Summary of feedback to CP 387 and ASIC's response

In Consultation Paper 387 *Enhanced beneficial ownership disclosure: Proposed legislative instrument, form and guidance* (CP 387), we sought feedback on ASIC's proposed approach in relation to the enhanced beneficial disclosure obligations to apply to entities listed on Australia's financial markets under Sch 1 to the *Treasury Laws Amendment (Strengthening Financial System and Other Measures) Act 2025* (Schedule 1). Specifically, we sought feedback on the draft *ASIC Corporations (Listed Entities Enhanced Beneficial Ownership) Instrument 2026/XXX* (draft instrument), draft 'Substantial Holding Notice' and draft updated Regulatory Guide 5 *Relevant interests and deemed economic interests*, draft updated Regulatory Guide 9 *Takeover bids* and draft updated Regulatory Guide 222 *Substantial holding disclosure and tracing requirements*.

We received 23 submissions, including 6 confidential submissions, on our proposals to make the draft instrument, introduce the Substantial Holding Notice, and update RG 5 and RG 222. We received no submissions about our proposal to update RG 9. We have summarised key feedback we received and our responses in the following tables. This document is not intended to be a comprehensive summary of all feedback or all changes to the guidance.

> Note: Non-confidential submissions are published on the landing page for CP 387.

General feedback

Feedback	ASIC's response
Respondents sought to defer the commencement date of the enhanced beneficial disclosure obligations from 4 December 2026, including commencement 12 to 24 months after the final legislative instrument is made and the Substantial Holding Notice is introduced. Respondents also sought a phased or staged introduction of any changes to the register of relevant interests.	We have not deferred commencement from 4 December 2026. This is because we do not have this power and consider it important to give effect to the reform objective to improve corporate transparency by showing who ultimately owns, controls and receives profits from listed entities. However, we have established a 6-month transitional period for the Substantial Holding Notice to allow participants more time to build and/or update their systems to accommodate the notice. As a result, from 4 December 2026 to 3 June 2027, participants may meet their disclosure obligations by completing the Substantial Holding Notice. Alternatively, forms reflecting the format of the current Form 603, Form 604 and Form 605 have been made available for participants to complete, provided they satisfy their new disclosure obligations about interests relating to equity derivatives in an annexure.
Respondents sought a no-action position from ASIC in relation to breaches of the new requirements or a facilitative compliance approach to implementation.	We have not adopted a no-action position or a facilitative compliance approach, because it would not meet the policy objective of the enhanced obligations. It would also not prevent third parties from taking legal action against market participants for not meeting the new requirements or a court from finding that particular conduct infringes those requirements.

Feedback	ASIC's response
Respondents stated that ASIC should undertake a post-implementation review or stocktake within the first 3 to 6 months after commencement to assess observed practice.	ASIC will monitor implementation of the beneficial ownership reforms. We note that *ASIC Corporations (Listed Entities Enhanced Beneficial Ownership) Instrument 2026/482* will expire after 5 years.

Draft *ASIC Corporations (Listed Entities Enhanced Beneficial Ownership) Instrument 2026/XXX*

Deemed economic interests and offsetting short positions: Calculative methods

Feedback	ASIC's response
Several respondents expressed concern that the proposed delta-adjusted method for calculating deemed economic interests and offsetting short positions is materially more complex than calculating exposure based on the full notional amount. They suggested it represents a significant initial and ongoing operational burden on participants. Respondents were particularly concerned about the requirement to calculate delta daily, suggesting that the ongoing calculation requirement should be less frequent. Respondents also noted that many participants—particularly buy-side clients and smaller counterparties—do not have the systems to calculate delta and would need to rely on delta or valuation calculations provided by third-party pricing agents, raising potential liability concerns.	We undertook further targeted consultation on alternative options to the delta-adjusted calculation method in response to this feedback. Feedback from this targeted consultation supported calculation using a full notional amount, although some respondents stated that it may be less precise in reflecting economic exposure for derivatives and may overrepresent some interests. Respondents said a calculation using a full notional amount would be operationally efficient and more easily implemented using existing systems. This is because it relies on readily available data, removes ongoing calculations, avoids third party inputs and is scalable across participant types. It is also more likely to support consistent and timely disclosures within short statutory timeframes and is not sensitive to market movements. As such, after carefully considering all feedback received, we have amended the draft instrument to adopt a full notional calculation method. We consider this approach achieves the policy intent to improve transparency, while avoiding the significant ongoing regulatory burden and implementation costs that a delta-adjusted calculation would impose on industry stakeholders. Adopting the full notional calculation method meant we could remove the section that provided for daily delta calculation and calculation based on the most recent closing price of the relevant underlying issued securities. This resolves feedback raising concerns about the daily calculation method, which included concerns about the price to use when trading is suspended or there is corporate action.

