



**ASIC**  
Australian Securities &  
Investments Commission

## REGULATORY GUIDE 121

# Doing financial services business in Australia

September 2024

### About this guide

This is a guide for people or companies from overseas who propose to conduct a financial services business in Australia.

It provides general guidance on the financial services regime in Australia, including:

- when a person or company from outside Australia may be required to hold an Australian financial services (AFS) licence to carry on a financial services business in Australia;
- circumstances in which a person or company may be exempt from holding an AFS licence; and
- some of the obligations associated with being an AFS licensee.

### 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 version was issued in September 2024 and is based on legislation and regulations as at the date of issue. In June 2025, we updated references to reflect changes to [RG 1](#) and related guidance.

Previous versions:

- Superseded Regulatory Guide 121, issued 11 August 2008, reissued 1 April 2011 and 30 July 2013

### Disclaimer

This guide does not constitute legal advice. We encourage you to seek your own professional advice to find out how the Corporations Act and other applicable laws apply to you, as it is your responsibility to determine your obligations.

Examples in this guide are purely for illustration; they are not exhaustive and are not intended to impose or imply particular rules or requirements.

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## A Overview

### Key points

Persons and companies from outside of Australia that wish to engage in a financial services business in Australia need to consider whether they are required to be licensed or have other obligations under legislation administered by the Australian Securities and Investments Commission (ASIC).

ASIC regulates companies and financial services businesses and promotes investor, creditor and consumer protection by administering relevant laws.

The main source of obligations relevant to a foreign person or company in the Australian financial market is the *Corporations Act 2001* (Corporations Act): see Section B.

Generally, if you carry on a financial services business in Australia, you will need to hold an Australian financial services (AFS) licence or an authorisation from an AFS licensee: see Section C. Some exemptions from the requirement to be licensed may apply: see Section D.

AFS licensees and their representatives must comply with certain obligations: see Section E. There are disclosure obligations related to offering financial products in Australia to a retail client: see Section F.

There may be other rules and legislation relevant to your financial services business in Australia depending on the circumstances: see Section G.

## About this guide

RG 121.1 This regulatory guide contains general guidance on whether a person or company from outside Australia may be required to hold an AFS licence to carry on a financial services business in Australia. It covers:

- (a) ASIC's regulation of the financial services industry;
- (b) the AFS licensing requirement and exemptions that might apply;
- (c) the obligations of AFS licensees;
- (d) offering financial products in Australia; and
- (e) other legislation and rules that may apply to a foreign person or company in the Australian financial market.

Note 1: This guide does not specifically deal with the issue of when a foreign company must be registered under Pt 5B.2 of the Corporations Act.

Note 2: In this guide, references to parts (Pts), divisions (Divs) and sections (s) are to the Corporations Act, unless otherwise specified. References to regulations (reg) are to the *Corporations Regulations 2001* (Corporations Regulations), unless otherwise specified.

## ASIC's regulation of the financial services industry

- RG 121.2 We administer legislation that includes the Corporations Act. Chapter 7 regulates the financial services industry in Australia.
- RG 121.3 Section B of this guide introduces some of the key concepts in Ch 7. These include:
- (a) 'financial product';
  - (b) 'financial service';
  - (c) 'wholesale' versus 'retail' clients; and
  - (d) 'authorised representative'.

## The general requirement to be licensed

- RG 121.4 If you are a foreign person or company, you will generally need an AFS licence to carry on a financial services business in Australia (unless an exemption applies).
- RG 121.5 To help you determine whether you need an AFS licence, Section C provides guidance on the following questions:
- (a) What is carrying on a financial services business?
  - (b) When does the activity occur in Australia?
  - (c) When does a foreign person or company induce people in Australia to use a financial service?

## Exemptions from the licensing requirement

- RG 121.6 There are certain circumstances in which a foreign person or company may carry on a financial services business in Australia without holding an AFS licence: see Section D.
- RG 121.7 Exemptions are available:
- (a) for foreign financial services providers (FFSPs);
  - (b) for business carried on in connection with an AFS licensee;
  - (c) in relation to financial services that involve only the financial services provider itself;
  - (d) because the financial service is subject to an alternative regulatory regime;
  - (e) because the financial services business is not the sole or principal purpose of the activity; and
  - (f) in relation to a foreign collective investment scheme (FCIS).

## Obligations of AFS licensees

- RG 121.8 If you hold an AFS licence, you must comply with various obligations under the Corporations Act. These include obligations relating to:
- (a) undertaking particular conduct in certain situations (see RG 121.69–RG 121.70); and
  - (b) disclosing certain information in a Financial Services Guide (FSG) to retail clients (see RG 121.71).
- RG 121.9 There are additional obligations that apply where an AFS licensee provides financial product advice to retail clients: see RG 121.73–RG 121.76.
- RG 121.10 If you provide financial services in Australia as a representative of another person or company, you generally must hold an authorisation under the Corporations Act from that person or company. There are separate obligations imposed on representatives under the Corporations Act: see RG 121.77–RG 121.80.

## Offering financial products in Australia

- RG 121.11 If you wish to offer financial products to a retail client, you may be obliged to provide the client with a Product Disclosure Statement (PDS). This obligation may apply even if you are exempt from the requirement to be licensed. If the financial product being offered is a security, you may be obliged to provide a prospectus rather than a PDS: see Section F.

## Other rules and legislation that may apply

- RG 121.12 There are other rules and legislation that may apply to your activities as a foreign person or company in the Australian financial market, including:
- (a) the ASX Limited (ASX) Operating Rules, Australian Securities Exchange (ASX 24) Operating Rules, Cboe Australia Pty Ltd (Cboe) Operating Rules and FEX Global Pty Ltd (FEX) Operating Rules;
  - (b) the ASIC market integrity rules;
  - (c) laws relating to foreign investment in Australia;
  - (d) laws relating to banking and insurance;
  - (e) laws relating to credit activities;
  - (f) laws relating to payment systems and the transfer of funds;
  - (g) laws relating to the financial accountability regime; and
  - (h) Australian taxation laws.

Note: For more information, see Section G.

## B ASIC's regulation of the financial services industry

### Key points

ASIC regulates registered companies, markets and financial services providers in Australia, and administers legislation that includes the Corporations Act.

Chapter 7 regulates the financial services industry.

This section provides guidance on some of the key concepts in Ch 7, such as 'financial product', 'financial service', 'wholesale client' versus 'retail client' and 'authorised representative'.

### What is ASIC's role?

- RG 121.13 We are an independent Australian Government body and Australia's integrated corporate, markets, financial services and consumer credit regulator set up under the *Australian Securities and Investments Commission Act 2001* (ASIC Act).
- RG 121.14 Our role under the ASIC Act includes maintaining, facilitating, and improving the financial system and promoting confident and informed participation by investors and consumers in the financial system.
- RG 121.15 Among other things, we license and monitor financial services providers and markets to ensure that they operate efficiently, honestly and fairly. These businesses are typically involved in superannuation, managed funds, shares and company securities, derivatives and insurance. We also maintain a publicly available register of AFS licensees and authorised representatives of AFS licensees.

### The laws that ASIC administers

- RG 121.16 The legislation that we administer includes the ASIC Act, the Corporations Act, the Corporations Regulations, the *National Consumer Credit Protection Act 2009* (National Credit Act), the *Superannuation Industry (Supervision) Act 1993* (SIS Act) and the *Financial Accountability Regime Act 2023* (FAR Act).
- RG 121.17 This guide is mainly about the obligations in the Corporations Act and Corporations Regulations that may be relevant to foreign people or companies. There are other laws and rules that may apply to foreign people or companies, depending on the circumstances: see Section G.

## Key concepts of the AFS licensing regime

- RG 121.18 Chapter 7 regulates the financial services industry in Australia. This includes the regulation of financial services, most financial products and the providers of financial services and products.
- RG 121.19 This section is a brief introduction to some key concepts under the financial services regime in Australia. You should refer to the Corporations Act for more information.

### Financial products

- RG 121.20 A 'financial product' is a facility that allows a person to make a financial investment, manage a financial risk or make non-cash payments. A financial product includes any of the following:
- (a) shares;
  - (b) debentures;
  - (c) interests in a managed investment scheme;
  - (d) interests in a notified foreign passport fund;
  - (e) derivatives;
  - (f) general insurance;
  - (g) life insurance;
  - (h) superannuation;
  - (i) basic deposit products;
  - (j) retirement savings accounts;
  - (k) deposit-taking facility made available by a bank;
  - (l) foreign exchange contracts;
  - (m) Australian carbon credit units (ACCUs);
  - (n) eligible international emissions units (EIEUs), which include safeguard mechanism credit units; and
  - (o) margin lending facilities.

Note: The definition of 'financial product' is found in Div 3 of Pt 7.1.

- RG 121.21 A facility may not be a financial product if the aspect of the facility that allows a person to make a financial investment, manage a financial risk or make non-cash payments is an *incidental* aspect of the facility.

Note: See s763E on when an aspect of a facility is incidental.



- RG 121.22 ASIC has the power to exclude products from the financial services regime as appropriate.

Note: For more information on how to make an application to ASIC (e.g. to exclude particular products from, or seek relief from certain obligations under, the regime), see Regulatory Guide 51 *Applications for relief* ([RG 51](#)).

## Financial services

- RG 121.23 As described in Section C, the AFS licensing regime is structured around whether a person is providing a financial service.

- RG 121.24 Generally, you are providing a financial service if you:

- (a) provide financial product advice;
- (b) deal in a financial product;
- (c) make a market for a financial product;
- (d) operate a registered managed investment scheme;
- (e) operate the business and conduct the affairs of a corporate collective investment vehicle (CCIV);
- (f) provide a custodial or depository service;
- (g) provide traditional trustee company services;
- (h) provide a crowd-funding service;
- (i) provide a superannuation trustee service; or
- (j) provide a claims handling and settling service.

Note: See Div 4 of Pt 7.1 for provisions on when a person provides a financial service.

## What is the meaning of ‘provide financial product advice’?

- RG 121.25 A recommendation or a statement of opinion, or a report of either of those things, constitutes ‘financial product advice’ if it is provided with the intention of influencing a person’s decision in relation to a financial product or could reasonably be regarded as being intended to have such an influence (and is not exempted from the definition of ‘financial product advice’).

