to the recommendations and areas of concern identified by the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Financial Services Royal Commission (FSRC)). This follows an update published on 19 February 2019.

ASIC released its Corporate Plan (2019–23) on 28 August 2019. Our seven priorities for 2019–20 are aligned with addressing the FSRC’s recommendations and taking action in the areas highlighted by the FSRC. The priorities are:

- high-deterrence enforcement action;
- prioritising the recommendations and referrals from the Royal Commission;
- delivering as a conduct regulator for superannuation;
- addressing harms in insurance;
- improving governance and accountability;
- protecting vulnerable consumers; and
- addressing poor financial advice outcomes.

ASIC has dedicated resources to investigating the referrals from the FSRC and the case studies that came before the FSRC. Some of these were matters that ASIC was already investigating at the time of the FSRC. An update on enforcement is provided in Section 1.

As part of ASIC’s strategic change program and strengthened governance arrangements, we have established an Office of Enforcement. It is leading the application of our ‘Why not litigate?’ operational discipline to our enforcement approach. As well, ASIC’s more intensive supervisory programs and activities are targeting thematic and sectoral risks. Our actions in these areas are set out in Section 2.

ASIC is continuing its work in the areas and sectors examined by the FSRC. These activities are summarised in Section 3. Our work over the past six months includes:

- taking action on FSRC recommendations directed at ASIC;
- supporting the Government’s legislative reform agenda;
- implementing reforms that have been passed by Parliament, including through regulatory guidance; and
- using our regulatory tools (including new regulatory tools recently passed by Parliament) to seek change where we identify concerning practices that can cause consumer harm, including in advance of legislative reform.
1. Update on enforcement

FSRC referrals and case studies

ASIC has dedicated resources to FSRC referrals and related matters within the Office of Enforcement (see Section 2 for information about the Office of Enforcement). This dedicated enforcement program has an enhanced focus on contraventions of the financial services and credit laws by a range of financial institutions including ANZ, CBA, NAB Westpac (the major banks) and AMP, superannuation trustees and insurers.

The FSRC made 13 referrals to ASIC. All referrals are under investigation and one is also in litigation.

The FSRC also examined a number of case studies. From these case studies, ASIC has 29 investigations underway (some with external counsel involvement). Four matters are before the court (Select AFSL, Dover and two matters relating to NAB), another two matters are being considered by the Commonwealth Director of Public Prosecutions (CDPP) for potential criminal action.

Prior to and during the FSRC, ASIC already had a number of referrals and case studies under investigation. We have 17 case studies under review to determine if investigations are warranted or enforcement action is available to ASIC.

As at 31 July 2019, within this dedicated enforcement program, there were 88 enforcement investigations and 17 court actions underway. Of these, 86 relate to the major banks and AMP, and their subsidiaries. In addition, 59 individuals are the subject of investigation and eight individuals were the subject of court action. A total of 82 outcomes had been achieved, including criminal, civil and administrative actions, and court enforceable undertakings.

ASIC has undertaken targeted recruitment of staff to work on these matters. In addition, ASIC is retaining external law firms, legal contract staff and counsel across the majority of the matters to expedite this work.

This work is part of ASIC’s wider enforcement effort. As at 31 July 2019, ASIC had 311 investigations on foot covering a range of misconduct across the breadth of ASIC’s jurisdiction. These include directors’ and officers’ breaches, insider trading and market manipulation, auditor and liquidator breaches, and breaches of licensing obligations including of Australian financial services (AFS) licence obligations.

ASIC is seeking to expedite the finalisation of all enforcement matters through the strategic use of the increased funding from Government. We are focusing on accelerating all of our enforcement outcomes. From July 2018 to July 2019, there has been:

- a 20% increase in the number of ASIC enforcement investigations;
- a 55% increase in enforcement investigations involving the six major financial institutions (or their officers or subsidiary companies), and
- a 216% increase in wealth management investigations.