Feedback	ASIC's response
Respondents stated that, if a derivative's pay-off is solely determined by reference to the realised or implied volatility or variance of the price of the relevant securities, without any directional equity exposure, it should be treated as not giving rise to a deemed economic interest.	We have amended our guidance in Section D of Regulatory Guide 5 *Relevant interests and deemed economic interests* (RG 5) to acknowledge that derivatives with a pay-off determined solely by reference to the realised or implied volatility or variance of the price of issued securities in a class may not give rise to a deemed economic interest. However, if the derivative combines volatility or variance-based features with directional exposure to changes in the value of the relevant issued securities in the class, a deemed economic interest may arise to the extent of that directional exposure.

Deemed economic interests and offsetting short positions: Exception for derivatives over a basket or index of securities

Feedback	ASIC's response
Respondents stated that the 5% threshold in s11(3) and 15(3) of the draft instrument—which relate to the exception for derivatives over a basket or index of securities and circumstances in which the deemed economic interest or offsetting short position is deemed to be zero (basket or index exception)—should apply to exposures arising from the relevant basket or index alone, rather than to a holder's total economic exposure when combined with other holdings.	We have amended our guidance in Section D of RG 5 to clarify this is how the 5% threshold is intended to operate—that is, it should apply to exposures arising from the relevant basket or index alone, rather than to a holder's total economic exposure when combined with other holdings.
Respondents stated that the 20% threshold in s11(3) and 15(3) of the draft instrument should be increased, suggesting options of 25% to 30% and 50%.	We have amended the draft instrument to increase the threshold to 30%: see s10(3) and 13(3) of ASIC Instrument 2026/482. While a 20% threshold accords with the UK, we recognise that Australia's market is more concentrated by global standards, so a threshold of 30% is more appropriate. It appropriately ensures that cash settled equity derivatives over indices that attribute a high weighting to a constituent security because of the company's large market capitalisation continue to be captured under the exception. The increased threshold also accounts for the higher representation of economic exposure that may be reported under a full notional amount calculation method.

Feedback	ASIC's response
Respondents stated that the following types of derivatives and underlying indices should qualify for the basket or index exception: • significant indices (i.e. ASX 200, ASX 100 and ASX 50 indices); • any positions in index futures or exchange-traded options referencing indices that may be Australia-focused, or where the indices contain one or more Australian issuers; • any over-the-counter (OTC) derivatives positions, including total return swaps and options, referencing indices that may be Australia-focused, or where the indices contain one or more Australian issuers; • any intra-day derivatives; and • any intra-group derivatives between wholly-owned entities, related bodies corporate and associated entities.	We have amended the draft instrument to provide that the number of issued securities in which a person has a deemed economic interest or offsetting short position is zero, if the derivative is over: • a basket or index that is tracked or compiled by a major index provider; or • a publicly traded exchange traded fund operating on a licensed financial market: see s10(4) and 13(4) of ASIC Instrument 2026/482. This exception will not apply in circumstances where the substantial holder has announced a takeover or scheme of arrangement in relation to the Ch 6C body: see s10(5) and 13(5) of ASIC Instrument 2026/482. We have not amended the draft instrument to exempt intra-day derivatives, because meaningful economic exposure can still exist within a single trading day, and influence does not necessarily depend on overnight holding. The timing of a particular economic exposure does not necessarily negate its potential market significance, and short-term trading is common in both index and basket securities. We note that intra-group derivatives between wholly-owned entities, related bodies corporate and associated entities are already exempted from the deeming provisions on account of s671AP of the *Corporations Act 2001* (Corporations Act).
Respondents suggested that s11(3) and 15(3) of the draft instrument should be amended so that if *either* limb is satisfied, the number of securities in which the person has a deemed economic interest or offsetting short position is zero.	We have not amended the draft instrument in response to this feedback, as we do not consider it would be in the interests of accurate and transparent disclosure of financial interests. The exception for derivatives over a basket or index of securities is intended to exclude only incidental exposures to individual classes of securities where the exposure is not meaningful for substantial holding disclosure purposes. Allowing the exception to apply where either limb is satisfied would create a risk that market participants could structure derivatives to avoid disclosure.