Note: There are two types of financial product advice under the Corporations Act: personal and general advice. For more information about these two types of advice and your obligations, see RG 121.73–RG 121.76, Regulatory Guide 36 *Licensing: Financial product advice and dealing* ([RG 36](#)) and Regulatory Guide 175 *Licensing: Financial product advisers—Conduct and disclosure* ([RG 175](#)).

- RG 121.26 The following considerations will help you determine whether a communication constitutes financial product advice:

- (a) the overall impression and circumstances of a communication;
- (b) whether the communication is merely factual information; and

- (c) whether a decision on a particular financial product or class of financial product is made.

Note: For more information about these considerations, see RG 36.21–RG 36.30.

RG 121.27 A communication might be exempt from being financial product advice if it is:

- (a) advice given by a lawyer or tax agent (in the course of their ordinary activities);
- (b) a quote relating to the cost of a financial product or the rate of return on a financial product; or
- (c) a recommendation or opinion, or a report of either of those things, which is reasonably necessary as part of handling and settling an insurance claim.

Note 1: For more information on circumstances where a person does not provide financial product advice, see RG 36.34–RG 36.35.

Note 2: For more information on when financial product advice is or is not reasonably necessary as part of handling an insurance claim, see Information Sheet 253 *Claims handling and settling: How to comply with your AFS licence obligations* ([INFO 253](#)).

### **What is the meaning of ‘deal in a financial product’?**

RG 121.28 The following conduct may constitute ‘dealing in a financial product’:

- (a) applying for or acquiring a financial product;
- (b) issuing a financial product;
- (c) for securities or managed investment schemes, underwriting the securities or interests;
- (d) varying a financial product; or
- (e) disposing of a financial product.

RG 121.29 Arranging for a person to engage in the conduct described in RG 121.28 may also constitute dealing in a financial product.

Note: For more information on dealing in financial products and ‘arranging’, see Sections C–D of [RG 36](#).

RG 121.30 There are various exceptions to the definition of dealing. For example, a person who deals on their own behalf may not be dealing in a financial product.

Note: For more information, see s766C and Div 4 of Pt 7.1 of the Corporations Regulations.

**What is the meaning of ‘make a market for a financial product’?**

- RG 121.31 Generally, a person ‘makes a market for a financial product’ if:
- (a) they regularly state the prices at which they propose to buy or sell financial products on their own behalf; and
  - (b) other persons can reasonably expect to be able to regularly buy and sell at those stated prices.
- RG 121.32 There is a distinction between making a market for a financial product and operating a financial market. The general test is whether the person operates a facility where the prices for a financial product are quoted on behalf of other persons (operating a financial market) or solely on their own behalf (making a market).

Note: For more information on making a market, see s766D and Div 5 of Pt 7.1. For more information on operating a financial market, see Regulatory Guide 172 *Financial markets: Domestic and overseas operators* ([RG 172](#)).

**What is a ‘managed investment scheme’?**

- RG 121.33 Managed investment schemes are also known as managed funds, pooled investments or collective investments. Generally, in a managed investment scheme:
- (a) people are brought together to contribute money to get an interest in the scheme (‘interests’ in a scheme are a financial product);
  - (b) money is pooled together with other investors—often many hundreds or thousands of investors—or used in a common enterprise; and
  - (c) a responsible entity operates the scheme. Investors do not have day-to-day control over the operation of the scheme.
- RG 121.34 Managed investment schemes cover a wide variety of investments. Some common managed investment schemes that may be offered include:
- (a) cash management trusts;
  - (b) property trusts;
  - (c) equity (trust schemes)—either Australian or international schemes;
  - (d) agricultural schemes;
  - (e) some film schemes;
  - (f) timeshare schemes;
  - (g) some mortgage schemes; and
  - (h) actively managed strata title schemes.

Note: The definition of ‘managed investment scheme’ is set out in s9, and Ch 5C regulates the creation and operation of managed investment schemes.

**What is a ‘custodial or depository service’?**

RG 121.35 A ‘custodial or depository service’ generally involves a person holding financial products or beneficial interests in financial products in trust on behalf of another (usually for a fee).

Note: See s766E for the general definition of ‘provide a custodial or depository service’ and for exceptions to this definition.

**What are ‘traditional trustee company services’?**

RG 121.36 ‘Traditional trustee company services’:

- (a) include:
  - (i) performing estate management functions;
  - (ii) preparing a will, a trust instrument, a power of attorney or an agency arrangement;
  - (iii) applying for probate of a will, applying for a grant of letters of administration, or electing to administer a deceased estate; or
  - (iv) establishing and operating common funds; but
- (b) generally do *not* include:
  - (i) operating a registered scheme;
  - (ii) providing a custodial or depository service (within the meaning of s766E);
  - (iii) acting as trustee for debenture holders under Ch 2L;
  - (iv) acting as a receiver or other controller of property of a corporation under Pt 5.2; or
  - (v) acting as trustee of a superannuation fund, an approved deposit fund or a pooled superannuation trust (within the meaning of the SIS Act).

Note: The definition of ‘traditional trustee company services’ is set out in s601RAC(1).

**What is a ‘superannuation trustee service’?**

RG 121.37 A person provides a superannuation trustee service if they operate a registrable superannuation entity (RSE) as trustee of the entity. This service covers all trustee activities involved in operating an RSE, at all stages of the trustee’s interactions and transactions with its members and others.

Note: For more information, see s766H.

**What is a ‘claims handling and settling service’?**

RG 121.38 A person who undertakes certain specific activities in relation to an insurance product is providing insurance claims handling and settling as a

financial service (a ‘claims handling and settling service’) under s766G. These activities include:

- (a) making a recommendation or stating an opinion in response to an inquiry about a claim or potential claim;
- (b) making a recommendation or stating an opinion that could influence a decision about making or continuing with a claim;
- (c) representing someone in pursuing a claim;
- (d) assisting another person to make a claim;
- (e) assessing whether an insurer is liable under an insurance product;
- (f) deciding to accept or reject all or part of a claim;
- (g) quantifying an insurer’s liability under an insurance product;
- (h) offering to settle all or part of a claim; or
- (i) satisfying a liability of an insurer under a claim.

### **‘Wholesale’ versus ‘retail’ clients**

RG 121.39 Disclosure requirements in relation to the financial services regime generally apply only to ‘retail clients’ because it is recognised that ‘wholesale clients’ are in a better position to look after their own interests. A person may fall within the definition of a wholesale client if, among other things, they are:

- (a) a person purchasing a financial product, or a financial service related to a financial product, where the value of the product is above the prescribed threshold (currently set by the Corporations Regulations at \$500,000);
- (b) a person with certified net assets of at least \$2.5 million or a person who had a gross income for each of the past two financial years of at least \$250,000; or
- (c) a ‘professional investor’. This category includes AFS licensees, listed entities, banks and friendly societies, and other entities that may be presumed to have the expertise or access to professional advice to justify their being treated as wholesale.

Note: See s761G and Div 2 of Pt 7.1 for provisions on wholesale and retail clients.

### **Authorised representatives**

RG 121.40 An ‘authorised representative’ is a person authorised under the Corporations Act to provide a financial service or financial services on behalf of an AFS licensee.

Note: This is a definition contained in s9. Authorisation is in accordance with s916A or 916B.

## C The general requirement to be licensed

### Key points

You will require an AFS licence if you ‘carry on a financial services business in Australia’, according to the Corporations Act, unless an exemption applies.

The courts’ interpretation of ‘carrying on a business in Australia’ is relevant to determining whether you need an AFS licence for your activities in Australia.

You will also need to hold an AFS licence if you ‘induce’ people in Australia to use the financial services you provide.

### Do you need an AFS licence?

RG 121.41 If you intend to carry on or are carrying on a financial services business in Australia, you must hold an AFS licence authorising you to do so (unless an exemption applies). The AFS licence will need to contain a specific authorisation covering the provision of the financial services.

Note: For more information about the scope of the AFS licensing regime, see [RG 36](#). For more information about how to apply for an AFS licence, see Regulatory Guide 1 *Applying for and varying an AFS licence* ([RG 1](#)) and the [AFS Licensing Kit](#). For more information about how we will exercise our licensing exemption power under s911A(2)(l), see Section B of Regulatory Guide 167 *AFS licensing: Discretionary powers* ([RG 167](#)).

### ‘Carrying on a financial services business in Australia’

RG 121.42 If you engage in providing a financial service, you will need to determine whether you are ‘carrying on a financial services business’ in this jurisdiction by considering:

- (a) what the Corporations Act says about the meaning of ‘carrying on a financial services business in Australia’ (see RG 121.43–RG 121.46);
- (b) how the courts have interpreted ‘carrying on a business in Australia’ (see RG 121.47–RG 121.49); and
- (c) what activities constitute ‘inducing’ people in Australia to use a financial service (you might need an AFS licence if you intend to induce clients in Australia to use your financial services (see s911D and RG 121.50–RG 121.51)).

Note 1: ‘In Australia’ or ‘in this jurisdiction’ means within the geographic area of each state and territory in Australia, including the coastal sea and any external territory (the definitions of ‘Australia’ and ‘this jurisdiction’ are set out in s9). Specified external territories include the Australian Antarctic Territory, Heard Island and McDonald

Islands, Coral Sea Islands, Ashmore and Cartier Islands, Cocos (Keeling) Islands, Christmas Island and Norfolk Island.

Note 2: See Section B for an introduction to the terms ‘financial product’, ‘financial service’, ‘wholesale client’ and ‘retail client’. The statutory definition of ‘financial service’ (including the terms ‘dealing’, ‘arranging’ and ‘financial product advice’) is set out in s766A–766H; the definitions of ‘wholesale client’ and ‘retail client’ are set out in s761G and 761GA; and the definition of ‘financial product’ is set out in s762A–765A.

## What does ‘carrying on a financial services business in Australia’ mean?

RG 121.43 You will be deemed to carry on a business in Australia if you:

- (a) have a place of business in Australia;
- (b) establish or use a share transfer office or share registration office in Australia; or
- (c) administer, manage, or otherwise deal with, property situated in Australia as an agent, legal personal representative or trustee, whether by employees or agents or otherwise.

Note: See s21(1)–(2) and s9 (definition of ‘carry on’).