See Report 625 ASIC enforcement update January to June 2019 for details.
2. Strategic change program and deployment of regulatory tools

Office of Enforcement

Establishing the Office of Enforcement is a key component of ASIC’s actions to deliver our 2019–20 strategic priority of high-deterrence enforcement action. The Office of Enforcement is working to strengthen the governance and effectiveness of ASIC’s enforcement including by accelerating court-based enforcement matters.

The Office of Enforcement carries out ASIC’s key enforcement activities and is functionally separate from ASIC’s regulatory teams. It is comprised of two specialist enforcement teams—Markets Enforcement and Financial Services Enforcement—and is overseen by the Commission through the Enforcement Oversight Committee.

Strengthened supervision

Two initiatives comprising ASIC’s strengthened supervision align with ASIC’s strategic priority to improve governance and accountability. They are the Close and Continuous Monitoring (CCM) program and the Corporate Governance Taskforce (the Taskforce). Both initiatives have advanced over the past six months (see below).

Close and Continuous Monitoring program

Since October 2018, CCM on-site reviews have seen ASIC staff on-site at the major banks and AMP for 164 out of 222 working days, and involved meeting with more than 550 banking staff at all levels. These reviews enable early identification of specific issues in these institutions to minimise future harmful impact, including through the frank disclosure of our findings to the CEOs, business leaders, and boards of the institutions.

We will publicly report our key observations and findings across these institutions in the coming months. Two early areas of focus have been breach reporting and complaints handling, issues that go to the heart of an institution’s compliance and customer focused culture.

Corporate Governance Taskforce

The Taskforce is completing a targeted, thematic assessment of the corporate governance practices of 21 of the ASX100 companies.

ASIC will soon be publishing the Taskforce’s first report, which focuses on director and officer oversight of non-financial risk in seven large financial services companies. This will be followed by the release of a report on executive remuneration practices in the 21 companies by the end of 2019. In preparing these reports, the Taskforce reviewed over 43,000 documents and completed 97 interviews with boards and management. In 2020, the Taskforce will continue its work to lift corporate governance practices.
3. Response to FSRC recommendations and further actions

Supporting Government legislative reform agenda

On 19 August 2019, the Government announced its timetable for implementing the FSRC recommendations that require legislative reform. The Implementation Roadmap contains 56 measures, 48 of them relevant to ASIC. This represents both significant legislative reform and an accelerated timeline.

ASIC has been pursuing many of these reforms for some time. Recognising they are dependent on legislation passing through Parliament, we would welcome reforms that can drive meaningful change in the financial system, address practices of concern and improve consumer outcomes and wellbeing. ASIC is dedicating significant additional resources to support the development and implementation of reform measures relevant for ASIC, in line with the timetable set out in the Implementation Roadmap.

Responding to the FSRC and further actions

Details of our actions to respond to the FSRC and further related regulatory activities are set out in Table 1 and Table 2.

Where the FSRC recommendations were directed at ASIC or where ASIC can take initiative, we are acting as a matter of priority. Where law reforms completed by Parliament have given ASIC new regulatory powers, we are working with stakeholders on their implementation and are identifying cases where use of the new regulatory powers would be appropriate.

Consistent with ASIC’s strategic priorities 2019–20, we continue to call out instances of consumer harm or unfair outcomes for consumers, and to take action to address these concerns using our full regulatory toolkit. Some of our proposed actions would provide interim consumer protections ahead of broader legislative reform being considered by Parliament. For example, we have consulted on banning unsolicited sales of direct life insurance and consumer credit insurance (CCI) using our modification powers, ahead of proposed legislative reforms to prohibit hawking of insurance and superannuation.

We are using a combination of our regulatory tools to address consumer harm. An example is outlined on the following page.
Highlight: Consumer credit insurance

ASIC’s work in CCI used six regulatory tools:

**Surveillance:** Our targeted surveillance highlighted concerns with the sale of CCI products, and led to recommendations to improve sales practices.

**Transparency:** Our recent report demonstrated CCI remains extremely poor value (where only 19 cents was recovered in claims for every premium dollar paid).

