FINANCIAL SERVICES REGULATORY UPDATE

True Oak develops and distributes a monthly overview of current and proposed regulatory changes in the Australian financial services industry that we think might be of interest to our CAR and Fund Manager clients.

GOVERNMENT

(1) Opposition Criticizes Coalition's Opposition to Raising the Bar for Sophisticated Investors

Speaking at the Australian Wealth Management Summit, Shadow Finance Minister Jane Hume expressed deep concern over Labor's proposed policies, which she believes would further disadvantage individual investors.

Hume voiced opposition to any changes to increasing the thresholds of the sophisticated investor test, arguing that such changes would hinder individual Australians' ability to engage in the economy and support growth and innovation.

"The sophisticated investor thresholds acknowledge that some investors have access to a level of financial advice and an understanding of investment risks over and above many other Australians," said Hume.

"Sophisticated investors play a critical role in our economy, particularly supporting start-ups and scale ups through private equity, venture capital and angel investing.

"The advantages that incentivise investment in these sectors such as the sophisticated investor tax offsets and early-stage investor tax incentives should not be moved further out of reach for Australians. We must not regulate ourselves out of growth and innovation."

Ultimately, Hume warned against unchecked bureaucracy and red tape, arguing that regulatory settings should work for all investors, not just incumbents with the resources to navigate complex regulatory frameworks. "The fact is that, if regulatory settings are not working for individual investors, if they're not working for small and family businesses, then they're not working."

(2) UK Government Forewarns Australia on Wholesale Test Changes

The UK Government introduced new High Net Worth Investor (HNWI) and Sophisticated Investor definitions on 31 January 24, which raised the income threshold from £100,000 to £170,000. The net asset test threshold rose from £250,000 to £430,000. The government reversed the order effective March 27 following concerns from stakeholders about the unintended impacts, particularly start-ups' inability to raise finance from small-scale investors.

Australia's start-up community is raising similar alarm bells as the government touts overhauling wholesale investor tests that could result in channels of funding dry up.

A recent Parliamentary Joint Committee on Corporations and Financial Services inquiry is considering a refresh of the entire wholesale investor test framework. According to the terms of reference, the government will look at any proposals to change the tests, potential intended and unintended consequences of any change, as well as the anticipated costs and benefits.

To classify as a wholesale investor currently, the two most popular tests satisfy having net assets of $2.5 million or gross income of $250,000 per annum for the last two years as verified by a professional accountant's certificate.

The Australian Investment Council (AIC) wrote in its submission to the inquiry that depending on the extent of the increases, the impact on venture capital (VC) and private equity funds' ability "to raise capital and invest would be profound". In analysing the potential impact of an indexed change to the current test thresholds, AIC members said this could lead to a 10% to 50% reduction in investors particularly at the start-up and early-stage levels. A potential hike in the net asset test to $4.5 million will see one AIC member lose nearly half of their investor base, while another will eradicate nearly all their investors and wipe out half of the committed capital that will effectively render the fund defunct.

Linked Article: UK forewarns Australia on wholesale test changes (Financial Standard – 23 May 24)

(3) Signals Major Reforms to Australia's Foreign Investment Review Framework

The Federal Government has signalled major reforms to Australia's foreign investment review framework under the new Future Made in Australia Act, which are intended to streamline and strengthen Australia's foreign investment framework in order to deliver a stronger, faster and more transparent approach to foreign investment.

The reforms indicate that there will be a streamlined processes for lower risk foreign investments, including for investors with a strong track record of compliance with the foreign investment framework and other Australian laws and repeat investors who are well known to Treasury and are investing alone.

Investment classes such as professional services, manufacturing, mining of non-critical minerals and commercial and new residential real estate are specifically noted as being "non-sensitive", and investment is encouraged in sectors such as clean energy and build-to-rent housing. The potential refund regime for unsuccessful investors in competitive bid processes is also called out in the policy for the first time.

Linked Article: The new Future Made in Australia Act – incoming changes to Australia's foreign investment regime (Ashurst Lawyers, 1 May 24)

(4) Consultation Commences on Regulation of the Tax and Accounting Sectors

Treasury has released two consultation papers on the adequacy of current settings.

The first paper seeks views on the regulations for accounting, audit and consulting firms that keep our capital markets strong, including:

- Governance and transparency requirements
- Managing conflicts of interest
- Whether there is sufficient competition and resilience in the sector
- Whether enforcement is strong enough.

