



Stockbrokers and Investment
Advisers Association

Serving the interests of investors

11 March 2025

Email: rri.consultation@asic.gov.au

[REDACTED]
[REDACTED]

ASIC
Level 5, 100 Market Street
Sydney NSW 2000

Dear [REDACTED]

Feedback on CS 16: Reportable situations – additional relief

The Stockbrokers and Investment Advisers Association (SIAA) is the professional body for the stockbroking and investment advice industry. Our members are Market Participants and wealth management firms that provide securities and investment advice, execution services and equity capital-raising for Australian investors, both retail and wholesale, and for businesses. Practitioner Members are suitably qualified professionals who are employed in the securities and derivatives industry.

SIAA members represent the full range of advice providers from full-service and online brokers to execution-only participants and they provide wealth advice and portfolio management services.

The history of the stockbroking profession in Australia can be found [here](#).

Thank you for the opportunity to provide feedback on the additional relief proposed for the reportable situations' regime.

Our members' feedback is that the proposed exemptions being suggested by ASIC are so narrow that licensees would be unlikely to rely on them, given that all four requirements need to be met, ie:

- the breach has been rectified within 30 days from when it first occurred (this includes paying any necessary remediation), and
- the number of impacted consumers does not exceed five, and
- the total financial loss or damage to all impacted consumers resulting from the breach does not exceed \$500 (including where the loss has been remediated), and
- the breach is not a contravention of the client money reporting rules and clearing and settlement rules.

Our members cite a typical reportable situation where an error has been made in website material which is assessed as having no financial impact on consumers. In that case, the proposed relief

would not apply and the licensee would be required to report because the website error is generally available to potentially hundreds or thousands of clients. This is the type of incident which gives rise to many reports that are of limited benefit due to the minimal impact the breach has on consumers. To be useful, we recommend that the relief be re-worded so that the requirement for the number of impacted consumers to not exceed five be removed. This would reduce the reporting obligation in a more meaningful way for licensees but would not compromise consumers as the breach rectification and financial loss or damage requirements would remain.

Conclusion

If you require additional information or wish to discuss this submission in greater detail please do not hesitate to contact [REDACTED]

[REDACTED]

Yours sincerely

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