**Investigation into misconduct:** Investigations are underway, which may ultimately result in enforcement action.

**Remediation:** Remediation in this area is expected to exceed $100 million paid to over 300,000 consumers.

**Guidance:** We have issued guidance to industry on product design and sales practices.

**Intervention:** We are consulting on banning (through the use of our modification powers) unsolicited outbound telephone sales of CCI and life insurance.

ASIC as conduct regulator for superannuation

The FSRC recommended that ASIC become the conduct regulator of superannuation. ASIC has started to take on this role where we can without needing the law to change.

Our focus is on the areas of misconduct where it has contributed to the greatest potential member harm, in the form of persistent underperformance. We will pursue actions against misconduct by trustees where appropriate. We will also be closely monitoring implementation of the ‘Protecting Your Superannuation Package’ reforms.

We will be driving better behaviour by trustees to ensure that they act in the best interests of consumers, by undertaking the necessary supervision and surveillance of superannuation trustees, with more frequent on-site visits.

ASIC public communications

ASIC uses public communications to set expectations about important FSRC themes such as professionalism and fairness in financial services. We are transparent in our public messages, particularly where firms we regulate are not meeting our expectations, for example by publishing the outcomes of our regulatory activities and, where appropriate, identifying entities or holding public hearings.

Since January 2019, we have issued 23 reports covering topics such as consumer awareness and understanding of financial advice, and a review of car insurance claim investigations. We have issued 15 consultation papers on regulatory guidance and policy, from responsible lending to internal dispute resolution requirements. In applying our new product intervention power, we have consulted on our two first proposed interventions.
using the power. We have also consulted on newly legislated obligations for certain firms to have whistleblower policies. Many of these consultations are set out in Table 2.

We will maintain our focus in these and other FSRC-related areas in the coming six months, including through supervision and surveillance activities, reviews and upcoming publications. Many of these initiatives, including 14 new initiatives, were identified in our Corporate Plan.

Major upcoming publications are set out in the appendix.
Response to FSRC recommendations since February 2019