RG 121.44 You will not be deemed to be carrying on a business in Australia *merely* because, in Australia, you:

- (a) are or become a party to a proceeding or effect settlement of a proceeding or of a claim or dispute;
- (b) hold meetings of your directors or shareholders or carry on other activities concerning your internal affairs;
- (c) maintain a bank account;
- (d) effect a sale through an independent contractor;
- (e) create evidence of a debt or create a charge on property;
- (f) secure or collect any of your debts or enforce your rights in regard to any securities relating to such debts;
- (g) conduct an isolated transaction that is completed within 31 days, not being one of a number of similar transactions repeated from time to time; or
- (h) invest any of your funds or hold any property.

Note: See s21(3) and s9 (definition of ‘carry on’).

RG 121.45 There are a number of statutory provisions that qualify the general concept of carrying on a business, including:

- (a) a person may carry on a business even if they are not carrying on that business for profit;

- (b) a reference to a business of a particular kind includes a reference to a business of that kind that is part of, or is carried on in conjunction with, any other business; and
- (c) a reference to a person carrying on a business, or a business of a particular kind, is a reference to a person carrying on a business, or a business of that kind, whether alone or together with other persons.

Note: See s18, 19 and 20.

RG 121.46 Subject to these statutory provisions, the common law test of ‘carrying on a business’ will need to be applied to the activity. The statutory provisions dealing with ‘carrying on a business’ are not exhaustive.

### **How have the courts interpreted ‘carrying on a business in Australia’?**

RG 121.47 The courts’ interpretation of the phrase ‘carrying on a business in Australia’ is also relevant to whether you are carrying on a financial services business in Australia. The courts stress that whether a body corporate’s activities constitute ‘carrying on a business in Australia’ depends on the factual circumstances. Cases indicate that general indicators of carrying on a business in Australia include the degree to which a body corporate’s activities in Australia are conducted with *system, repetition and continuity*. The nature of the business being conducted and the statutory context are also relevant factors.

Note: See *Facebook Inc v Australian Information Commissioner* [2022] FCAFC 9 and *Hungier v Grace* (1972) 127 CLR 210.

RG 121.48 If the financial services you provide in Australia are more than very minor (and, in particular, have elements of *system, repetition and continuity*), then it is likely that you will need an AFS licence. However, a one-off transaction may also amount to the carrying on of a business, for example, if there is an intention that the transaction is to be the first in a series of transactions.

Note: See *Gebo Investments (Labuan) Ltd v Signatory Investments Pty Ltd* [2005] NSWSC 544.

RG 121.49 Acts of an agent acting within their actual or apparent authority are generally attributed to their principal for the purposes of Ch 7: see s769B. For example, the acts of an Australian-based agent of a company can be attributed to the company, leading to the conclusion that the company carries on business in Australia through its agent.



## What activities constitute ‘inducing’ people in Australia to use a financial service?

RG 121.50 If you engage in conduct that is ‘intended to induce people’ in Australia (or you engage in conduct that is likely to induce people in Australia) to use financial services you provide, then you will need to hold an AFS licence, unless an exemption applies.

Note 1: This is because of the deeming provision in s911D, which says that such conduct is ‘taken to be’ carrying on a financial services business in Australia. We have granted specific exemptions that may apply: see [ASIC Corporations \(Foreign Financial Services Providers—Limited Connection\) Instrument 2017/182](#) for ‘inducing’ wholesale clients, which applies until 31 March 2026, and [ASIC Corporations \(Foreign Financial Services Providers—Funds Management Financial Services\) Instrument 2020/199](#) for ‘inducing conduct’ in relation to the provision of ‘funds management services’ to certain types of professional investors, which commences on 1 April 2026.

Note 2: If passed by Parliament, the [Treasury Laws Amendment \(Better Targeted Superannuation Concessions and Other Measures\) Bill 2023](#) will introduce new licensing exemptions for FFSPs, replacing existing licensing relief.

## What is ‘inducing’?

RG 121.51 Conduct that amounts to inducing includes attempts to persuade, influence or encourage a particular person to become a client. Table 1 provides some examples of what may or may not constitute ‘inducing’.

**Table 1: Does your conduct constitute ‘inducing’ people in Australia?**

Example	Do you need an AFS licence?
You are an insurance company in Singapore and you place advertisements in an Australian newspaper promoting your products.	You are <i>likely</i> to need an AFS licence, even if you are yet to provide any financial services in Australia.
You are a broker in the United Kingdom and you directly contact and encourage a small number of people in Australia to buy parcels of shares on the London Stock Exchange.	You are <i>likely</i> to need an AFS licence.
You are a broker in Hong Kong and you have an advertisement for securities on your website that is accessible from Australia, but the advertisement: <ul style="list-style-type: none"> <li>• is not targeted at people in Australia;</li> <li>• has a jurisdictional disclaimer; and</li> <li>• has little impact on investors in Australia.</li> </ul>	You <i>may not</i> need an AFS licence because there may not be any inducing.

## D Are you exempt from holding an AFS licence?

### Key points

You may be exempt from holding an AFS licence if you propose to carry on a financial services business in particular circumstances.

This section gives an overview of the licensing exemptions that may apply to foreign people or companies.

These exemptions are available under Ch 7 of the Corporations Act, the Corporations Regulations or legislative instruments made by ASIC. In some cases, we may grant case-by-case relief.

Table 2 to Table 6 in the appendix provide more details about the various exemptions.

### Categories of exemption

- RG 121.52 Your activities as a foreign person or company may be exempt from the AFS licensing requirement under the provisions in Ch 7, the Corporations Regulations or legislative instruments made by ASIC.
- RG 121.53 This section provides an overview of the licensing exemptions that may apply. For ease of reference in this guide, we have categorised the exemptions into the following groups:
- (a) exemptions for FFSPs;
  - (b) exemptions for business carried on in connection with an AFS licensee;
  - (c) exemptions in relation to financial services that involve only the financial services provider itself;
  - (d) exemptions because the financial service is subject to an alternative regulatory regime;
  - (e) exemptions because the financial services business is not the sole or principal purpose of the activity; and
  - (f) exemptions for FCISs.

### Exemptions for FFSPs

- RG 121.54 Exemptions apply to financial services activities carried on by a foreign person or company where:
- (a) there is no inducement for clients in Australia to use the service;
  - (b) the financial service is trading on a licensed Australian financial market for, or dealing in, off-market products to, an overseas client;

- (c) the financial service relates to a product issued when an Australian client was overseas;
- (d) the financial service is provided to a professional investor;
- (e) the financial service is provided by the operator of a notified foreign passport fund;
- (f) the financial service is carried out in conjunction with, or is provided to, an AFS licensee;
- (g) the foreign person or company only provides financial services to wholesale investors, is regulated by a foreign regulator specified by ASIC and was able to rely on transitional relief for entities regulated by foreign regulators as at 31 March 2020;
- (h) certain financial services are provided by a foreign authorised deposit-taking institution (ADI); or
- (i) the financial service is provided to a wholesale client and is predominantly provided outside the Australian jurisdiction.

Note 1: See Table 2 in the appendix for more details.

Note 2: On 31 March 2020, ASIC replaced licensing relief for entities regulated by a foreign regulator overseeing a regulatory regime determined by ASIC to be sufficiently equivalent to Australia's regulatory regime, with a foreign AFS licensing regime, set out in [ASIC Corporations \(Foreign Financial Services Providers—Foreign AFS Licensees\) Instrument 2020/198](#). For more information about eligibility and how to apply for a foreign AFS licence, see Regulatory Guide 176 *Foreign financial services providers* (RG 176). The 'sufficient equivalence' relief under [ASIC Corporations \(Repeal and Transitional\) Instrument 2016/396](#), which repealed and extended previous class order relief, and [ASIC Corporations \(CSSF-Regulated Financial Services Providers\) Instrument 2016/1109](#) (transitional relief) has been extended until 31 March 2026 for entities that were able to rely on the relief as at 31 March 2020.

Note 3: If passed by Parliament, the [Treasury Laws Amendment \(Better Targeted Superannuation Concessions and Other Measures\) Bill 2023](#) will introduce new licensing exemptions for FFSPs, replacing existing licensing exemptions.

## Exemptions on a case-by-case basis

RG 121.55 We will consider applications for licensing relief by FFSPs that do not fit within the terms of the transitional relief described in Table 2. The policy under which we consider such applications is [RG 51](#), [RG 176](#) and Information Sheet 157 *Foreign financial services providers: Licensing relief* ([INFO 157](#)).

## Connection with an AFS licensee

RG 121.56 These exemptions apply where a financial services business is carried on in relation to an AFS licensee. These activities can include:

- (a) acting under the authority, or on behalf, of an AFS licensee;

- (b) acting under an intermediary authorisation;
- (c) providing administrative services; and
- (d) providing services that are incidental to the operation of a licensed market or clearing and settlement facility (CS facility).

Note: See Table 3 in the appendix for more details.

## Financial services that involve only the financial services provider

RG 121.57 These exemptions apply where the financial service has some connection with the financial services provider itself.

RG 121.58 They apply in the following situations:

- (a) the financial services provider deals on its own behalf or provides services to a related body corporate;
- (b) the financial service is provided in relation to a financial product that the financial services provider issues;
- (c) the financial service is provided in relation to an employee share scheme;
- (d) the financial services provider enters into certain dealings on their own behalf or on behalf of a related body corporate or associated entity in relation to an ACCU or EIEU; or
- (e) a trustee of an RSE deals in financial products in the ordinary course of the operations of that entity (other than a financial product that is an interest in the RSE).

Note: See Table 4 in the appendix for more details.

## Alternative regulatory regime

RG 121.59 These exemptions apply where the financial service is subject to adequate alternative regulation, such as the superannuation regulatory regime, or where people to whom financial services are provided would still have the protection intended by Parliament: see Table 5 in the appendix for more details.

## Financial services business is not the sole or principal purpose of the activity

RG 121.60 These exemptions apply where:

- (a) carrying on the financial services business is not the sole or principal purpose of the activity; or

- (b) the predominant purpose of the product to which the service relates is not a financial product purpose.

Note: See Table 6 in the appendix for more details.

## Foreign collective investment schemes

RG 121.61 Regulatory Guide 178 *Foreign collective investment schemes* ([RG 178](#)) outlines how we will use ASIC's powers to facilitate the offer of interests in FCISs to Australian investors. It describes how and when we will use our exemption powers to:

- (a) grant a person or company who operates an FCIS (FCIS operator) relief from the requirement to be licensed;
- (b) grant an FCIS operator relief from the requirement to register an FCIS where the interests are offered to Australian retail investors; and
- (c) enable an FCIS operator to make offers to Australian investors on the basis of a foreign regulated disclosure document.