The second paper invites views on stronger information gathering powers for the Australian Taxation Office and the Tax Practitioners Board to support investigations into misconduct against the tax and super systems. It is critical that our tax regulators are equipped to detect, respond to, and deter the type of conduct that occurred in the PwC tax scandal.

They follow two packages of reforms that were passed into law in Treasury Laws Amendment (2023 Measures No. 1) 2023 and introduced to parliament in the Treasury Laws Amendment (Fairness and Accountability) Bill 2023.

Consultations on tax regulator information gathering powers and regulation of accounting, auditing and consulting firms in Australia are available on the Treasury website.

(5) The Future Made Australia Initiative

As part of the Budget, the Government announced that it will invest $22.7 billion over the next decade to build a Future Made in Australia. This plan, according to the Government, is about maximising the economic and industrial benefits of the move to net zero and securing Australia's place in a changing global economic and strategic landscape.

In the 2024–25 budget, five industries are aligned with the National Interest Framework:

- Renewable hydrogen
- Critical minerals processing
- Green metals
- Low carbon liquid fuels
- Clean energy manufacturing, including battery and solar panel supply chains

Moreover, the Government is allocating $3.2 billion to the Australian Renewable Energy Agency for technology commercialisation supporting the net zero transformation, along with a $1.7 billion Future Made in Australia Innovation Fund for deploying innovative technologies in priority industries like green metals and low carbon liquid fuels.

Also, a part of the Future Made in Australia initiative is the provision of $17.3 million over four years from 2024–25 (and $3.1 million per year ongoing) to promote the development of sustainable finance markets in Australia.

This involves $10 million over four years starting 2024–25 ($1.9 million annually thereafter) for ASIC to tackle greenwashing and financial misconduct, and $5.3 million over the same period ($1.2 million annually) for Treasury, ASIC, and APRA to implement the sustainable finance framework, including green bond issuance.

Additionally, the government plans to allocate $399.1 million over five years starting 2023–24 (with added funds later) to boost resources for the Net Zero Economy Authority, Department of Employment and Workplace Relations, and Fair Work Commission, aiming to facilitate a smooth transition to a decarbonised economy and ensure benefits for Australia, its regions, and workers.

Alongside other reforms, budget measures under the Future Made in Australia umbrella are aimed to improve the regulatory settings and approval processes, create new standards and new markets, and a new front door to make it easier for investors.

(6) Privacy Act Reform Update

The Commonwealth Attorney General has announced details of the next phase of privacy reform.

The Government will bring forward legislation in early August to outlaw the release of private information online with an intent to cause harm (known as doxxing), and overhaul the Privacy Act to give all

Australians and particularly women who are experiencing domestic and family violence greater control and transparency over their personal information.

The term 'doxxing' encompasses a number of practices, including revealing the identity of someone who was previously anonymous, and revealing specific information about someone that allows them to be contacted or located.

The Government is also considering a range of proposals that would entrench Privacy by Design Principles into the Commonwealth framework. This includes requiring that privacy notices should be clear, up-to-date, concise and understandable. The introduction of a 'fair and reasonable' test would apply to the collection, use and disclosure of personal information by entities.

The Government is also considering options to respond to recommendations in relation to high-risk privacy practices, by expanding the range of entities required to conduct Privacy Impact Assessments for activities with high privacy risks. These include instances involving new or changed ways of handling personal information that have a significant impact on the privacy of individuals – such as certain kinds of facial recognition technology, or the use of biometric information for identification when used in public spaces.

The Government has also agreed that the types of personal information to be used in substantially automated decisions which have a legal, or similarly significant effect on an individual's rights should be clearly outlined in privacy policies. There will also be a right for individuals to request meaningful information about how these decisions are made.

The Government has agreed-in-principle that a statutory tort for serious invasions of privacy should be introduced, to complement the Privacy Act protections. Based on recommendations made by the Australian Law Reform Commission in 2014, the proposed tort would regulate a broader range of privacy harms, such as the physical intrusion into an individual's private space, and would extend to individuals and entities who are not otherwise required to comply with the Privacy Act. The proposed tort will be designed so that privacy protection is appropriately safeguarded and balanced with other rights, including freedom of speech and freedom of the media.

The Government has also agreed-in-principle that individuals should have more direct access to the courts to seek remedies for breaches of the Privacy Act through a direct right of action. The direct right of action would enable individuals who suffer loss or damage as a result of an interference with their privacy to seek compensation.

The Government is also considering requiring entities to develop maximum and minimum retention periods for personal information they hold and specifying these in their privacy policies.