Table 1: Response to FSRC recommendations directed at ASIC

<table>
<thead>
<tr>
<th>FSRC recommendations</th>
<th>ASIC action</th>
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<tr>
<td>Amendments to the Banking Code</td>
<td>The FSRC made a number of recommended changes to the Banking Code (Code). In response to these recommendations, ASIC has engaged with the banking industry on Code amendments. The first tranche of the Code amendments was approved by ASIC on 25 June 2019 for commencement on 1 July 2019. ASIC is planning to decide on whether to approve the second tranche of Code amendments later in 2019, following engagement with key stakeholders to ensure that the revised Code provides an appropriate level of commitment by banks to consumer and small business protections.</td>
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</table>
| Additional government commitment in response to Recommendation 2.4 – End of grandfathered commissions | To ensure that the benefits of industry renegotiating current arrangements to remove grandfathered conflicted remuneration ahead of 1 January 2021 flow through to clients, the Government commissioned ASIC to monitor and report industry action to end the grandfathering of conflicted remuneration for the period 1 July 2019 to 1 January 2021 (the review period). The review would report on the extent to which product issuers are taking action and passing the benefits to clients, whether through direct rebates or otherwise. ASIC has commenced a project to investigate the extent to which grandfathered conflicted remuneration arrangements are being voluntarily ended in the review period. ASIC will conduct both quantitative and qualitative reviews. For the quantitative study, ASIC will conduct a survey of entities known to pay grandfathered conflicted remuneration to AFS licensees or their representatives and require them under notice to provide data:  
• initially for a 12-month period (from 1 July 2018 to 30 June 2019), and  
• thereafter on a quarterly basis for the review period (for example, reporting for the period from 1 July to 30 September 2019 will be in October 2019). The first notice to entities was issued on 21 August 2019. The qualitative review will include a smaller sample of entities that pay and receive grandfathered remuneration. This will involve more detailed engagement and analysis during the review period. ASIC will analyse the information from both reviews and report to the Treasurer by 30 June 2021. The report will also be released publicly. ASIC expects to provide an update on its investigation to the Treasurer and industry as appropriate during the review period. |
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<tr>
<th>FSRC recommendations</th>
<th>ASIC action</th>
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<tr>
<td>Recommendation 2.5 – Life insurance commissions review</td>
<td>The FSRC report recommended that, when ASIC conducts its review of conflicted remuneration relating to life risk insurance products and the operation of the ASIC Corporations (Life Insurance Commissions) Instrument 2017/510, ASIC should consider further reducing the cap on commissions in respect of life risk insurance products. Unless there is a clear justification for retaining those commissions, the cap should ultimately be reduced to zero. ASIC will include the factors identified by the FSRC in undertaking its post implementation review of the 2017 life insurance reforms. ASIC’s review will take place in 2021.</td>
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<tr>
<td>Recommendation 4.9 – Enforceable code provisions</td>
<td>ASIC will work with industry to give effect to the Government’s commitment to allow for greater sanctions to be imposed following a breach of an industry code of conduct. We will support the Government’s proposed legislative reform in relation to industry codes, scheduled to be introduced into Parliament before 30 June 2020.</td>
</tr>
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| Recommendation 6.2 – ASIC’s approach to enforcement | The FSRC recommended that ASIC should adopt an approach to enforcement that:  
- takes, as its starting point, the question of whether a court should determine the consequences of a contravention;  
- recognises that infringement notices should principally be used in respect of administrative failings by entities, will rarely be appropriate for provisions that require an evaluative judgment and, beyond purely administrative failings, will rarely be an appropriate enforcement tool where the infringing party is a large corporation;  
- recognises the relevance and importance of general and specific deterrence in deciding whether to accept an enforceable undertaking and the utility in obtaining admissions in enforceable undertakings; and  
- separates, as much as possible, enforcement staff from non-enforcement related contact with regulated entities.  
ASIC has established an Office of Enforcement. The purpose is to strengthen ASIC’s enforcement culture and effectiveness, and to implement a single enforcement strategy for ASIC. The Office of Enforcement will lead the application of ASIC’s ‘Why not litigate?’ operational discipline including by developing enforcement policies. |
| Recommendation 6.10 – Co-operation memorandum | The FSRC recommended ASIC and APRA should prepare and maintain a joint memorandum setting out how they intend to comply with their statutory obligation to co-operate. It further recommended the memorandum should be reviewed biennially and each of ASIC and APRA should report each year on the operation of and steps taken under it in its annual report.  
APRA and ASIC are reviewing the cooperation and coordination arrangements between the two agencies, including revising the existing Memorandum of Understanding. This review is expected to be completed before the end of 2019. In addition, APRA and ASIC have established a new engagement structure led by the APRA-ASIC Committee (AAC) to enhance information sharing on both operational and strategic matters, with the first meeting held in July 2019. |
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<tr>
<th>FSRC recommendations</th>
<th>ASIC action</th>
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<tr>
<td>Recommendation 6.12 – Application of the BEAR to regulators</td>
<td>The FSRC recommended APRA and ASIC should be subject to accountability principles consistent with the BEAR. In its response, the Government notes that the Financial Conduct Authority in the UK has adopted a similar regime to enhance its own internal accountability. ASIC will develop and publish accountability statements before the end of 2019.</td>
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Further actions since February 2019

Table 2:  Further actions taken by ASIC consistent with Royal Commission findings and recommendations