RG 121.62 In general, we will only give this relief if:

- (a) the FCIS and FCIS operator are regulated in their home jurisdiction under a sufficiently equivalent regulatory regime; and
- (b) there are effective cooperation arrangements between ASIC and the regulator in the home jurisdiction.

Note: See Section B of [RG 178](#).

## E Obligations for AFS licensees

### Key points

If you are required to hold an AFS licence in relation to a financial services business, you will be subject to various general, conduct, disclosure, and design and distribution obligations: see RG 121.67–RG 121.72.

If you provide financial product advice to retail clients, you will have additional obligations: see RG 121.73–RG 121.76.

There are also obligations that apply directly to a person who provides financial services as a representative of an AFS licensee: see RG 121.77–RG 121.80.

### AFS licensee is ultimately responsible for all its financial services

- RG 121.63     A person who holds an AFS licence has obligations under the Corporations Act and their licence conditions, particularly if they deal with retail clients. These obligations include having a dispute resolution system and professional indemnity insurance, and training and supervising representatives (s912A and s912B).
- RG 121.64     An AFS licensee remains ultimately responsible for all the financial services provided under its AFS licence, regardless of how those services are provided (s917B).
- RG 121.65     If you are a foreign entity that is not a foreign company registered under the Corporations Act, but you are an AFS licensee, you are obliged to have a local agent at all times who is authorised to accept service of process and notices on your behalf: regs 7.6.03A and 7.6.03B.
- RG 121.66     If you are an AFS licensee, you are also subject to various conduct and disclosure obligations.

### General AFS licensee obligations

- RG 121.67     As an AFS licensee, you must comply with the following general obligations under s912A and 912B:
  - (a) do all things necessary to ensure that the financial services covered by your AFS licence are provided efficiently, honestly and fairly;
  - (b) have adequate arrangements in place to manage your conflicts of interest;
  - (c) comply with your AFS licence conditions;

- (d) comply with the financial services laws;
- (e) take reasonable steps to ensure that your representatives comply with the financial services laws;
- (f) if the AFS licensee is the operator of, or has responsibilities in relation to, an Australian passport fund, comply with the law of each host economy;
- (g) comply with the Reference Checking and Information Sharing Protocol;
- (h) have available adequate resources;
- (i) maintain the competence to provide the financial services;
- (j) adequately train your representatives and ensure that they are competent to provide the financial services;
- (k) have a dispute resolution system if financial services are provided to retail clients;
- (l) have adequate risk management systems; and
- (m) have compensation arrangements if financial services are provided to retail clients.

Note 1: RG 121.67(h) and RG 121.67(l) do not generally apply if you are a body regulated by the Australian Prudential Regulation Authority (APRA) within the meaning of s3(2) of the *Australian Prudential Regulation Authority Act 1998*.

Note 2: For guidance on complying with these obligations, see Regulatory Guide 104 *AFS Licensing: Meeting the general obligations* ([RG 104](#)) and Regulatory Guide 126 *Compensation and insurance arrangements for AFS licensees* ([RG 126](#)).

Note 3: 'Reference Checking and Information Sharing Protocol' is defined in s9.

RG 121.68 The consumer protection provisions of the ASIC Act apply to prohibit a person from engaging in misleading or deceptive conduct in relation to financial services and prohibit unconscionable conduct. Under the ASIC Act, a term in a consumer contract may also be rendered void if it is deemed to be unfair.

Note: See Div 2 of Pt 2 of the ASIC Act for more details on these provisions.

## Conduct obligations

RG 121.69 As an AFS licensee, you may need to comply with various conduct obligations in Pts 7.6, 7.8 and 7.10 of the Corporations Act, including:

- (a) notifying ASIC of reportable situations;

Note: Section 912DAA sets out the obligation to notify ASIC of reportable situations. For guidance on complying with this obligation, see Regulatory Guide 78 *Breach reporting by AFS licensees and credit licensees* ([RG 78](#)).

- (b) assisting us in our regulatory oversight of you as an AFS licensee;

- (c) quoting your AFS licence number in documents;

Note: See s912F and reg 7.6.01C.

- (d) complying with certain procedures when dealing with clients' money and other property; and
- (e) keeping financial records and preparing and lodging financial statements.

RG 121.70 AFS licensees are prohibited from engaging in market misconduct and other conduct that is contrary to the prohibitions in the Corporations Act.

Note: See Pt 7.10 in relation to these prohibitions. Some of these obligations also apply to persons other than AFS licensees.

## Disclosure obligations

RG 121.71 As an AFS licensee, you may also be subject to various disclosure obligations, including (but not limited to) giving an FSG to retail clients.

Note: For information about complying with the FSG and other disclosure obligations in Pt 7.7, see [RG 175](#). For further information about disclosure obligations regarding providing personal advice to retail clients, see Div 3 of Pt 7.7 and RG 175.

## Design and distribution obligations

RG 121.72 AFS licensees that are issuers or distributors of financial products must comply with the design and distribution obligations in Pt 7.8A.

Note: For more information about complying with the design and distribution obligations in Pt 7.8A, see Regulatory Guide 274 *Product design and distribution obligations* ([RG 274](#)).

## Additional obligations: Financial product advice to retail clients

RG 121.73 There are additional obligations if you provide financial product advice to retail clients. These obligations vary depending on whether the advice is personal advice or general advice. Personal advice is financial product advice given or directed to a person (including by electronic means) in circumstances where:

- (a) the provider of the advice has considered one or more of the person's objectives, financial situation and needs; or
- (b) a reasonable person might expect the provider to have considered one or more of those matters (s766B(3)).



RG 121.74 All other financial product advice is general advice.

Note 1: The definition of ‘financial product advice’ is set out in [RG 36](#) at RG 36.19.

Note 2: For further information about the distinction between personal and general advice, see Section B of RG 175.

RG 121.75 Generally, if you are the providing entity and the financial service is the provision of personal advice to a retail client, you must:

- (a) give the client a Statement of Advice (SOA), as defined in s9, if the value of the financial investments in relation to which the advice is provided exceeds \$15,000 (s946A, 946AA(1)(a) and reg 7.7.09A);
- (b) act in the best interests of the client in relation to any advice given (s961B);
- (c) only provide advice to the client if it would be reasonable to conclude that the advice is appropriate to the client (s961G);
- (d) if it is reasonably apparent that information about the objectives, financial situation and needs of the client on which the advice is based is incomplete or inaccurate, warn the client that the advice is, or may be, based on incomplete or inaccurate information about the client’s relevant personal circumstances (s961H); and
- (e) if there is conflict between your interests, or those of an associate of yours, and the client’s interests, give priority to the client’s interests when giving the advice (s961J).

Note 1: For further information about complying with these additional obligations, see Sections D and E of RG 175.

Note 2: An SOA is not required for advice about small investments and where advice does not recommend the purchase or sale of products, when specific conditions are met: see s946AA and 946B, and reg 7.7.09A.

Note 3: An SOA is not required for advice on some specified products—for example, basic deposit products, related non-cash payment facilities, travellers’ cheques, cash management trusts or general insurance products: see reg 7.7.10.

RG 121.76 If you provide general advice, you do not need to comply with the obligations referred to above. However, if the general advice is provided to a retail client and you are the providing entity, you must warn the client that the advice does not take account of their objectives, financial situation or needs: see s949A.

Note 1: For further information about complying with this obligation, see Section B of RG 175.

Note 2: We have granted relief to simplify the warning where oral general advice is provided to a retail client. See [ASIC Corporations \(General Advice Warning\) Instrument 2015/540](#).

Note 3: In some circumstances, a general advice warning may not be required where general advice in relation to an issue or offer for sale is given on a billboard or poster or in the media: see reg 7.7.20.

## When do representatives need to hold an authorisation?

- RG 121.77 In general, if you provide financial services in Australia as a representative of another person (a principal), you need to hold an authorisation under the Corporations Act from that principal (who must, in general, hold an AFS licence). You do not need to hold an authorisation if:
- (a) you are not providing financial services;
  - (b) you are an employee or director of the principal (or a related body corporate of the principal) and the principal holds an AFS licence and the other requirements of s911B(1)(a) are satisfied;
  - (c) you are an employee of an authorised representative of the principal, but only if the principal holds an AFS licence, the other requirements of s911B(1)(c) are satisfied and the financial service is the provision of:
    - (i) a basic deposit product;
    - (ii) a facility for making non-cash payments that is related to a basic deposit product; or
    - (iii) a traveller's cheque;
  - (d) you are an AFS licensee providing the financial service under your own AFS licence (s911B(1)(d) and (3)); or

Note: As an AFS licensee, you cannot be the authorised representative of another AFS licensee except in relation to a binder: see s916D and 916E.

- (e) the financial services you provide would be exempt under s911A(2) if they were instead provided by the principal (s911B(1)(e)).

Note: We have given relief to allow AFS licensees who are authorised to deal in general insurance products to appoint distributors to deal in these products on their behalf without the need to appoint the distributors as authorised representatives: see [ASIC Corporations \(Basic Deposit and General Insurance Product Distribution\) Instrument 2015/682](#).

- RG 121.78 Accordingly, if you provide financial services as a representative of an AFS licensee, you will generally need to hold an authorisation from that licensee (unless you are an employee or director of that licensee or a related body corporate).

- RG 121.79 Under s766A(4) a person is not regarded as operating a registered scheme merely because they act as an agent or employee of another person who does. This means that if an agent of the operator of a registered scheme merely acts in connection with the operation of the scheme, and does not provide a financial service of a type referred to in s766A(1)(a)-(c) or (da)-(f), they will not have to hold an authorisation.

Note: The responsible entity remains responsible for the acts of its agents: see s601FB(2).