(7) Regulators Given Boost to Combat Misconduct and Cybersecurity

In a bid to promote the development of sustainable finance markets in Australia, the government is handing out close to $20 million to the regulators.

- ASIC will be given $10 million over four years and an additional $1.9 million per year thereafter for additional resourcing to investigate and take action against greenwashing and other sustainability-related financial misconduct.
- A further $1.6 million will be given over two years for ASIC and Treasury to consult on the design of a labelling regime to regulate the use of sustainability labels on retail investment products.

- $5.3 million will be invested over four years and $1.2 million each year ongoing for Treasury, ASIC and APRA to deliver the sustainable finance framework, including issuing green bonds, improving data and engaging in the development of international regulatory regimes related to sustainable finance.
- A further $500,000 will go towards the development of Australia's sustainable finance taxonomy, including expanding it to cover the agriculture sector.
- A further $206.4 million will be provided over four years and $7.2 million per year ongoing to improve ASIC and APRA's data capability and cybersecurity, and to continue the stabilisation of business registers and modernisation of legacy systems.
- ASIC will also receive a share of $37.3 million over four years to combat scams and online fraud by administering and enforcing a mandatory industry code that is to be introduced.

Treasury said these costs will be partially met through the ASIC and APRA industry levies.

The Australian Taxation Office (ATO) will receive $187 million over four years to strengthen its ability to detect, prevent, and mitigate fraud against the tax and superannuation systems. About $79 million will be spent to upgrade the ATO's technologies to identify and block suspicious activity in real time, while $83.5 million will go towards a new compliance taskforce to recover lost revenue and intervene when attempts to obtain fraudulent refunds are made. A further $25 million will be spent to improve how the ATO assists individuals harmed by fraud.

ASIC

(8) Puts Portfolio Managers on Notice regarding Greenwashing Scrutiny

In a speech to the RIAA Conference Australia 2024, ASIC chair Joe Longo highlighted the regulator's focus on ensuring responsible entities in the investment management sector are delivering on the representations made about their funds' sustainable investment strategies and objectives.

An expanded focus on the governance around sustainable representations made to investors and the market is a "logical extension" of ASIC's latest greenwashing work, according to the corporate regulator.

"While this work is ongoing, an early observation we can make is that we have seen instances of investments made by delegated portfolio managers or sub-managers that do not align with the responsible entities' representations to investors," said Longo. "This falls short of our expectations that responsible entities exercise care and diligence in monitoring trading done on behalf of their members."

The main types of conduct that have caused ASIC to intervene include:

- Net zero statements or targets that were factually inaccurate or made without reasonable basis.
- Inaccurate labelling or vague terms in sustainability-related funds.
- Use of terms like "green" or "carbon neutral" that weren't founded on reasonable grounds.
- Inconsistent application or overstatement of sustainability-related investment screens.

(9) Announces 30 June 2024 Focus Areas and Expanded Program to Support Financial Reporting and Audit Quality

ASIC has outlined an expanded program of work to enhance the integrity and quality of financial reporting and auditing in Australia in achieving the broader goal of confident and informed investors.

ASIC has also announced a new review of auditors' compliance with ethical and independence standards to support its financial reporting and audit surveillance program and uplift its commitment to improved financial reporting and audit quality.

Financial Reporting and Audit Surveillance 30 June 2024

Enduring focus areas and particular focus areas

ASIC has identified enduring focus areas that apply to all reporting periods. These include asset values, adequacy of provisions, subsequent events and disclosures.

ASIC's focus areas for 30 June 2024 can be found on ASIC's financial reporting and audit focus areas page.

Surveillance coverage

This is the second year that large proprietary companies, which were previously exempt, are required to lodge audited financial reports with ASIC. Financial reports from these entities are now included in ASIC's financial reporting and audit surveillance program.

Climate-Related Risks

Directors are encouraged to engage closely with the Australian Government's proposed mandatory climate reporting reforms, which are proposed to apply to entities that are required to prepare financial reports under Chapter 2M of the Corporations Act.

In the meantime, entities with material climate-related risks should look to report voluntarily in line with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and ensure that any voluntary statements made are not misleading. ASIC is continuing to monitor market practice in relation to voluntary climate-related financial disclosures, which will inform future compliance programs and guidance.

Consolidated Entity Disclosure Statement Requirement

A reminder that recent changes to the Corporations Act require all listed and unlisted public companies to include a new "consolidated entity disclosure statement" in their financial reports. These changes are effective for annual reporting periods beginning on or after 1 July 2023 and will apply for the first time at 30 June 2024. The new disclosure statement requires details of all consolidated entities as at the end of the financial year – names, ownership interests, place of incorporation and tax residency.