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<thead>
<tr>
<th>Regulatory powers</th>
<th>ASIC action</th>
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| Product intervention power/design and distribution obligations—guidance and application | ASIC has consulted on guidance for ASIC’s use of the product intervention power [on 26 June 2019](#) and we expect to release the final regulatory guidance in October 2019.  
ASIC is and will also consult on proposed interventions on a number of issues where ASIC has concerns about significant consumer detriment. The first consultation relating to short term credit products was [issued on 9 July 2019](#). This consultation named entities ASIC is aware of that currently use the short term lending model. The second consultation relating to the issue and distribution of over-the-counter binary options and CFDs was [issued on 22 August](#).  
ASIC will consult on guidance for ASIC’s use of the design and distribution obligations, which became law on 5 April 2019 with a transition period of two years. ASIC held consultation roundtables with representatives from consumer groups and the financial services industry on 22 and 23 August in Sydney and Melbourne. ASIC will issue a formal consultation later in December 2019 on regulatory guidance. |
| Lending and retail payments                                 | **Responsible lending**  
The responsible lending laws have not changed since 2010. ASIC is [consulting on updating its responsible lending guidance](#) to provide more certainty for lenders and brokers, while retaining flexibility.  
ASIC continues work to update the responsible lending guidance following the 20 May 2019 closure of submissions to consultation paper 309. Public hearings were held on 12 and 19 August 2019 to test with selected participants some of the main issues and views raised in the written submissions in response to the consultation paper.  
Revised guidance will be published by end of 2019.  
**Home lending**  
ASIC issued [Report 628 Looking for a mortgage: Consumer experiences and expectations in getting a home loan](#) on 29 August 2019. This report sets out the findings from consumer research commissioned by ASIC to better understand consumer experiences and expectations when taking out home loans. |

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ASIC Review of the ePayments Code

This was the first of two papers ASIC plans to issue on our review of the ePayments Code. This consultation paper issued on 6 March 2019 sought feedback from stakeholders on the topics we propose to consider as part of our review.

### Insurance

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<th>ASIC action</th>
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<tr>
<td><strong>Anti-hawking of insurance</strong></td>
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<td>On 18 July 2019, ASIC released a consultation paper on a proposal to restrict unsolicited telephone sales of certain insurance products where consumer harm has been identified. This will provide interim protections to consumers ahead of law reform by Government in 2020.</td>
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<th><strong>Add-on insurance</strong></th>
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<td>In relation to the sale of add-on insurance and warranties through car yard intermediaries. ASIC has announced refund programs by insurers of over $130 million to over 245,400 consumers for the sale of add-on insurance and warranties sold by car dealers. ASIC will continue work to support the implementation of a deferred sales model for add-on products (Royal Commission Recommendation 4.3) and the introduction of a cap on commission for add-on products sold through car dealerships (Royal Commission Recommendation 4.4). Also see our report on consumer credit insurance, below.</td>
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<tr>
<th><strong>Consumer credit insurance</strong></th>
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<tr>
<td>ASIC has taken action using a range of regulatory tools in relation to consumer credit insurance. Our actions aim to provide interim protections to consumers ahead of law reform by Government in 2020. These include more than $100 million paid to over 300,000 consumers. ASIC will provide a further update on this program later in the year.</td>
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On 11 July 2019, ASIC issued a report setting out our expectations for issuers of CCI: Report 622 Consumer credit insurance: Poor value products and harmful sales practices. The report found the design and sale of CCI has consistently failed consumers. The report set out standards that ASIC expects all lenders and insurers who design and sell CCI to meet. This includes that all lenders who sell consumer credit insurance will, within a short timeframe, incorporate a four-day deferred sales model for all CCI products across distribution channels, or cease selling these products. Our expectations set out in this report are supported by Recommendations 4.1, 4.3, 4.7 and 4.8 of the Final Report of the FSRC. |

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<tr>
<th><strong>Insurance claims handling</strong></th>
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<tr>
<td>On 4 July 2019, ASIC issued Report 621 Roadblocks and roundabouts: A review of car insurance claim investigations. This report reviewed how general insurers investigate comprehensive car insurance claims where fraud is suspected. We found that insurers are investigating some claims in ways that are causing significant consumer harm, eroding trust in insurance and without fair process. We named the insurers covered by the review as well as details of their claims performance.</td>
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</table>

The review considered aggregated data on 1.6 million claims from September 2016 to September 2017, consumer research with 52 consumers whose claims were both investigated and paid, and a review of insurers’ investigation policies and procedures. This review is informing ASIC’s input to the proposed legislative reform relating to the insurance claims handling exemption. |
Superannuation, financial advice and disclosure

Superannuation: No inducing of employers

On 31 July 2019, ASIC issued guidance to superannuation trustees in Information Sheet 241 Prohibition on influencing employers’ superannuation fund choice: section 68A of the SIS Act, highlighting that using improper inducements to influence employers in their choice of default fund is illegal. The information sheet draws attention to the recently amended s68A of the Superannuation Industry (Supervision) Act 1993.