## What obligations are imposed on representatives?

RG 121.80 The responsibility to ensure compliance with the financial services laws is primarily imposed on AFS licensees, who are responsible for the conduct of their representatives (as defined in s9). However, some obligations in the law apply directly to representatives, including (but not limited to):

- (a) the financial services disclosure obligations in Pt 7.7 where the representative is the providing entity (including the additional obligations relating to financial product advice described in [RG 36](#) at RG 36.97–RG 36.100);
- (b) the hawking prohibition in s992A;  
 Note: For more information about the hawking prohibitions, see Regulatory Guide 38 *The hawking prohibition* ([RG 38](#)).
- (c) product distribution obligations under Pt 7.8A, where the representative is a ‘regulated person’ under s994A;  
 Note: For more information about product distribution obligations, see [RG 274](#).
- (d) some product disclosure obligations under Ch 6D (in the case of securities) or Pt 7.9 (in other cases);
- (e) the market misconduct and other prohibited conduct provisions in Pt 7.10; and
- (f) the consumer protection provisions in Div 2 of Pt 2 of the ASIC Act (e.g. the prohibition against misleading or deceptive conduct in s12DA).

Note: Some of these obligations also apply to persons other than representatives.

## F Offering financial products in Australia

### Key points

Disclosure obligations apply to offering a financial product to a retail client in Australia, even if you are not an AFS licensee.

If you issue a financial product to a retail client, you may be required to provide the client with a PDS about the financial product, unless your activities fit within an exemption: see RG 121.84.

If you offer securities (such as shares or debentures) to a retail client, you may be obliged to provide a prospectus rather than a PDS.

### Disclosure obligations that apply to offering financial products

RG 121.81 If you have a business of issuing financial products and you wish to offer a financial product to a retail client in Australia, you may be obliged to provide a PDS to the retail client: see Div 2 of Pt 7.9.

Note: For guidance on ‘retail’ versus ‘wholesale’ clients, see: RG 121.39.

RG 121.82 A PDS includes information such as:

- (a) the fees related to a financial product;
- (b) the risks associated with the financial product;
- (c) benefits of the financial product; and
- (d) significant characteristics of a financial product.

Note 1: See s1013D for the main content requirements of a PDS.

Note 2: Certain products are subject to specific disclosure regimes. Superannuation products, simple managed investment schemes and simple sub-fund products are subject to a shorter PDS regime: see Pt 7.9 as modified by Pt 7.9, Div 4, Subdivs 4.2B, 4.2C and 4.2D of the Corporations Regulations. For more information on the shorter PDS regime that applies to these products, see Information Sheet 155 *Shorter PDSs—Complying with requirements for superannuation products, simple managed investment schemes and simple sub-fund products* ([INFO 155](#)). Modified disclosure regimes also apply to standard margin lending facilities: see Pt 7.9 as modified by Pt 7.9, Div 4, Subdiv 4.2A of the Corporations Regulations.

Note 3: For more information on products subject to modified PDS disclosure regimes, see Section D of Regulatory Guide 168 *Disclosure: Product Disclosure Statements (and other disclosure obligations)* ([RG 168](#)).

RG 121.83 The information included in a PDS must be clear and concise and disclosed in an effective manner.

Note: For more information about PDSs, see Subdiv C of Div 2 of Pt 7.9.

## Exemptions from the obligation to provide a PDS

- RG 121.84 If you conduct one of the following activities as part of your financial services business (as described in s911A(2A)–(2E), as inserted by reg 7.6.02AG (see Table 2 in the appendix)), you are exempt from the obligation to provide a PDS (reg 7.9.98):
- (a) dealing with an AFS licensee;
  - (b) providing a financial service to a professional investor;
  - (c) providing a financial service from outside Australia without engaging in conduct that is intended to induce people in Australia to use the service or is likely to have that effect;
  - (d) trading on a licensed Australian market for an overseas client; or
  - (e) providing financial services to an Australian client in relation to a foreign financial product issued to the Australian client while the Australian client was overseas.

## Disclosure obligations that apply to offering securities

- RG 121.85 If the financial product you wish to offer to a retail client is a security (such as a share or a debenture), you may be obliged to provide a prospectus rather than a PDS. For provisions concerning disclosure in a prospectus, see Pt 6D.2 of Ch 6D and Regulatory Guide 228 *Prospectuses: Effective disclosure for retail investors* ([RG 228](#)).

## G Other rules and legislation that may apply

### Key points

There are other rules and legislation that may apply to your activities in Australia, including:

- the ASX, ASX 24, Cboe and FEX operating rules;
- the ASIC market integrity rules;
- laws relating to foreign investment in Australia;
- laws relating to banking and insurance;
- laws relating to credit activities;
- laws relating to payment systems and the transfer of funds;
- laws relating to the financial accountability regime; and
- Australian taxation laws.

### ASX, ASX 24, Cboe and FEX operating rules

RG 121.86 If you wish to participate in the financial markets of ASX (operated by ASX Limited), ASX 24 (operated by Australian Securities Exchange Limited), Cboe (operated by Cboe Australia Pty Ltd), or FEX (operated by FEX Global Pty Ltd), you will be bound by the ASX Operating Rules, ASX 24 Operating Rules, Cboe Operating Rules, and FEX Operating Rules respectively. For more information, visit [the ASX webpage](#). Part 7.2A establishes a rule-making regime whereby ASIC is able to make market integrity rules dealing with the activities and conduct in relation to licensed financial markets, including participants in the relevant market.

RG 121.87 Market participants will need to comply with the market integrity rules for each relevant market. ASIC is responsible for supervising compliance with these rules. For more information, see Regulatory Guide 265 *Guidance on ASIC market integrity rules for participants of securities markets* ([RG 265](#)) and Regulatory Guide 266 *Guidance on ASIC market integrity rules for participants of futures markets* ([RG 266](#)) or visit [ASIC's markets webpage](#).

### Foreign investment

RG 121.88 The *Foreign Acquisitions and Takeovers Act 1975* regulates foreign investments in Australia. The *Financial Sector (Shareholdings) Act 1998* also regulates foreign investments in Australia by imposing restrictions on shareholdings in financial sector companies.

- RG 121.89 The Foreign Investment Review Board (FIRB) is an advisory body that examines proposals by foreign interests to undertake direct investment in Australia and makes recommendations to the Australian Government on whether those proposals are suitable for approval under the government's policy. For more information, visit [the FIRB website](#).

## Banking and insurance

- RG 121.90 APRA oversees banks, credit unions, building societies, general insurance and reinsurance companies, life insurance, friendly societies, and superannuation trustees. For more information about APRA's regulatory role and the legislation it administers, visit [the APRA website](#).

## Credit activities

- RG 121.91 Under the National Credit Act, if you engage in credit activities, you need to be:
- (a) authorised to engage in those activities under an Australian credit licence (credit licence);
  - (b) exempt from the requirement to be licensed or registered; or
  - (c) acting as a representative of another person who is licensed, registered or exempt from the requirement to be licensed or registered.
- RG 121.92 Credit licensees must comply with the general conduct obligations and the responsible lending obligations under the National Credit Act. For more information, visit [ASIC's credit webpage](#).

## Payment systems and the transfer of funds

- RG 121.93 Under the *Payment Systems (Regulation) Act 1998* and the *Payment Systems and Netting Act 1998*, the Reserve Bank of Australia (RBA) regulates systems that facilitate the transfer of funds (payment systems). For more information about these laws and the RBA's role in Australia's financial markets, visit [the RBA's website](#).
- RG 121.94 APRA and the Australian Competition and Consumer Commission (ACCC) may also have a role in regulating payment systems. For more information about the ACCC's role, visit [the ACCC website](#).

## Financial accountability regime

- RG 121.95 Under the FAR Act, ASIC and APRA jointly administer the financial accountability regime, which was introduced to improve the operating culture of entities in the banking, insurance and superannuation industries and increase responsibility and accountability across these industries. For more information about the financial accountability regime, see Regulatory Guide 279 *Financial Accountability Regime: Information for accountable entities* ([RG 279](#)).

## Australian taxation laws and other rules

- RG 121.96 You may need to consider various laws imposing taxation obligations. The taxation legislation is administered by the [Australian Tax Office](#).
- RG 121.97 There may also be industry standards you wish to voluntarily adopt in relation to your financial services business in Australia.



## Appendix: Exemptions from holding an AFS licence

The tables in this appendix contain details of the exemptions from the obligation to hold an AFS licence that are available in Ch 7, the Corporations Regulations and ASIC legislative instruments. See Section C of this guide for guidance on the obligation to be licensed and Section D for an overview of the exemptions detailed in this appendix.

**Table 2: FFSPs**

Exemption	Conduct for which a foreign person or company does not need to hold an AFS licence	Relevant section, regulation, or legislative instrument
No inducement for people in Australia to use the service	A person or company located outside Australia provides a financial service from outside Australia to a client in Australia and does not induce people in Australia to use the service.	s911A(2A), as inserted by reg 7.6.02AG
Trading on a licensed Australian financial market for an overseas client	A person or company located outside Australia trades on a licensed Australian financial market for a client and the foreign person or company believes on reasonable grounds that the client is located outside Australia.	s911A(2B), as inserted by reg 7.6.02AG
Providing financial services to an Australian client in relation to a financial product it issued when the Australian client was overseas	A person or company located outside Australia provides a financial service to a client in Australia relating to a financial product: <ul style="list-style-type: none"> <li>• issued to the Australian client upon that client's instigation;</li> <li>• issued to the Australian client while that client was not in Australia; or</li> <li>• that supplements, or is similar to and substitutes, the financial product; and</li> <li>• does not induce people in Australia to use the service.</li> </ul>	s911A(2D), as inserted by reg 7.6.02AG
Providing a financial service to a professional investor	A person or company located outside Australia provides financial services to a professional investor for dealing in, providing advice on, and/or making a market in: <ul style="list-style-type: none"> <li>• derivatives</li> <li>• foreign exchange contracts</li> <li>• ACCUs, or</li> <li>• EIEUs.</li> </ul>	s911A(2E), as inserted by reg 7.6.02AG