Feedback	ASIC's response
Respondents suggested that the basket or index exception should be amended to include: • a rule addressing aggregating across multiple baskets or indices referencing the same issuer; and • derivative transactions entered into for the purpose of tracking, rebalancing or risk-managing exposure to a disclosed benchmark or index.	We have not amended the draft instrument to include a rule that addresses aggregation across multiple baskets or indices that reference the same issuer, as we consider this would introduce unnecessary complexities in applying the exception on a portfolio basis. We have introduced the condition that the basket or index exception does not apply where the substantial holder has announced a takeover bid or scheme of arrangement to address concern about the scenario where a substantial holder may achieve a concentrated interest in a particular Ch 6C body through multiple baskets or indices.

Market makers and client services exclusion: Eligibility and conditions

Feedback	ASIC's response
Respondents supported the 'functional approach' to extend the market makers and client services exclusion to foreign entities in CP 387.	We acknowledge stakeholder support for the proposed functional approach to extending the market makers and client services exclusion to foreign entities and have retained this approach in Part 3 of ASIC Instrument 2026/482.
Respondents stated that the 'hedging (on an aggregate basis)' reference in s19(b)(ii) of the draft instrument should be replaced with 'hedging (whether on an individual, aggregate or portfolio basis)'. They also stated the condition in s19(c) relating to the client obligation to provide the licensee consideration should be removed.	We have amended the language in the draft instrument to 'hedging (on an individual or aggregate basis)': see s16(b)(ii)) of ASIC Instrument 2026/482. This amendment clarifies that the condition is not limiting the availability of the exemption to when hedging has occurred only on an aggregate basis. We have not removed the condition relating to the client obligation to provide the licensee consideration: see s16(c) of the instrument. This is because the condition ensures that arrangements structured so that a client provides the economic substance of the transaction without being a party to it are captured.
Respondents stated the requirement for licensees to have 'adequate systems for the purposes of identifying derivatives' as part of the exclusion should be removed, not apply to particular entities or be reframed so that a licensee is not denied the exclusion if it is subsequently found that systems were inadequate.	We have amended the draft instrument to replace the reference to 'adequate systems for the purposes of identifying derivatives' with a reference to being able to readily identify the relevant derivatives: see s16(e), 17(c) and 18(c) of ASIC Instrument 2026/482. We note that the requirement to have 'adequate systems for the purposes of identifying derivatives' reflects the statutory framework in s671AO(4) of the Corporations Act.

Feedback	ASIC's response
Respondents stated that eligibility for the market makers and client services exclusion should be principles-based and focused on activities or extended to other entity types, including AFS licensees that are investment managers, superannuation trustees dealing in derivatives and proprietary trading firms.	We have not amended the draft instrument to expand eligibility for the market makers and client services exclusion to additional entity types. This is because we consider that the exclusion should remain appropriately targeted to ensure it does not extend beyond the policy objective of ensuring greater transparency about who ultimately owns, controls or receives benefits from listed entities.
Respondents stated that the prohibition against dealings in the derivative that give the licensee 'any capacity to determine, influence or attempt to influence the affairs' of a listed entity should be removed or that particular activities undertaken in the ordinary course of market making or client facilitation should be deemed not to be indicative of influence.	We have not amended the draft instrument in response to this feedback. This is because the prohibition against dealings giving the licensee any capacity to determine, influence or attempt to influence the affairs of the Ch 6C body reflects the statutory framework (including s671AO(4) of the Corporations Act).
Respondents stated that intra-group entities of an entity that is otherwise able to rely on the market makers and client services exclusion should be able to rely on the exemption for intra-group activities that do not alter the group's net economic exposure to, or ability to control or influence, the listed entity.	We have not amended the draft instrument in response to this feedback. This is because arrangements between related bodies corporate are already excluded by s671AP of the Corporations Act.

Market makers and client services exclusion: Requirement to give information

Feedback	ASIC's response
Respondents stated that the requirement to give information in s22 of the draft instrument should be removed and replaced by a tick box. Although, one respondent thought that a tick box would be incomplete and create uncertainty if it did not include more details.	We have not amended the draft instrument in response to this feedback. The requirement to provide the additional information is consistent with the power for ASIC to specify information pursuant to s671AO(5) of the Corporations Act. The Explanatory Memorandum to the Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Bill 2025 (Explanatory Memorandum) explains that the intent of the power in s671AO(5) is to give ASIC the ability to ensure the market makers and client services exclusion operates consistently with the policy objective of improving clarity and transparency of market disclosures.