Financial advice

ASIC has issued two reports in relation to financial advice:

- Report 627 Financial advice: What consumers really think, issued on 26 August 2019, sets out the results of some preliminary research we commissioned into what consumers think about financial advice. In 2020–21, we will be conducting further research to explore whether there is a problem with unmet advice needs in Australia.

- Report 614 Financial advice: Mind the gap, issued on 28 March 2019, summarises the key findings of research commissioned by ASIC into consumer awareness and understanding of general and personal advice. In 2019–20 we will be conducting consumer testing of more appropriate labels for general advice and different versions of the ‘general advice’ warning, and publishing a report on the findings.

Disclosing fees and costs in Product Disclosure Statements (PDSs) and periodic statements for superannuation and managed investment products

This consultation paper issued on 8 January 2019 sought feedback on a draft updated Regulatory Guide 97 Disclosing fees and costs in PDSs and periodic statements (draft updated RG 97) and proposed amendments to Sch 10 to the Corporations Regulations (draft amendments to Sch 10).

Dispute resolution and other issues

Internal dispute resolution

This consultation paper issued on 15 March 2019 sought feedback on ASIC’s proposals to update our policy on the internal dispute resolution (IDR) requirements that apply to a range of licensees and certain other classes of entities.

Whistleblower policies

On 7 August 2019, ASIC issued a consultation paper seeking feedback on our proposed guidance for entities that must have a whistleblower policy—public companies, large proprietary companies and proprietary companies that are trustees of registerable superannuation entities. Our proposed guidance will help these entities establish, implement and maintain a whistleblower policy that complies with their obligations under the revised corporate sector whistleblowing regime in Pt 9.4AAA of the Corporations Act.
Retail OTC derivatives

On 22 August 2019, ASIC issued Report 626 Consumer harm from OTC binary options and CFDs. This report provides a snapshot of the market for over-the-counter (OTC) binary options and contracts for difference (CFDs), a description of the consumer detriment we have observed and ASIC’s proposed actions to address it.

ASIC also released a consultation paper on 22 August 2019 proposing to use our product intervention powers in relation to OTC binary options and CFDs.

<table>
<thead>
<tr>
<th>Enforcement and regulator performance</th>
<th>ASIC action</th>
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<tr>
<td>ASIC enforcement updates</td>
<td>ASIC has issued two enforcement updates for the periods:</td>
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<tr>
<td></td>
<td>• January to June 2019: Report 625 ASIC enforcement update</td>
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<tr>
<td></td>
<td>• July to December 2018: Report 615 ASIC enforcement update</td>
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<td>These reports provide an overview of ASIC enforcement outcomes, priorities and cases during the period covered in each report.</td>
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Regulator performance

