



ASIC
Australian Securities &
Investments Commission

Explanatory Statement

ASIC Corporations (Financial Services Guide, General Advice Warning and Advertising Related Relief) Instrument 2025/234 and ASIC Corporations and Credit (Amendment and Repeal) Instrument 2025/590

This is the Explanatory Statement for *ASIC Corporations (Financial Services Guide, General Advice Warning and Advertising Related Relief) Instrument 2025/234 (Instrument)* and *ASIC Corporations and Credit (Amendment and Repeal) Instrument 2025/590 (Amendment and Repeal Instrument)*.

The Explanatory Statement is approved by the Australian Securities and Investments Commission (**ASIC**).

Summary

1. The Instrument continues relief previously provided under *ASIC Corporations (Advertising by Product Issuers) Instrument 2015/539*, *ASIC Corporations (General Advice Warning) Instrument 2015/540*, and *ASIC Corporations (Financial Services Guides) Instrument 2015/541* (the **three advice-related instruments**) in a new instrument.
2. The Instrument provides, until 1 October 2030:
 - (a) an exemption for financial product issuers from the requirement to hold an Australian financial services (**AFS**) licence, and an exemption for AFS licensees from the requirement to give a Financial Services Guide (**FSG**) and a general advice warning, in certain situations;
 - (b) an exemption for an AFS licensee and their authorised representative from the requirement to give a general advice warning for oral advice if conditions are met; and
 - (c) an exemption from the requirement to give an FSG for particular financial services and extension of the circumstances in which an AFS licensee and their authorised representative may make available website disclosure information in place of giving an FSG.

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3. The Amendment and Repeal Instrument makes minor amendments to correct typographical errors in *ASIC Corporations (ASX-listed Schemes On-market Buy-backs) Instrument 2016/1159*, *ASIC Corporations (Equality of Treatment Impacting on the Acquisition of Scheme Interests and CCIV Share) Instrument 2023/697*, *ASIC Corporations and Credit (Breach Reporting - Reportable Situations) Instrument 2024/620* and *ASIC Corporations and Credit (Reference Checking and Information Sharing Protocol) Instrument 2024/647*. The Amendment and Repeal Instrument also repeals the three advice-related instruments as they are superseded by the Instrument upon commencement.

Purpose of the instruments

Instrument

4. The Instrument has four purposes.

First purpose: Advertising-related relief

5. Subsection 911A(1) of the *Corporations Act 2001* (***Corporations Act***) requires a person who carries on a financial services business to hold an AFS licence that covers the provision of the financial service provided. The Instrument exempts issuers of financial products who provide a financial service consisting of general advice in the form of an advertisement of the financial product from the need to hold an AFS licence. This is provided the advertisement indicates that a person should consider whether or not the product is appropriate for the person.
6. Subsections 941A(1) and 949A(2) of the *Corporations Act* require an AFS licensee to provide an FSG and 'general advice warning' to a client, respectively, in certain circumstances unless an exemption applies. A general advice warning is a warning that the advice does not account for the client's personal circumstances and the client should consider the appropriateness of the advice. If the advice relates to an acquisition or possible acquisition of a financial product, the general advice warning requires the client to be warned to obtain a Product Disclosure Statement for the product and to consider it before making any decision whether to acquire the product.
7. The Instrument exempts AFS licensees from the requirement to provide an FSG and general advice warning if the licensee provides general advice in the form of an advertisement of securities that the licensee issues. This is provided the advertisement indicates that a person should consider whether or not the securities are appropriate for the person.
8. The purpose of the exemptions is to create parity between the advertising disclosure requirements that apply to licensed and unlicensed issuers of financial products and securities providing general advice in advertisements.

Second purpose: General advice warning relief - oral advice

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9. As mentioned above, subsection 949A(2) of the Corporations Act requires AFS licensees, and their authorised representatives, to give a general advice warning if they provide general advice to a client. The Instrument provides an exemption from this requirement for oral general advice. The exemption is subject to the condition that the licensee or representative must provide a simplified oral warning to the client which conveys that the advice is general advice and that the advice may not be appropriate to the client.
 10. The exemption reduces the regulatory burden on AFS licensees and authorised representatives when giving oral general advice. It also allows retail clients to receive important information in a simpler and more consistent manner when receiving oral general advice.

Third purpose: FSG relief – experts’ reports

11. Subsections 941A(1) and 941B(1) of the Corporations Act require AFS licensees and authorised representatives, respectively, to provide an FSG when providing a financial service to a retail client unless an exemption applies. Provided its conditions are met, the Instrument exempts AFS licensees and authorised representatives from this requirement when, acting in their capacity as an expert, they provide general advice in a report or statement included in a document prepared by or on behalf of another person.
12. An AFS licensee or authorised representative that provides a financial service consisting of arranging for the issue of a financial product by a person under an intermediary authorisation is similarly exempted from subsections 941A(1) and 941B(1) of the Corporations Act if conditions in the Instrument are met.
13. AFS licensees and authorised representatives would face an unnecessary regulatory burden if the relief in the Instrument did not exist and they were required to provide an FSG in the relevant circumstances. Therefore, provided its conditions are met, the relief in the Instrument allows AFS licensees and authorised representatives flexibility and promotes fairness.

Fourth purpose: Modifying declarations

14. Subsection 941C(5A) of the Corporations Act permits AFS licensees and authorised representatives to make available ‘website disclosure information’ in place of giving a client an FSG if the financial service provided to the client is financial product advice. Website disclosure information is defined in section 943J as statements and information that would be required to be in an FSG. Pursuant to section 943K, website disclosure information must be available on a website and be readily accessible to the public.
15. Subsection 949A(4) provides a defence for any proceedings against an authorised representative of an AFS licensee for failing to provide a general advice warning. However, the subsection refers to ‘subsection (1)’ in two locations where it should refer to ‘subsection (2)’ and it also refers to ‘personal advice’ in paragraph 949A(4)(a) when it should refer to ‘general advice’.