Review of Auditors' Compliance with Ethical and Independence Standards

ASIC will review of how auditors are complying with auditor independence requirements in the *Corporations Act*, and ethical and independence requirements contained in the Australian Auditing Standards.

Audit firms were required to carry out and report an evaluation of their implementation of quality requirements under the ASQM1 framework by 15 December 2023. ASIC's initial observations on the firms' implementation highlighted several areas for concern which span across risk, governance, and compliance practices. These include:

- Significant variability across the board as to how firms chose to implement the framework.
- A lack of sophistication and suitability of tools used to manage quality.
- Limited domestic guidance around how to measure and classify the severity of findings and deficiencies, and a lack of objectivity in assessments.
- Examples of firms taking a hurried approach to remediation of findings and deficiencies to achieve a favourable conclusion before the reporting deadline.

(10) Unpacks the Importance of Strengthened Penalties as part of its Market Supervision

Speaking at the Stockbrokers and Investment Advisers Association (SIAA) 2024 Conference in Melbourne, ASIC commissioner Simone Constant said ASIC reverts to its raison d'etre of ensuring confident and informed participation and a continually improving financial system.

"To get to those lofty and important ambitions, you need a market that is trusted. It's about confidence. I've been in markets most of my career and it's about confidence, therefore when we approach how we think about regulation and our responses, we have that very front of mind," Constant told audience members. ASIC has previously elaborated on the many enforcement actions at its disposal, including fines and penalties, disqualification orders and bannings, stop orders, and in some of the most severe cases, criminal proceedings.

According to the commissioner, the impact on market integrity remains important when ASIC determines its proportionality of response or regulatory tool to use.

"It goes to this harm question. So as a commission, we evaluate the degree of harm. Harm can be in terms of confidence in that market integrity. It can be in terms of looking at an issue that seems systemic - it may be one issue, but it may be repeated and repeated by an entity at scale and I have been at entities where system issues where repeated and it was a systemic issue, [like] some of the things that came forward in the Royal Commission," she explained. "We also think about the conduct leading in and after becoming aware of the event, the harm, the notification. [We] look at all our evidence and then consider all that and the question of public benefit."

She also delved into the commencement of the Treasury Laws Amendment (Strengthening Corporate and Financial Sector Penalties) Act in 2019, which enabled ASIC, and by extension its Market Disciplinary Panel (MDP), to pursue harsher civil penalties and criminal sanctions. The amended law strengthened existing penalties and introduced new penalties for those who breach the corporate laws of Australia.

According to Constant, the strengthened laws helped ensure penalties from the regulator weren't "just a cost of doing business." "It's because it's really important that there is an understanding of the opportunity, privilege, and rights you have as a participant in Australian markets. [It's] some of the cleanest, best, most trusted in the world and really well-functioning, and with doing harm to the integrity of that market, you have to have significant deterrents," she said.

Linked Article: How the corporate regulator puts its 'lofty ambitions' into practice (Investor Daily – 21 May 24)

ATO

(11) Introduces Trust Taxation Changes

The ATO has announced income tax reporting changes under the Modernisation of Trust Administration Systems (MTAS) that will come into effect on July 1.

For beneficiaries of a trust, there will be a new trust income schedule available from the start of the new financial year.

"This is a new form that you lodge with your tax return. We've replicated fields from the statement of distribution, so all you need to do is copy the information across," the ATO said.

"Remember, you'll need to get the information required in the trust income schedule from the trust. We recommend that you ask the trustee for a copy of the trust statement of distribution."

The ATO said beneficiaries who receive a distribution of trust income from a managed fund should also include that in the new trust income schedule. "The trust income schedule instructions will show you how the information on the tax statement provided by the managed fund is reported on the trust income schedule," the ATO said.

In addition to beneficiaries, small business owners who are trustees will also see changes when submitting their tax return.

The ATO will add four capital gains tax (CGT) labels into the trust tax return statement of distribution.

"The information contained in the statement of distribution section of your trust tax return will provide beneficiaries everything they need to complete their trust income reporting obligations," the ATO said.

"We recommend giving this information to beneficiaries to help them with their obligations."

AUSTRAC

(12) Second Stage Consultation on Reforms to AML/CTF Regime.

The Attorney General's Department has developed detailed reform proposals and set them out in a range of second stage consultation papers.