Exemption	Conduct for which a foreign person or company does not need to hold an AFS licence	Relevant section, regulation, or legislative instrument
Financial services provided by notified foreign passport fund	The operator of a notified foreign passport fund or another person acting on their direction acquires or disposes of a financial product as an investment of the fund.	s911A(2)(eh) and (ei)
	The operator of a notified foreign passport fund, or another person acting on their direction, issues, acquires or disposes of, a derivative or foreign exchange contract for the purposes of managing the financial consequences of particular circumstances or avoiding or limiting the financial consequences of fluctuations in, or in the value of, receipts or costs.	s911A(2)(ej)
Acting in conjunction with an AFS licensee	A person or company located outside Australia arranges, on behalf of a client, for an AFS licensee to deal in a financial product, provided the person or company believes on reasonable grounds that the client is also located outside Australia.	reg 7.6.01(1)(f)
	A person or company located outside Australia enters into an arrangement with an AFS licensee under which a financial product, or a beneficial interest in a financial product, is to be held on trust for, or on behalf of, a client, provided the person or company believes on reasonable grounds that the client is also located outside Australia.	reg 7.6.01(1)(fa)
	An AFS licensee arranges for a person or company located outside Australia to deal in a financial product, or class of financial products, for a client who is in Australia.  Note: This exemption does not apply if the foreign person or company provides any other financial service as part of the service to the client or if the licensee's AFS licence does not cover the provision of the service.	reg 7.6.01(1)(n)
	An AFS licensee that is a related body corporate of a person or company located outside Australia (or a party to a business joint venture with that person or company) arranges for the foreign person or company to provide financial product advice, make a market, or provide custodial or depository services to a client in Australia, and the licensee's AFS licence covers the provision of the service and is subject to a condition requiring it to assume responsibility for the conduct of the foreign person or company in providing that service.	reg 7.6.01(1)(na)

Exemption	Conduct for which a foreign person or company does not need to hold an AFS licence	Relevant section, regulation, or legislative instrument
Dealing with an AFS licensee	A person or company located outside Australia provides a financial service to another person who holds an AFS licence or is exempt from the requirement to hold an AFS licence under s911A(2)(h) and is not, in relation to the service, acting as a trustee, responsible entity of a registered managed investment scheme, corporate director of a CCIV or otherwise acting on someone else's behalf.	s911A(2C), as inserted by reg 7.6.02AG
Referral to an AFS licensee	<p>A person or company located outside Australia provides a financial service that consists only of a 'referral'—that is, informing another person that an AFS licensee (or one of its representatives) is able to provide a particular financial service or class of financial services and giving that other person contact details for the AFS licensee or representative.</p> <p>Note: Unless the foreign person or company is a representative of the AFS licensee (or a related body corporate of the licensee), they must disclose any benefits (including commissions) that they (and their associates) are to receive in respect of, or that are attributable to, the service.</p>	reg 7.6.01(1)(e) and (ea)
Only dealing in off-market products to foreign clients	<p>A person or company located outside Australia is only dealing in products not traded on an Australian financial market licensed under Ch 7 (e.g. ASX or ASX 24).</p> <p>Note: This exemption only applies if the foreign person or company believes on reasonable grounds that all parties to the dealing or any transactions to which the dealing relates (including the client) are overseas.</p>	reg 7.6.01(1)(g)
Regulated by an overseas regulatory authority	<p>A person or company located outside Australia provides the service only to wholesale clients and is regulated by an overseas regulatory authority and the provision of the service is covered by an exemption specified by ASIC.</p> <p>Note: For information about our approach to applications under this provision, see <a href="#">Regulatory Guide 176 Foreign financial services providers (RG 176)</a>.</p>	s911A(2)(h)

Exemption	Conduct for which a foreign person or company does not need to hold an AFS licence	Relevant section, regulation, or legislative instrument
Regulated by an overseas regulatory authority (cont.)	<p>A person or company that is regulated by one of the following overseas regulatory authorities, only provides the service to wholesale clients and was able to rely on the transitional relief on 31 March 2020:</p> <ul style="list-style-type: none"> <li>• UK Financial Services Authority (FSA);</li> <li>• US Securities and Exchange Commission (SEC);</li> <li>• US Federal Reserve and Office of Comptroller of Currency (OCC);</li> <li>• Monetary Authority of Singapore (MAS);</li> <li>• Securities and Futures Commission (SFC) of Hong Kong;</li> <li>• US Commodity Futures Trading Commission (CFTC);</li> <li>• Federal Financial Supervisory Authority (BaFin) of Germany;</li> <li>• Commission for the Supervision of the Financial Sector (CSSF) of Luxembourg.</li> </ul> <p>Note 1: <a href="#">ASIC Corporations (Repeal and Transitional) Instrument 2016/396</a> repealed the following class orders but extends the relief available under them until 31 March 2026 for entities that were able to rely on the relief as at 31 March 2020:</p> <ul style="list-style-type: none"> <li>• Class Order <a href="#">[CO 03/1099]</a> <i>UK FSA regulated financial service providers</i></li> <li>• Class Order <a href="#">[CO 03/1100]</a> <i>US SEC regulated financial service providers</i></li> <li>• Class Order <a href="#">[CO 03/1101]</a> <i>US Federal Reserve and OCC regulated financial service providers</i></li> <li>• Class Order <a href="#">[CO 03/1102]</a> <i>Singapore MAS regulated financial service providers</i></li> <li>• Class Order <a href="#">[CO 03/1103]</a> <i>Hong Kong SFC regulated financial service providers</i></li> <li>• Class Order <a href="#">[CO 04/829]</a> <i>US CFTC regulated financial services providers</i></li> <li>• Class Order <a href="#">[CO 04/1313]</a> <i>German BaFin regulated financial service providers</i></li> </ul> <p>Relief under <a href="#">ASIC Corporations (CSSF-Regulated Financial Services Providers) Instrument 2016/1109</a> has also been extended to 31 March 2026 for entities that were able to rely on the relief as at 31 March 2020.</p> <p>Note 2: If passed by Parliament, the <a href="#">Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023</a> will introduce new licensing exemptions for FFSPs, replacing existing licensing exemptions.</p>	<p><a href="#">ASIC Instrument 2016/396</a> and <a href="#">ASIC Corporations Instrument 2016/1109</a> (i.e. the transitional relief)</p>

Exemption	Conduct for which a foreign person or company does not need to hold an AFS licence	Relevant section, regulation, or legislative instrument
Foreign ADI	<p>A foreign ADI engages in limited dealings in either, or both of, derivatives and foreign exchange contracts:</p> <ul style="list-style-type: none"> <li>• that are entered into for the purpose of managing financial risk arising in the ordinary course of the foreign ADI's banking business; and</li> <li>• where the counterparty to the dealing is a wholesale client.</li> </ul>	<a href="#">ASIC Corporations (Foreign Licensees and ADIs) Instrument 2016/186</a>
Dealings with a limited connection to Australia	<p>A person or company located outside Australia provides a financial service to a wholesale client and the only reason that the foreign person or company is carrying on a financial services business in Australia is as a result of s911D.</p> <p>Note 1: We have replaced the 'limited connection relief' under <a href="#">ASIC Corporations (Foreign Financial Services Providers—Limited Connection) Instrument 2017/182</a> with the narrower 'funds management relief' under <a href="#">ASIC Corporations (Foreign Financial Services Providers—Funds Management Financial Services) Instrument 2020/199</a>, which commences on 1 April 2026. Under transitional arrangements, the relief under <a href="#">ASIC Instrument 2017/182</a> continues until 31 March 2026.</p> <p>Note 2: If passed by Parliament, the <a href="#">Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023</a> will introduce new licensing exemptions for FFSPs, replacing existing licensing relief.</p>	<a href="#">ASIC Instrument 2017/182</a>
Funds management relief	<p>A person or company located outside Australia engages in 'inducing conduct' in relation to the provision of 'funds management financial services' to certain types of professional investors in Australia and the only reason that the foreign person or company is carrying on a financial services business in Australia is as a result of s911D.</p> <p>Note: The 'funds management relief' under <a href="#">ASIC Instrument 2020/199</a> commences on 1 April 2026. However, if passed by Parliament, the <a href="#">Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023</a> will introduce new licensing exemptions for FFSPs, replacing existing licensing relief.</p>	<a href="#">ASIC Instrument 2020/199</a>

**Table 3: Connection with an AFS licensee**

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
Representative of an AFS licensee	A person or company provides the service as a representative of a person who is licensed to carry on the financial services business that covers the provision of the service or is exempt under s911A(2) from the requirement to hold an AFS licence.	s911A(2)(a)
Acting under an intermediary authorisation	A person or company enters into, or provides a service under, an intermediary authorisation as specified in s911A(2)(b) and (ba).	s911A(2)(b) and (ba)
Incidental to the operation of a licensed market or licensed CS facility	A person or company provides the service of, or the service is provided incidentally to, the operation of a licensed market or licensed CS facility.	s911A(2)(d)
Certain claims handling and settling services	A person or company provides a claims handling and settling service in relation to an insurance product and: <ul style="list-style-type: none"> <li>the person is not specifically required to hold an AFS licence because of the operation of s911A(2)(ek); or</li> <li>the service is provided in the circumstances set out in s911A(el), (em) or (en).</li> </ul>	s911A(2)(ek)–(en)
Acting in an administrative capacity	A person or company provides the financial services in one of the circumstances described in s911A(2)(f).	s911A(2)(f)
Sub-custodian	A person or company provides the service as a sub-custodian in the circumstances set out in reg 7.6.01(1)(k).	reg 7.6.01(1)(k)
General product advice provided to an AFS licensee by the issuer	An issuer of a financial product or class of financial products, or related body corporate of the issuer, provides general product advice to an AFS licensee about those products and the AFS licensee is authorised to provide that advice.	reg 7.6.01(1)(s)
Activity of a nominee	A wholly owned subsidiary of a licensed market participant holds a financial product or the beneficial interest in a financial product on trust for a client of the licensed market participant in the circumstances set out in reg 7.6.01(1)(v).	reg 7.6.01(1)(v)

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
General insurance distributor	A product distributor for an AFS licensee authorised to deal in general insurance products provides the financial service of dealing in a general insurance product on behalf of the licensee.	<a href="#"><i>ASIC Corporations (Basic Deposit and General Insurance Product Distribution) Instrument 2015/682</i></a>

