

Attachment to CS 34: Draft instrument



ASIC
Australian Securities &
Investments Commission

ASIC Corporations (Generic Calculators) Instrument 2025/XX

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

Date 2025

[DRAFT ONLY – NOT FOR SIGNATURE]

<signature>

<insert name>

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Part 1—Preliminary

1 Name of legislative instrument

This instrument is *ASIC Corporations (Generic Calculators) Instrument 2025/XX*.

2 Commencement

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

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

3 Authority

This instrument is made under paragraphs 926A(2)(a) and 951B(1)(a) of the *Corporations Act 2001*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

5 Simplified outline of this instrument

This instrument provides the following exemptions to providers of financial calculators, other than superannuation calculators:

- (a) an exemption from the requirement to hold an Australian financial services licence for the provision of financial product advice through the calculator;
- (b) if the provider holds a licence, an exemption from certain disclosure requirements in relation to such advice.

The exemptions are subject to various requirements and conditions.

6 Definitions

In this instrument:

Act means the *Corporations Act 2001*.

assumptions means the factors (which may be changed by the user) that are applied by a financial calculator in working out the estimate.

estimate means the result of a numerical calculation performed by a financial calculator.

financial calculator means a facility, device, table or other thing used to make a numerical calculation or find out the result of a numerical calculation relating to a financial product, other than a superannuation calculator.

Note: The facility, device, table or other thing will not be a financial calculator to the extent that its output goes beyond the numerical result of a calculation and a description of what that result is. For example, it will not be a financial calculator to the extent that it makes a recommendation about a particular financial product.

present value of an estimate worked out by a financial calculator of an amount payable at a future time is the amount worked out using the following formula:

$$\frac{C}{(1+r)^n}$$

where:

C is the estimate of the amount payable at the future time.

n is the number of years and part years between the present date and the future time that the amount is payable; and

r is 0.025 or such other assumed inflation rate (expressed as a decimal fraction) as is inputted by the user of the calculator.

Note: The default formula assumes an inflation rate of 2.5% (being the mid-point of the Reserve Bank of Australia's target range for inflation over the cycle).

statutory assumption means an assumption that reflects a rate or amount fixed by legislation.

Note: Statutory assumptions include a rate of taxation.

superannuation calculator means a facility, device, table or other thing that relates to a superannuation product or an RSA product.

Note: A superannuation calculator may relate to something else (whether or not a financial product) in addition to relating to a superannuation product or an RSA product (e.g. a superannuation calculator may also relate to the age pension).

Part 2—Exemption

7 Exemption for providers of financial calculators

- (1) A person who provides financial product advice through, or through making available, a financial calculator does not have to comply with:
 - (a) the requirement in subsection 911A(1) of the Act to hold an Australian financial services licence covering the provision of that advice; and
 - (b) where the person is a financial services licensee—Divisions 2, 3 and 4 of Part 7.7 of the Act in relation to that advice.
- (2) The exemption in subsection (1) does not apply to a person if 30 days have elapsed since the person knew, or was reckless with respect to whether there are reasonable grounds to believe that the person has failed, other than in an immaterial respect, to comply with a condition of this instrument without the failure having been notified to ASIC.

8 Conditions

- (1) A person who relies on the exemption in subsection 7(1) must take reasonable steps to ensure all of the following:
 - (a) the financial calculator does not advertise or promote a specific financial product;
 - (b) if the financial calculator is an electronic facility or device, the financial calculator enables the user to change any of the assumptions (the *default assumptions*) other than a statutory assumption;

Note: The financial calculator does not have to involve the application of any statutory assumptions; but if it does, it may permit the user to change them.
 - (c) the default assumptions, including any statutory assumptions, applied by the financial calculator, unless changed by the user, are reasonable for the purposes of working out the estimate;
 - (d) the financial calculator displays to the user (including because of a step taken by the user) or has printed on it an explanation of why the default assumptions, including any statutory assumption, are reasonable for the purpose of working out the estimate;
 - (e) the financial calculator displays to the user in the ordinary course of its use or has printed on it all of the following:
 - (i) a clear and prominent statement about the purpose and limitations of the calculator;

- (ii) a clear and prominent explanation of the impact of any significant limitation of the calculator;
 - (iii) a clear and prominent statement of the assumptions;
 - (iv) where the estimate is of an amount payable at a future time of 2 or more years, a clear and prominent statement setting out the present value of the estimate;
 - (v) a clear and prominent statement to the effect that the financial calculator is not intended to be relied on for the purposes of making a decision in relation to a financial product and that they should consider obtaining advice from a financial services licensee before making any financial decisions;
 - (f) if the financial calculator is an electronic facility or device—the financial calculator does not prevent the user from readily printing or electronically storing the estimate;
 - (g) the person keeps a copy of the financial calculator for 7 years from when it is first made available.
- (2) A statement or explanation required under paragraph (1)(d) or (e) must contain as much detail as a retail client using the financial calculator would reasonably expect to find having regard to the nature of the calculator.

Part 3—Repeal

9 Repeal

This instrument is repealed at the start of 1 April 2031.

Schedule 1—Repeals

ASIC Corporations (Generic Calculators) Instrument 2016/207

1 The whole of the instrument

Repeal the instrument.