Feedback	ASIC's response
One respondent stated that the requirement in s22(3)(c) of the draft instrument to state whether the licensee has an offsetting short position should be removed.	We have not amended the draft instrument in response to this feedback. This is because we consider that doing so would not maintain consistency between the treatment of deemed economic interests and offsetting short positions.

ASIC issued tracing notices and registers of relevant interests

Feedback	ASIC's response
Respondents supported our proposal that the content of ASIC issued tracing notices reflect legislative requirements in s672AD of the Corporations Act only.	We have retained our approach of reflecting legislative requirements in s672AD only.
Respondents stated that the requirement for the register of relevant interests to be 'easily downloadable and readable' by users should be removed or restricted.	We have amended the draft instrument to require that a copy of the register of relevant interests must be given in the same electronic format as the register, unless otherwise agreed: see s25 of ASIC Instrument 2026/482.

Feedback	ASIC's response
Although one respondent supported our proposed structured data format for the register of relevant interests, other respondents did not support the proposal. Some respondents stated that the register of relevant interests should comprise the raw disclosures linked by a standardised index of every disclosure containing: • the name of the disclosing party (with a disclosure notice identifier and member identifier); • the date on which the disclosure was received; • the date the disclosure was added to the register of relevant interests; • the number of shares covered by the disclosure; • the file name of the disclosure, and • a clickthrough (hyperlink) from the index to the actual disclosure. One respondent also raised concerns about the requirement to include a member identifier, as it may not be known by the relevant key person.	We have amended the draft instrument to adopt an electronic index and specify the form in which the register of relevant interests should be kept. The instrument also specifies the following information that must be contained in the index in a delimited file format: • the disclosure notice identifier; • the date of the disclosure; • the member identifier; • the class of disposable securities; • the number of disclosable securities covered by the disclosure; and • a reference that enables the tracing notice response to be readily located within the register: see s24 of ASIC Instrument 2026/482. We have decided to retain the 'member identifier' requirement in the index, because it is necessary for entities to be able to identify the member.
Respondents argued that key persons for Ch 6C bodies should be able to rely on information received when keeping a register of relevant interests and not be required to ask a disclosing party for further particulars as part of their obligation.	We have not amended the draft instrument in response to this feedback, because an issuer should be reasonably expected to follow up if the information is materially incomplete.
Respondents stated that ASIC should introduce controls around access to the register of relevant interests, such as applying a materiality threshold or a 'proper purpose' test similar to s173 of the Corporations Act.	We have not amended the draft instrument in response to this feedback. Applying a materiality threshold or proper purpose test would be inconsistent with the policy objective of ensuring greater transparency about who ultimately owns, controls or receives benefits from listed entities. The disclosure regime is intended to provide a complete picture of relevant interests, including smaller holdings.
One respondent stated that ASIC should consider making bulk data available for programmatic access by regulators, compliance professionals and researchers.	We have not amended the draft instrument in response to this feedback, as it is not applicable. We note that academics will get free access to information on the register of relevant interests as part of reforms under Schedule 1.

Substantial Holding Notice: Content

Feedback	ASIC's response
Respondents supported our proposal for the new Substantial Holding Notice to substantively reflect legislative requirements only.	We have retained our proposal to substantively reflect legislative requirements in s671BB(1) of the Corporations Act in the new Substantial Holding Notice.
Respondents stated there should be concessions for corporate groups, so that: • parent entities of a corporate group are allowed to disclose that they are providing a substantial holding notice for themselves and on behalf of subsidiaries without having to list those subsidiaries; • only the name of each associate of the person who has a relevant interest is required and not the name of every associate; or • the ultimate holding company in a relevant corporate group, rather than the company that directly holds the relevant interests, may be recorded on the substantial holding notice, with other relevant entities' identities disclosed in an annexure.	We have not given concessions for corporate groups in relation to substantial holding notices. In our view, allowing simplified or aggregated disclosure for corporate groups may reduce the utility of the information available to the market. It would therefore be inconsistent with the policy objective of ensuring greater transparency about who ultimately owns, controls or receives benefits from listed entities.
Respondents generally supported our proposal for a single form in place of the three existing substantial holding notice forms. Although, some respondents argued for the existing three forms to be retained or for a separate form for substantial holders with only relevant interests.	We have retained our proposal for a single substantial holding notice in place of the three existing substantial holding notice forms or a separate form for substantial holders with only relevant interests. However, we have reordered content in the Substantial Holding Notice, so that content about relevant interests is more prominent in the notice.