**Table 4: Financial services that involve only the financial services provider**

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
Service provided to a related body corporate	The person or company provides the service only to related bodies corporate.	s911A(2)(i)
Variation or disposal of financial product by issuer	A person or company is a product issuer who varies or disposes of a financial product at the direct request of the product holder (rather than through an intermediary).	s911A(2)(c)
Dealing in derivatives or foreign exchange contracts to manage financial risk	A person or company deals on its own behalf, but does not make a market, in derivatives or foreign exchange contracts where: <ul style="list-style-type: none"> <li>the dealing is for the purpose of managing a financial risk that arises in the ordinary course of a business; and</li> <li>the person or company does not deal in derivatives or foreign exchange contracts as a significant part of its business.</li> </ul>	reg 7.6.01(1)(m)
Employee share schemes	A person or company provides certain services in relation to an offer for the issue, sale or transfer of employee share scheme (ESS) interests made to ESS participants in connection with an employee share scheme of a body corporate or registered scheme if the offer is expressed to be made under Div 1A of Pt 7.12 and the offer is covered by: <ul style="list-style-type: none"> <li>s1100P (offers for no monetary consideration);</li> <li>s1100Q (offers for monetary consideration); or</li> <li>s1100R (offers that would otherwise not need disclosure).</li> </ul> <p>Note: 'employee share scheme', 'ESS participant' and 'ESS interest' are defined in s1100L and 1100M.</p>	s1100ZC(7), s1100N, s1100P, s1100Q, s1100R

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
Issuer varies or disposes of the financial product	A person or company that issued a financial product varies or disposes of that financial product under the terms of the financial product.	reg 7.6.01(1)(q)
Trustees of RSEs	A trustee of an RSE deals in financial products (other than an interest in the entity) in the ordinary course of the operation of that entity.	reg 7.6.01(1)(db)
Self-dealers	Bodies that are entitled to the licensing exemption in s766C(4) provide general advice to wholesale clients in an offer document about securities covered by s766C(4).	<a href="#"><i>ASIC Corporations (Financial Product Advice – Exempt Documents) Instrument 2016/356</i></a>
Certain dealings in relation to an ACCU or EIEU	<p>A person or company deals in an ACCU or EIEU, or derivatives over or foreign exchange contracts for such units, and:</p> <ul style="list-style-type: none"> <li>the service does not involve the making of a market for those units, derivatives or foreign exchange contracts;</li> <li>the dealing is entered into for the purpose of managing financial risk in relation to the surrender, cancellation or relinquishment of such units by the person, a related body corporate or associated entity;</li> <li>the person does not deal in those units, derivatives or foreign exchange contracts as the principal activity of the person's business; and</li> <li>the dealing is entered into on the person's own behalf or on behalf of a related body corporate or associated entity.</li> </ul>	reg 7.6.01(1)(ma)

**Table 5: Alternative regulatory regime**

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
Regulated by APRA	A body regulated by APRA provides the financial service only to wholesale clients and the service is one for which APRA has regulatory or supervisory responsibilities.	s911A(2)(g)



Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
Trustee capacity in relation to superannuation	A body deals in a financial product in the capacity of trustee of a pooled superannuation trust (PST) where: <ul style="list-style-type: none"> <li>the PST is used for investment of the assets of a regulated superannuation fund; and</li> <li>the regulated superannuation fund has net assets of at least \$10 million on the date that it first invests in the PST.</li> </ul>	reg 7.6.01(1)(b)
	A superannuation trustee service provided by the trustee of a PST in the circumstances set out in paragraph (b) of reg 7.6.01(1).	reg 7.6.01(1)(ba)
	A body deals in a financial product in the capacity of trustee of a PST where: <ul style="list-style-type: none"> <li>the PST is used for investment of the assets of a regulated superannuation fund;</li> <li>the regulated superannuation fund has net assets of at least \$5 million, but less than \$10 million on the date that it first invests in the PST; and</li> <li>the trustee has a reasonable expectation that the net assets of the regulated superannuation fund will equal or exceed \$10 million not later than 3 months of the date on which it first invests in the PST.</li> </ul>	reg 7.6.01(1)(c)
	A superannuation trustee service provided by the trustee of a PST in the circumstances set out in paragraph (c) of reg 7.6.01(1).	reg 7.6.01(1)(ca)
	A body deals in a financial product in the capacity of trustee of a PST in circumstances where the PST is not used for the investment of assets of a regulated superannuation fund.	reg 7.6.01(1)(d)
	A superannuation trustee service provided by the trustee of a PST in the circumstances set out in paragraph (d) of reg 7.6.01(1).	reg 7.6.01(1)(da)
	A person or company provides the service in their capacity as trustee of a self-managed superannuation fund.	s911A(2)(j)
Superannuation	An employer–sponsor deals in a financial product only by paying contributions on behalf of an employee into a superannuation product or retirement savings account (RSA) product.	reg 7.6.01(1)(h)
	An RSA provider deals in a financial product only by paying the benefits of an RSA product holder into a superannuation product or RSA product.	reg 7.6.01(1)(hb)

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or legislative instrument
Superannuation (cont.)	An employer–sponsor deals in a financial product only by arranging for the issue of a superannuation product to an employee.	reg 7.6.01(1)(hc)
Workers' compensation insurance	A body provides a financial service relating to insurance with respect to workers' compensation in the circumstances set out in reg 7.6.01(1)(p).	reg 7.6.01(1)(p)
Factoring arrangements	An eligible person purchases debt obligations under the terms of a factoring arrangement. The relief is conditional on the disclosure of terms and conditions to retail clients and maintenance of an internal dispute resolution system that covers retail client complaints.	<a href="#">ASIC Corporations (Factoring Arrangements) Instrument 2017/794</a>
Trustees of wholesale equity schemes	An eligible trustee of a wholesale equity scheme deals in (other than by issuing to a person as a retail client) investment products that form part of the trust property of the scheme or provide a custodial or depository service in relation to the investment products.  Note: See Regulatory Guide 192 <i>Licensing: Wholesale equity schemes</i> ( <a href="#">RG 192</a> ) for definitions of 'eligible trustee' and 'wholesale equity scheme'.	<a href="#">ASIC Corporations (Wholesale Equity Scheme Trustees) Instrument 2017/849</a>

**Table 6: Financial services business is not the sole or principal purpose of the activity**

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or class order
Providing general advice	The proprietor or publisher of a newspaper or periodical provides general advice in their publication that is generally available to the public (otherwise than only on subscription) and where the sole or principal purpose of the publication is not the provision of financial product advice.	s911A(2)(ea)
	A person or company provides general advice in transmissions made by means of an information service where the transmissions are generally available to the public and where the sole or principal purpose of the transmissions is not the provision of financial product advice.	s911A(2)(eb)
	A person or company provides general advice in sound recordings, video recordings or data recordings that are made publicly available and where the sole or principal purpose of the recordings is not the provision of financial product advice.	s911A(2)(ec)

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or class order
Providing general advice (cont.)	A product issuer provides general advice in the media in the circumstances set out in reg 7.6.01(1)(o).	reg 7.6.01(1)(o)
Actuaries	An actuary provides financial product advice in the course of providing actuarial services in the circumstances set out in reg 7.6.01(1)(oa).	reg 7.6.01(1)(oa)
Non-cash payment facility (general)	A person or company advises other people about, or arranges for the use of, non-cash payment facilities that may be used to acquire goods or services in the ordinary course of its business, but only if the person or company does not provide financial services as a significant part of its business.	reg 7.6.01(1)(l)
	A person or company advises other people about, or arranges for the use of, non-cash payment facilities that may be used to acquire a financial product or financial service provided in the ordinary course of its business.	reg 7.6.01(1)(la)
	A person or company issues a non-cash payment facility under which payments may be made only to the issuer of the facility or a related body corporate of the issuer.  Note: See also <a href="#">ASIC Corporations (Non-cash Payment Facilities) Instrument 2016/211</a> for other licensing exemptions for the provision of financial services in relation to non-cash payment facilities.	reg 7.6.01(1)(lb)
Non-cash payment facilities (other)	A person or company provides financial services in relation to: <ul style="list-style-type: none"> <li>• low value non-cash payment facilities where specified consumer protection requirements are met;</li> <li>• gift facilities, such as gift vouchers or cards; or</li> <li>• prepaid mobile facilities.</li> </ul>	<a href="#">ASIC Instrument 2016/211</a>
	Loyalty schemes constituting non-cash payment facilities are not financial products for the purposes of Ch 7.	<a href="#">ASIC Instrument 2016/211</a>
Advice relating to matters other than financial products	A person or company provides advice in a document issued in connection with a takeover bid or an offer of a financial product and the advice relates to matters other than financial products (e.g. a geologist's report) in the circumstances set out in reg 7.6.01(1)(u).	reg 7.6.01(1)(u)

Exemption	Conduct for which a financial services business does not need to hold an AFS licence	Relevant section, regulation or class order
General advice contained in a document	An issuer of certain documents provides general advice contained in those documents.	<a href="#"><i>ASIC Corporations (Financial Product Advice – Exempt Documents) Instrument 2016/356</i></a>
Mortgage offset accounts	A person or company provides financial services that consist of advising or arranging in relation to a mortgage offset account.	<a href="#"><i>ASIC Corporations (Mortgage Offset Accounts) Instrument 2017/795</i></a>
Financial counselling	A financial counselling agency provides financial product advice in the course of providing a financial counselling service.	reg 7.6.01(1)(zb)
Generic financial calculators	A person or company makes available a generic financial calculator in the circumstances set out in <a href="#"><i>ASIC Corporations (Generic Calculators) Instrument 2016/207</i></a> .	ASIC Instrument 2016/207
Valuing shares in a real estate company	A person or company provides general advice in relation to eligible shares in a real estate company, where the advice relates to a valuation of eligible shares in the real estate company or a valuation of property.	<a href="#"><i>ASIC Corporations (Real Estate Companies) Instrument 2015/1049</i></a>
Funeral expenses policies issued by friendly societies	A funeral services entity (its employee, director or officer) provides financial product advice in relation to a friendly society funeral product, or dealing in a friendly society funeral product, in the ordinary course of business.  Note: 'friendly society funeral product' and 'funeral services entity' are defined in reg 7.6.01(7).	reg 7.6.01(1)(ta)
Litigation funding scheme	A person or company provides a financial service in relation to a litigation funding scheme or litigation funding arrangement mentioned in reg 5C.11.01.	reg 7.6.01(1)(x) and (y)
Gas trading exchange	A person or company provides a financial service in relation to a qualifying gas exchange product traded on a qualifying gas trading exchange and the person is a participant in relation to the exchange.  Note: 'Qualifying gas exchange product' and 'qualifying gas trading exchange' are defined in reg 1.0.02.	reg 7.6.01(1)(z)