## Appendix: Major upcoming publications

### Table 3: Major upcoming publications

<table>
<thead>
<tr>
<th>Topic</th>
<th>Purpose</th>
<th>Release</th>
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<tbody>
<tr>
<td><strong>Report:</strong> Total and permanent disability insurance: Claims review</td>
<td>This report will detail the findings of ASIC’s deep-dive into total and permanent disability insurance (TPD) claims, using data and documents collected from seven life insurers about TPD claims finalised in 2016 and 2017.</td>
<td>September–October 2019</td>
</tr>
<tr>
<td><strong>Report:</strong> Disclosure: Why it shouldn’t be the default—A joint report by ASIC and the Dutch Authority for Financial Markets (AFM)</td>
<td>This report will present key findings about the limitations of disclosure - as a regulatory tool – based on research conducted by ASIC and the Dutch Authority for Financial Markets (AFM).</td>
<td>September–October 2019</td>
</tr>
<tr>
<td><strong>Report:</strong> Corporate Governance Taskforce report—Non-financial risk</td>
<td>This report will present the findings of the Taskforce relating to director and officer (D&amp;O) oversight of non-financial risk</td>
<td>September–October 2019</td>
</tr>
<tr>
<td><strong>Report:</strong> Advice industry compliance with fee disclosure and renewal notice obligations</td>
<td>This report will update the market on the results of our project to test compliance with fee disclosure statement and renewal notice requirements across the industry. It may also contain practical tips to assist advice providers in complying with their obligations.</td>
<td>By end of 2019</td>
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<tr>
<td><strong>Guidance:</strong> Updated RG 97: Disclosing fees and costs in PDSs and periodic statement for superannuation and managed investment products</td>
<td>This release will update guidance and legislative instrument for fees and costs disclosure regime following consultation launched in January 2019. The updated RG 97 will be accompanied by the release of a report on consumer testing undertaken by an external researcher to test some of the consultation proposals.</td>
<td>By end of 2019</td>
</tr>
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</table>
| **Report:** Audit firm inspection findings for the 12 months to 30 June 2019 | This report will:  
  - present ASIC’s findings from audit file reviews for the 12 months to 30 June 2019;  
  - present individual percentage findings from audit file reviews individually for each of the big four audit firms; and  
  - be accompanied by a paper containing a broader range of indicators of audit quality. | By end of 2019              |
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<tr>
<th>Topic</th>
<th>Purpose</th>
<th>Release</th>
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<tbody>
<tr>
<td><strong>Report:</strong> Financial advice by superannuation funds</td>
<td>This report will update the market on our advice in super project. In this project we have looked at 25 super funds and the advice they have provided to members.</td>
<td>By end of 2019</td>
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<tr>
<td><strong>Guidance:</strong> Updated RG 209 Credit licensing: Responsible lending conduct</td>
<td>This release will update regulatory guide on responsible lending and issue a report responding to issues raised in submissions.</td>
<td>By end of 2019</td>
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<tr>
<td><strong>Report:</strong> Responsible Lending</td>
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<td><strong>Report:</strong> Corporate Governance Taskforce report—Remuneration</td>
<td>This report will present the findings of the Taskforce relating to granting and vesting of variable remuneration to key management personnel.</td>
<td>By end of 2019</td>
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<td><strong>Guidance:</strong> Updated RG 105 Licensing: Organisational competence</td>
<td>This release will update RG 105 on the organisational competence requirements for responsible managers of advice licensees and issue a report responding to issues raised in submissions.</td>
<td>By end of 2019</td>
</tr>
<tr>
<td><strong>Report:</strong> Response to ASIC’s internal dispute resolution consultation</td>
<td>This report will provide ASIC’s responses to our internal dispute resolution consultation CP 311.</td>
<td>By end of 2019</td>
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<tr>
<td><strong>Consultation:</strong> Regulatory guidance for design and distribution obligations</td>
<td>Proposed consultation on draft regulatory guidance for the design and distribution obligations, ahead of the design and distribution obligations regime commencing in April 2021. The regulatory guide will set out how ASIC will administer the law and our expectations for compliance.</td>
<td>By end of 2019</td>
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<tr>
<td><strong>Report:</strong> Buy Now Pay Later</td>
<td>Building on ASIC Report 600 Review of buy now pay later arrangements, this report will set out the results of further consumer research and monitoring of the buy now pay later sector. We will report on key trends and demographics of the market in respect of the consumer harms we identified in Report 600: Are particular users continuing to experience financial stress? Are they paying significant costs such as late fees or ‘merchant surcharges’? And do consumers have adequate access to important consumer protections such as internal and external dispute resolution, and hardship policies? The report will identify if provider and/or regulatory action is needed.</td>
<td>Early 2020</td>
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<tr>
<td><strong>Report:</strong> Loan Fraud</td>
<td>To understand what industry participants do to protect themselves from loan fraud and give guidance to industry on best practice.</td>
<td>Early 2020</td>
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