Substantial Holding Notice: Web-based form

Feedback	ASIC's response
Respondents suggested design choices for a web-based substantial holding notice, including measures to minimise the risk of error, verify and confirm identity, reflect international standards, streamline processes and structure data.	We will consider incorporating the suggested design choices in a web-based form.
One respondent suggested that ASIC could provide a dedicated assistance pathway for individual filers who have genuine difficulties with digital submission systems (e.g. a telephone or assisted online lodgement service). The assistance should capture the information in a machine-readable format on the individual's behalf.	We will consider the availability of appropriate assistance pathways as part of a web-based form.

Substantial Holding Notice: Declared foreign equivalent requirements

Feedback	ASIC's response
Respondents supported our proposal to declare relevant requirements in New Zealand, the United Kingdom and the United States of America to be equivalent to Australian substantial holding disclosure requirements. However, some respondents suggested requirements in Canada, South Africa and Hong Kong should also be declared.	We have retained our proposal to declare that requirements in New Zealand, the United Kingdom and the United States of America are equivalent to substantial holding disclosure requirements in Pt 6C.1 of the Corporations Act. We have assessed the disclosure requirements in Canada, South Africa and Hong Kong, and we do not consider them to be sufficiently equivalent to the substantial holding disclosure requirements in the Corporations Act.
One respondent stated that any foreign entity accepted as an ASX Foreign Exempt Listing should be considered equivalent.	We have not amended the draft instrument in response to this feedback. ASIC's power in s671F of the Corporations Act allows us to declare foreign legal requirements—not foreign entities—to be equivalent to the substantial holding disclosure requirements.
Respondents stated that there should be an exemption from disclosure, or redaction should be permitted, where the disclosure would contravene an applicable law, including foreign privacy or data protection requirements.	We have not amended the draft instrument in response to this feedback. There is no equivalent exemption under the existing substantial holding disclosure requirements, and no clear basis has been identified to require an exception.

Substantial Holding Notice: Exemption for standard form documents

<table>
<tr><th>Feedback</th><th>ASIC's response</th></tr>
<tr><td>Respondents stated the following documents should be added to the list of standard form documents:
the 'Industry Standard Form Contracts' as defined in ASIC's class no-action letter dated 2 February 2024 in respect of the application of the Treasury Laws Amendment (More Competition, Better Prices) Act 2022;
written agreements commonly known as futures agreements or futures client agreements between a futures broker and a wholesale client;
written agreements commonly known as master derivatives agreements;
written agreements issued by industry associations, commonly known as master confirmation agreements;
documents that are ancillary to such agreements; and
the agreements included in s30 of the draft instrument (including, for example, schedules or addenda to those agreements, related credit support documents and definitional booklets).</td><td>We have not amended the list of standard form documents in the draft instrument: see s29 of ASIC Instrument 2026/482.This is because we consider that those documents reflect the master agreements commonly used in derivative transactions and are concerned that other documents may not always be in a standard form.</td></tr>
<tr><td>Respondents stated that ASIC should permit disclosure of the core terms of deemed economic interests (e.g. the identity of the underlying securities and relevant reference price), without requiring lodgement of the underlying transaction documents like the approach in notional s672B(4A) as inserted by ASIC Corporations (Securities Lending Arrangements) Instrument 2021/821.</td><td>We have not amended the draft instrument to permit disclosure of the core terms of deemed economic interests instead of requiring lodgement of underlying transaction documents. This is because ASIC's power under s671BG(5) of the Corporations Act is limited to exempting standard form documents that do not need to accompany a substantial holding notice.

For master securities lending agreements, we will continue to require a summary of the key terms to accompany the substantial holding notice under ASIC Instrument 2021/821.</td></tr>
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Substantial Holding Notice: Other feedback

Feedback	ASIC's response
Respondents stated that market participants should receive an additional 2 business days to the 2 business days in s671BA of the Corporations Act to submit substantial holding notices.	The timeframe for giving substantial holding notices is set by the Corporations Act and is intended to support timely market disclosure. Any change to the timeframe is a policy matter for Government.