## Key terms

Term	Meaning in this document
ACCC	Australian Competition and Consumer Commission
ACCU	Australian carbon credit unit
ADI	Authorised deposit-taking institution
AFS licence	An Australian financial services licence under s913B that authorises a person who carries out a financial services business to provide financial services  Note: This is a definition contained in s9.
AFS licensee	A person who holds an Australian financial services licence under s913B  Note: This is a definition contained in s9.
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ASIC Act	<i>Australian Securities and Investments Commission Act 2001</i>
ASX	ASX Limited or the exchange market operated by ASX Limited
ASX 24	The financial market formerly known as the Sydney Futures Exchange, operated by Australian Securities Exchange Limited
Australian carbon credit unit (ACCU)	A unit issued under s147 of the <i>Carbon Credits (Carbon Farming Initiative) Act 2011</i>
authorised representative of an AFS licensee	A person authorised in accordance with s916A or 916B to provide a financial service or financial services on behalf of an AFS licensee  Note: This is a definition contained in s9.
Cboe	Cboe Australia Pty Ltd (formerly Chi-X Australia Pty Ltd) or the exchange market operated by Cboe
Cboe Operating Rules	Operating rules for the financial market operated by Cboe
CCIV	A corporate collective investment vehicle—a company that is registered as a corporate collective investment vehicle under the Corporations Act  Note: This is a definition in s9.
Ch 7 (for example)	A chapter of the Corporations Act (in this example numbered 7)

Term	Meaning in this document
[CO 03/1099]	An ASIC class order (in this example numbered 03/1099)
Corporations Act	<i>Corporations Act 2001</i> , including regulations made for the purposes of that Act
Corporations Regulations	<i>Corporations Regulations 2001</i>
credit licence	An Australian credit licence under s35 of the National Credit Act that authorises a licensee to engage in particular credit activities
CS facility	Clearing and settlement facility as defined by s768A
EIEU	Eligible international emissions unit—has the meaning given in s4 of the <i>Australian National Registry of Emissions Units Act 2011</i>
FAR Act	<i>Financial Accountability Regime Act 2023</i>
FCIS	Foreign collective investment scheme
FCIS operator	The person who operates the FCIS or, for an FCIS that is a corporation, the corporation
FEX	FEX Global Pty Ltd
FEX Operating Rules	Operating rules for the financial market operated by FEX
FFSP	Foreign financial services provider
FIRB	Foreign Investment Review Board
financial product	Generally a facility through which, or through the acquisition of which, a person does one or more of the following: <ul style="list-style-type: none"> <li>• makes a financial investment (see s763B);</li> <li>• manages financial risk (see s763C);</li> <li>• makes non-cash payments (see s763D)</li> </ul> Note: See Div 3 of Pt 7.1 for the exact definition.
financial service	Has the meaning given in Div 4 of Pt 7.1
financial services regime	Chapter 7
foreign AFS licence	A modified AFS licence issued to an FFSP that: <ul style="list-style-type: none"> <li>• provides financial services to wholesale clients in Australia; and</li> <li>• is regulated by an overseas regulatory regime that ASIC has determined is sufficiently equivalent to the Australian regulatory regime</li> </ul>

Term	Meaning in this document
FSG	A Financial Services Guide—a document required by s941A or 941B to be given in accordance with Div 2 of Pt 7.7  Note: This is a definition in s9.
general conduct obligations	The obligations under s47(1) of the National Credit Act
market integrity rules	Rules made by ASIC, under s798G, for trading on domestic licensed markets
market participant	A 'participant' as defined in s767A
National Credit Act	<i>National Consumer Credit Protection Act 2009</i>
notified foreign passport fund	A foreign passport fund that has become a notified foreign passport fund under s1213C
operating rules	Has the meaning given in s9
PDS	Product Disclosure Statement
Product Disclosure Statement	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  Note: See s9 for the exact definition.
PST	A pooled superannuation trust as defined in s10 of the SIS Act
Pt 5B.2 (for example)	A part of the Corporations Act (in this example numbered 5B.2), unless otherwise specified
RBA	Reserve Bank of Australia
reg 7.6.01C (for example)	A regulation of the Corporations Regulations (in this example numbered 7.6.01C)
representative of an AFS licensee	Means: <ul style="list-style-type: none"> <li>• an authorised representative of the licensee; or</li> <li>• an employee or director of the licensee; or</li> <li>• an employee or director of a related body corporate of the licensee; or</li> <li>• any other person acting on behalf of the licensee</li> </ul> Note: This is a definition contained in s9.
responsible lending obligations	The obligations under Ch 3 of the National Credit Act
retail client	A client as defined in s761G and 761GA and Div 2 of Pt 7.1 of the Corporations Regulations
RG 51 (for example)	An ASIC regulatory guide (in this example numbered 51)

Term	Meaning in this document
RSA	Retirement savings account as defined in s8 of the <i>Retirement Savings Accounts Act 1997</i>
RSE	A registrable superannuation entity (e.g. a superannuation fund)
s763E (for example)	A section of the Corporations Act (in this example numbered 763E), unless otherwise specified
safeguard mechanism credit unit	A unit issued under s22XNA of the <i>National Greenhouse and Energy Reporting Act 2007</i>
shorter PDS	A PDS that is required to comply with the shorter PDS regime
shorter PDS regime	The requirements set out in Pt 7.9 as modified by Pt 7.9, Div 4, Subdivs 4.2B to 4.2D and Sch 10D to 10F of the Corporations Regulations, which prescribe the content and length of the PDS for superannuation products, simple managed investment schemes and simple sub-fund products
SIS Act	<i>Superannuation Industry (Supervision) Act 1993</i> SIS
SOA	Statement of Advice
Statement of Advice	A document that must be given to a retail client for the provision of personal advice under Subdivs C and D of Div 3 of Pt 7.7  Note: See s9 for the exact definition.
transitional relief	The relief in <a href="#">ASIC Corporations (Repeal and Transitional) Instrument 2016/396</a> and <a href="#">ASIC Corporations (CSSF-Regulated Financial Services Providers) Instrument 2016/1109</a>
wholesale client	A client who is not a retail client as defined in s761G and Div 2 of Pt 7.1 of the Corporations Regulations



## Related information

### Headnotes

authorisation, carrying on a business, conduct and disclosure obligations, FFSPs, general licence obligations, inducing, licensing exemptions, obligations that apply to providers of financial services, overseas regulatory authorities, retail clients, wholesale clients

### Legislative instruments

[\*ASIC Corporations \(General Advice Warning\) Instrument 2015/540\*](#)

[\*ASIC Corporations \(Basic Deposit and General Insurance Product Distribution\) Instrument 2015/682\*](#)

[\*ASIC Corporations \(Real Estate Companies\) Instrument 2015/1049\*](#)

[\*ASIC Corporations \(Foreign Licensees and ADIs\) Instrument 2016/186\*](#)

[\*ASIC Corporations \(Generic Calculators\) Instrument 2016/207\*](#)

[\*ASIC Corporations \(Non-cash Payment Facilities\) Instrument 2016/211\*](#)

[\*ASIC Corporations \(Financial Product Advice – Exempt Documents\) Instrument 2016/356\*](#)

[\*ASIC Corporations \(Repeal and Transitional\) Instrument 2016/396\*](#)

Note: This instrument repealed and extended relief previously available under [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 03/1103], [CO 04/829] and [CO 04/1313]

[\*ASIC Corporations \(CSSF-Regulated Financial Services Providers\) Instrument 2016/1109\*](#)

[\*ASIC Corporations \(Foreign Financial Services Providers—Limited Connection\) Instrument 2017/182\*](#)

[\*ASIC Corporations \(Factoring Arrangements\) Instrument 2017/794\*](#)

[\*ASIC Corporations \(Mortgage Offset Accounts\) Instrument 2017/795\*](#)

[\*ASIC Corporations \(Wholesale Equity Scheme Trustees\) Instrument 2017/849\*](#)

[\*ASIC Corporations \(Foreign Financial Services Providers—Foreign AFS Licensees\) Instrument 2020/198\*](#)

[\*ASIC Corporations \(Foreign Financial Services Providers—Funds Management Financial Services\) Instrument 2020/199\*](#)

## Regulatory guides

[RG 1](#) *Applying for and varying an AFS licence*

[RG 36](#) *Licensing: Financial product advice and dealing*

[RG 38](#) *The hawking prohibition*

[RG 51](#) *Applications for relief*

[RG 78](#) *Breach reporting by AFS licensees and credit licensees*

[RG 104](#) *AFS licensing: Meeting the general obligations*

[RG 126](#) *Compensation and insurance arrangements for AFS licensees*

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[RG 265](#) *Guidance on ASIC market integrity rules for participants of securities markets*

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[RG 279](#) *Financial Accountability Regime: Information for accountable entities*

## Information sheets

[INFO 155](#) *Shorter PDSs—Complying with requirements for superannuation products, simple managed investment schemes and simple sub-fund products*

[INFO 157](#) *Foreign financial services providers: Licensing relief*

[INFO 253](#) *Claims handling and settling: How to comply with your AFS licence obligations*

## Legislation

*Australian Prudential Regulation Authority Act 1998, s3(2)*

*Australian Securities and Investments Commission Act 2001, Pt 2, Div 2, s12DA*

*Corporations Act 2001, Ch 2L, 5C, 6D and 7, Pts 5.2, 5B.2, 6D.2, 7.1, 7.2A 7.6, 7.7, 7.8, 7.8A, 7.9 and 7.10, s9, 18-21, 601FB, 601RAC, 761G, 761GA, 762A-765A, 766A-766H, 769B, 911A, 911B, 911D, 912A, 912B, 912DAA, 912F, 916A, 916B, 916D, 916E, 946A, 946AA, 946B, 949A, 961B, 961G, 961H, 961J, 992A, 994A, 1100L-1100R, 1100ZC*

*Corporations Regulations 2001, Pt 7.1, Div 4, Pt 7.9, Div 4, Subdivs 4.2A–4.2D, regs 1.0.02, 7.6.01, 7.6.01C, 7.6.02AG, 7.6.03A, 7.6.03B, 7.7.09A, 7.7.10, 7.7.20, 7.9.98*

*Financial Accountability Regime Act 2023*

*Financial Sector (Shareholdings) Act 1998*

*Foreign Acquisitions and Takeovers Act 1975*

*National Consumer Credit Protection Act 2009*

*Payment Systems and Netting Act 1998*

*Payment Systems (Regulation) Act 1998*

*Superannuation Industry (Supervision) Act 1993*

*Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023*