The proposed reforms include extending the existing AML/CTF legislation to certain high-risk services provided by lawyers, accountants, trust and company service providers, real estate agents, and dealers in precious metals and stones.

The reforms also aim to:

- Simplify and modernise the regime in line with international standards and best practice
- Reduce complexity and regulatory burden on industry
- Make sure the regime remains fit-for-purpose
- Harden Australian businesses and sectors against exploitation by serious organised criminals.

Submissions can be made until 13 June 2024.

AFCA

(13) AFCA and CSLR sign MoU

The Australian Financial Complaints Authority (AFCA) and Compensation Scheme of Last Resort (CSLR) have signed a Memorandum of Understanding (MoU) setting out how they will work together to support a fair and efficient financial services sector.

The MoU reflects the parties' intention to maintain a proactive, open, and collaborative relationship to effectively perform their respective functions as defined by legislation.

It acknowledges the importance of consultation and cooperation in the discharge of their responsibilities and governs the administrative arrangements between them.

TRUE OAK INVESTMENTS

RIAA

(14) Launches Toolkit to Understand AI Risks

The Responsible Investment Association of Australasia (RIAA) has launched a toolkit to help advisers address the risks presented by artificial intelligence (AI).

Its Artificial Intelligence and Human Rights Investor Toolkit was developed by the organisation's Human Rights Working Group.

The toolkit outlines the issues, provides case studies, outlines methodologies for understanding risks, and details strategies and guidance for investor engagement on the matter. It will also help firms understand how they implement and deploy AI ethically and responsibly.

Its development came about after attendees at RIAA's national conference last year raised concerns about digital technology issues such as privacy, data protection, online safety, and political participation and the need for a resource to help them understand.

RIAA said the need for the toolkit was also prompted by the "skyrocketing" use of AI across industries – including financial services – and the risks presented by algorithms, privacy breaches, and reputational damage.

PROFESSIONAL DEVELOPMENT OPPORTUNITIES

Online Courses

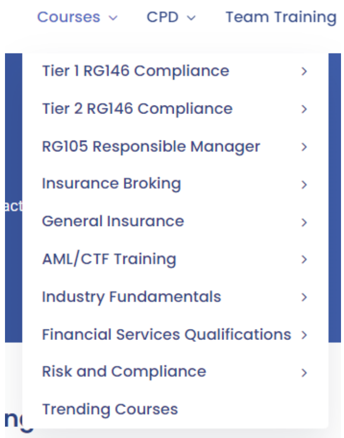
Carbon Markets Institute - https://carbonmarketinstitute.org/education-and-training/

- Carbon Market Fundamentals Training
- Carbon Farming Banker Training

Bright Law - https://learn.brightlaw.com.au/collections

- The Hawking Prohibition: financial services marketing (January 2024) – 36 min video; $330.
- Privacy Law for Financial Services Providers – a course of 4 videos; $440.
- Responding to Regulatory Investigations – draft policies on responding to regulatory investigations, either with or without notice; $66

Financial Education - https://www.financialeducation.com.au/courses/



FINSIA - https://www.finsia.com/education

- Certificate in Climate Risk - https://www.finsia.com/education/qualifications/certified-professional-banker/the-certificate-in-climate-risk
- Professional Refresher Packages - https://www.finsia.com/professional-refresher

KKR - https://www.kkr.com/alternatives-unlocked

- In a changing macro environment that is challenging the durability of traditional 60/40 portfolios, investors may want to consider alternative sources of diversification. With a focus on the private markets, the KKR Alternatives Unlocked education platform empowers investors to confidently explore the alternative path forward, complete with continuing education credit opportunities for financial professionals.

Events and Webinars

June 2024

(a) AFR – **ESG Summit** (Sydney – 4-5 June) – more info here.

(b) FINSIA – **The Do's and Don'ts of Crisis Communications** (Webinar – 11 June) – more info here.

(c) FINSIA – **Enter the Conversation: Angel Investing** (Melbourne – 12 June) more info here.

(d) FINSIA – **2024 Tax Update for Finance Professionals** (Webinar – 17 June) – more info here.

(e) FRONTIER ADVISORS - **Advisors Conference 2024** (Melbourne – 20 June) – more info in 2024.

July 2024

(a) INTERNATIONAL BUSINESS REVIEW – **Asset Allocation Strategies Forum** (Sydney – 22-23 July) – more info here.

(b) INTERNATIONAL BUSINESS REVIEW – **Tax Strategies Australia 2024 Forum** (Sydney – 24-25 July) – more info in 2024.