Draft Substantial Holding Notice

Feedback	ASIC's response
One respondent stated that the qualifier in the draft notice that the non-derivative-based holding percentage is not a legislative requirement should be removed, as the inclusive nature of the requirement to disclose 'details of the person's relevant interests and deemed economic interests … including' means the non-derivative based holding percentage is required.	We have amended the Substantial Holding Notice to omit the qualifier.
Respondents sought amendments to increase the prominence of relevant interest related information in the draft Substantial Holding Notice, arguing that many substantial holders would not have derivative-related interests.	We have amended the Substantial Holding Notice to introduce greater separation between relevant interest related information and information related to derivative-related interests. We have also elevated relevant interest related information to the front of the Substantial Holding Notice for substantial holders that only need to provide information about relevant interest holdings.

Feedback	ASIC's response
Respondents sought amendments of specific language used in the notice, additional guidance about particular scenarios when the notice may be given and further guidance for initial substantial holders about associates and for circumstances of multiple substantial holders. Respondents raised concerns about information required to be disclosed in the draft notice including: • the substantial holder's written signature, arguing this should be omitted or replaced by the right to apply a digital signature; • total votes, registered holder details and member identifier, arguing that this information may not be known to holders; • addresses; and • substantial holder reliance on the exemption in s671AO of the Corporations Act (market makers and client services exclusion). Respondents also suggested amendments to clarify: • the reference to 'on-market purchase' in the transaction categories at paragraph 3 of the draft notice; • the options in the relevant interest provisions drop down list for paragraph 4; • the 'Changes in association' heading of paragraph 7; • that substantial holders do not have votes attached to securities in which there is a deemed economic interest; and • that only the last transaction that resulted in a disclosable movement should be reported (i.e. there should be no requirement to disclose 'particulars' about each transaction).	In response to feedback about specific language in the draft notice, we have revised the 'Changes in association' heading adopted from Form 603, Form 604 and Form 605. We have amended the options in the transaction categories and relevant interest provisions drop down lists in the Substantial Holding Notice. We have also included further guidance to support initial substantial holders when completing the notice. We have not amended the Substantial Holding Notice to include further guidance to support multiple substantial holders, as we consider the guidance on this topic adequate. We have not limited the transactions substantial holders must disclose or removed the requirement to disclose votes or registered holder information. We acknowledge the concern raised by submitters that information such as registered holder details may not be known to a substantial holder. However, we note that, in accordance with s671BC of the Corporations Act, a substantial holder does not have to disclose information if the holder does not know, and is not reasonably able to know, the information, provided they have taken all reasonable steps to be in a position to disclose the information. We have also not amended the Substantial Holding Notice to remove: • the requirements to disclose address information as that is required under s671BB(1) of the Corporations Act; or • the obligation to disclose reliance on the exclusion in s671AO of the Corporations Act, where applicable—we consider this obligation is consistent with the policy objective of ensuring greater transparency about who ultimately owns, controls or receives benefits from listed entities.
One respondent recommended amending the draft notice to remove the requirement to disclose present relevant interests if the holder of the interest is the same as the substantial holder.	We have retained our proposal to require disclosure of relevant interests in the Substantial Holding Notice if the holder is the same as the substantial holder, noting this requirement reflects the legislative intent to disclose all relevant interests.

Updated RG 5

Feedback	ASIC's response	Reference in RG 5
One respondent suggested: • a brief 'key distinction' callout near the start of RG 5 to consolidate interaction with voting powers and takeover thresholds; and • a single visual at the start of RG 5 aggregating the pathways between the basic rules, extensions and exceptions in RG 5, the calculation methodologies and exclusions in the instrument, and the disclosure mechanics in RG 222. Respondents stated ASIC should include additional worked examples of various types of derivatives and clearer guidance in RG 5.	We have amended the start of RG 5 to include additional guidance to consolidate the interaction with voting powers and takeover thresholds. We have also amended RG 5 to include visual guidance aggregating the pathways between the basic rule, extensions and exceptions in the guide, the calculation methodologies and exclusions in ASIC Instrument 2026/482 and the disclosure mechanics in Regulatory Guide 222 *Substantial holding disclosure and tracing requirements* (RG 222). We have not amended RG 5 to provide additional worked examples on various types of derivatives and combination products, as we consider higher-level guidance more appropriate.	RG 5.12 Figure 1
Respondents sought clarification of: • the timing for calculating the proportion of securities for the purposes of the 5% threshold relevant to calculation of the exemption for derivatives over baskets or indices of securities; • whether all securities in an index need to be analysed at the constituent level for the purposes of that exemption; and • whether a deemed economic interest calculated to be zero as part of the exemption needs to be disclosed in a substantial holding notice.	We have amended Table 8 of RG 5 to clarify the application of the relevant threshold for a basket or index of assets that includes securities to explain the circumstances in which the number of issued securities in a class of underlying securities in which a person has a deemed economic interest is zero. The guidance clarifies whether disclosure in a substantial holding notice is required in those circumstances. We have not amended our guidance to clarify the timing for calculating the proportion of securities in a basket or index for the purpose of the exception. However, we have refined s10 of ASIC Instrument 2026/482 and the related guidance in RG 5 to clarify how the exemption is intended to operate in practice.	Table 8 Note to Table 8 RG 5.168–RG 5.170

Feedback	ASIC's response	Reference in RG 5
Respondents sought further guidance, including examples, about: • deemed economic interests, including how the exemption for derivatives over a basket or index of securities applies to certain types of basket derivatives; • offsetting short positions; and • what is a 'generally accepted standard pricing model', 'linear, symmetric pay-off profile', 'non-derivative-based holding percentage' and 'relatable derivative-based holding percentage'.	We have amended Table 8 of RG 5 to provide guidance on two situations for the calculative method where the benefit under a derivative is determined by reference to a basket or index of assets that includes securities. We have also amended our guidance in RG 5 to provide further guidance on the treatment of offsetting short positions. We have not provided more information for terms explained in the Explanatory Memorandum such as 'relatable derivative-based holding percentage'. We have not defined 'linear, symmetric pay-off profile', as that term is no longer used following adoption of the full notional amount calculation.	Table 8 Section E

Updated RG 222

Feedback	ASIC's response	Reference in RG 222
Respondents stated ASIC should: • confirm whether the foreign equivalency requirements exemption will apply automatically or be subject to specific conditions or regulatory approval; and • include additional guidance on handling tracing notices that is tailored to custodians.	We have amended our guidance in RG 222 to clarify that foreign entities listed on an Australian market are subject to Australia's substantial holding disclosure requirements, even for unquoted securities, unless an exclusion applies. We have also provided further guidance on ways to mitigate the burden following receipt of a tracing notice, acknowledging that a wide range of information may need to be provided in a short time. This includes guidance to limit the information specified in tracing notices and how to respond to tracing notices.	RG 222.25 RG 222.149–RG 222.151
One respondent stated that ASIC should clarify that only statutory particulars under s672DB of the Corporations Act must be provided in response to a request and that additional voluntary information that issuers may have (e.g. postal addresses) is not subject to the disclosure.	We have amended our guidance in RG 222 to make clear that a request for a copy of a register of relevant interests or a part of a register may only extend to information required to be disclosed in the register pursuant to s672DB(1).	RG 222.166

Feedback	ASIC's response	Reference in RG 222
Respondents stated ASIC should provide further guidance on our website or an example in regulatory guidance of a completed substantial holding notice that includes derivative-based interests.	We have not amended our guidance in RG 222 to provide a completed example of a substantial holding notice, as we consider higher-level guidance more appropriate than prescribing the content or level of detail of disclosures.	Not applicable
Respondents stated ASIC should provide more guidance about: • how we will administer our freezing order powers as part of reforms under Schedule 1 and the types of conduct that may give rise to a freezing order; • when we will disclose information received in a tracing notice beyond the guidance in draft RG 222.137; • whether the substantial holding disclosure requirements apply to foreign holdings of a foreign company listed in Australia; and • potential inquiries of counterparties considered necessary as part of the obligation to disclose a relatable derivative-based holding percentage.	We have not amended RG 222 to provide more guidance on these matters. We are not in a position to provide guidance about when we may exercise freezing order powers, as this will depend on the nature of misconduct involved. For guidance on ASIC's approach to enforcement generally, see Information Sheet 151 *ASIC's approach to enforcement* (INFO 151). Likewise, we are not in a position to provide more guidance than that contained in the draft RG 222 about when we will disclose information received in a tracing notice, as it will depend on the circumstances. For information about the application of substantial holding disclosure requirements to listed foreign company holding and whether inquiries of counterparties are necessary to disclose a relatable derivative-based holding percentage, see paragraphs 1.2 and 1.61 of the Explanatory Memorandum.	Not applicable