(c) FINSIA – **Enter the Conversation: Investment Governance in Action** (Sydney – 25 July) more info here.

August 2024

(a) CARBON MARKET INSTITUTE – **Singapore Carbon Market and Investor Forum** (Singapore – 15-16 August) – more info here.

September 2024

(a) JANA – **Annual Conference 2024** (Melbourne – 5 September) – more info soon.

(b) INTERNATIONAL BUSINESS REVIEW – **Investment Operations Challenges** (Sydney – 11-12 September) – more info here.

(c) INTERNATIONAL BUSINESS REVIEW – **Member Engagement, Communications and Experience in Financial Services 2024 Forum** (Sydney – September 24) – more info in 2024.

October 2024

(a) IQ INTERNATIONAL – **Carbon Capture Summit Australia 2024** (Perth – 9-10 October) – more info here.

(b) FSC – **Investment Performance Training Course** (Melbourne -16-18 October) – more info here.

(c) FSC – **Investment Performance Training Course** (Sydney -22-24 October) – more info here.

(d) INTERNATIONAL BUSINESS REVIEW – **Asset Allocation Strategies 2024 Forum** (Sydney – 28-29 October) more info here.

(e) CARBON MARKET INSTITUTE – **Australasian Emissions Reduction Summit** (Melbourne – 29-30 October) – more info here.

(f) CONEXUS FINANCIAL – **Fiduciary Investors Symposium** (Healesville VIC – 29-31 October) – more info here.

December 2024

(a) INFORMACONNECT – **Australian Carbon Capture, Utilisation and Storage Conference** (Perth – 3 December) – more info here.

INTERESTING READS

Links to interesting blogs and articles I've recently read:

a. ASIC issues warning over scammers using fake AFSLs - ASIC has issued a fresh warning over the increase in the sophistication of fake bond and term deposit scams. ASIC said scammers are impersonating little-known legitimate financial services businesses, often those without a website or digital footprint. (Financial Standard – 3 May 24)

b. Guide to AI procurement - Organisations are increasingly grappling with the need to procure AI systems quickly while appropriately managing the risks. However, 'market' positions and practices are still emerging, as customers and suppliers test their approach and risk appetite, and the law keeps evolving. Consequently, AI offerings – in terms of functionality, vendor commitments and pricing – vary wildly.
We have prepared this guide to help you manage the risks, drawing from our own learnings from recent AI procurements. (Allens Lawyers – 7 May 24)

c. Privacy risks for AI and ADM in an evolving regulatory ecosystem - Artificial Intelligence (AI) and Automated Decision Making (ADM) are in the regulatory spotlight. Privacy, cyber and consumer regulatory risk are converging – and not all organisations are prepared to manage the unique challenges of AI/ADM. (Ashurst Lawyers – 7 May 24)

d. 'Nuance missing' in ASIC's greenwashing crackdown: UN PRI - The UN-backed Principles for Responsible Investment says Australian regulators like ASIC are not having enough dialogue with the private sector amid their greenwashing enforcement focus. While supervision around responsible investing is welcome to keep the market in check, PRI chief sustainable systems officer Nathan Fabian said Australia's current approach lacks some nuance compared to global practice. (Investment Magazine – 9 May 24)

e. Wholesale investor test reform has several ramifications: SIAA - Proposed changes to the wholesale investor test potentially have sprawling ramifications for financial advisers and is something some experts say will need to be thoroughly nutted out before the government pushes any reforms over the line. (Financial Standard – 14 May 24)

f. Australia requires swifter settlement cycle: SIAA - Australia is at risk of getting left behind if it does not adopt the T+1 settlement cycle along with major global financial centres, according to operations experts who spoke at the Stockbrokers and Investment Advisers Association Conference (SIAA). (Financial Standard – 15 May 24)

g. Inquiry into the wholesale investor and wholesale client tests: HSF makes submission - Our team has made a formal submission on this consultation. We have considered the most appropriate methods to change the wholesale investor/client tests, to bring them in line with the legislative intention. (Herbert Smith Freehills Lawyers – 16 May 24)

h. FSC argues wholesale investor thresholds 'must include grandfathering' - The FSC has maintained its calls for an increase to the wholesale investor threshold, however it has pushed for grandfathering for current investors. (Investor Daily – 21 May 24)

i. ASIC 'bemused' by sceptics of its greenwashing scrutiny - The corporate regulator has reiterated its focus on the accuracy and clarity of sustainability disclosures and representations, especially concerning superannuation and investment products. (Investor Daily – 24 May 24)