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16. The Instrument substitutes paragraph 941C(5A)(a) so that the option to make available website disclosure information in place of giving an FSG is available for the financial service of dealing in a financial product for the purposes of implementing financial product advice that the AFS licensee or authorised representative provided to the client, as well as for financial product advice. The Instrument also makes the corrections to subsection 949A(4) so that references to ‘subsection (1)’ are replaced by ‘subsection (2)’ references and ‘general advice’ is substituted for ‘personal advice’.
 17. The modifications ensure that subsection 941C(5A) operates as intended, reducing the regulatory burden on AFS licensees and authorised representatives who want to deal in a financial product for the purposes of implementing financial product advice that they provided. They also ensure that subsection 949A(4) operates as intended.

Amendment and Repeal Instrument

18. The purpose of the Amendment and Repeal Instrument is to make minor corrections to *ASIC Corporations (ASX-listed Schemes On-market Buy-backs) Instrument 2016/1159*, *ASIC Corporations (Equality of Treatment Impacting on the Acquisition of Scheme Interests and CCIV Share) Instrument 2023/697*, *ASIC Corporations and Credit (Breach Reporting - Reportable Situations) Instrument 2024/620* and *ASIC Corporations and Credit (Reference Checking and Information Sharing Protocol) Instrument 2024/647*. The Amendment and Repeal Instrument also repeals the three advice-related instruments as they are superseded by the Instrument upon commencement.

Consultation

19. On 15 May 2025, ASIC published CS 18 *Proposed remake of financial advice-related legislative instruments* on its website, seeking feedback on its proposal to remake the relief in the three advice-related instruments into one instrument with minor and technical changes. The consultation included a draft of the new instrument for comment.
20. ASIC received five substantive submissions in response to its consultation. All submissions were supportive of the proposal to remake and consolidate the relief in the three instruments. Submissions called for incorporation of the relief into the primary law and one submitter suggested further modifications of the law. The suggestions for further reform, including advocacy for incorporation of the relief into the primary law, have been raised with the Treasury.
21. No consultation was undertaken prior to making of the Amendment and Repeal Instrument. This is because consultation would be inappropriate given the minor and technical nature of the instrument. The Amendment and Repeal Instrument corrects typographical errors in other ASIC legislative instruments and repeals the three advice-related instruments, which would otherwise automatically sunset on 1 October 2025.

Operation of the instruments

Instrument

Part 1 - Preliminary

- 22. Section 1 of the Instrument provides its name.
- 23. Section 2 of the Instrument provides that it commences on the day after the Instrument is registered on the Federal Register of Legislation.
- 24. Section 3 of the Instrument provides that it is made under subsections 926A(2) and 951B(1) of the Corporations Act.
- 25. Section 4 of the Instrument provides a list of definitions used within the Instrument.

Part 2 – Exemption

- 26. Section 5 of the Instrument provides exemptions from subsection 911A(1), subsection 941A(1) and subsection 949(2) of the Corporations Act for general advice in the form of an advertisement for a financial product or securities, as applicable, if the advertisement indicates that a person should consider whether or not the product or securities are appropriate to the person.
- 27. Section 6 of the Instrument provides an exemption from subsection 949A(2) of the Corporations Act for the provision of general advice orally to a retail client, provided the client is warned the advice is general advice and that the advice may not be appropriate for them.
- 28. Section 7 of the Instrument applies to an AFS licensee or authorised representative that, in the capacity of an expert, provides general advice in a report or statement in a document prepared by or on behalf of another person. Pursuant to subsection 7(2), this licensee or representative is exempt from the requirements in subsections 941A(1) and 941B(1) of the Corporations Act to the extent that they require the giving of a FSG for the general advice. This exemption is subject to conditions that are specified in subsection 7(3) of the Instrument.
- 29. Subsection 7(4) of the Instrument provides that an AFS licensee or authorised representative that arranges for the issue of a financial product by another person under an intermediary authorisation does not have to give an FSG in relation to the financial service of arranging for the product issue. This exemption is subject to conditions that are specified in subsection 7(5) of the Instrument.

Part 3 – Declarations

- 30. Section 8 of the Instrument substitutes paragraph 941C(5A)(a) with a new paragraph (a) to make clear that website disclosure information may be made available in place of giving an FSG for the financial service of dealing in a

financial service for the purpose of implementing financial product advice that the licensee or representative provided to the client as well as the financial service of financial product advice.

31. Section 9 of the Instrument modifies subsection 949A(4) to correct errors.

Amendment and Repeal Instrument

32. Schedule 1 makes minor amendments to fix typographical errors.
33. Schedule 2 repeals the three advice-related instruments.

Legislative instrument and primary legislation

34. The subject matter and policy implemented by the Instrument is more appropriate for a legislative instrument, rather than primary legislation. This is because the Instrument provides relief where strict compliance with the primary legislation would produce anomalous outcomes inconsistent with the intent of the primary law.
35. The Instrument is made under powers specifically delegated to ASIC to modify or affect the operation of the Corporations Act to provide a tailored and flexible regulatory environment that is fit for purpose.
36. It will be a matter for the Government and for Parliament as to whether the Corporations Act may be amended in future to include the relief in the Instrument.

Duration of the instrument

Duration of the instrument

37. The duration of the Instrument is 5 years. This period is appropriate to provide certainty for industry while the Government decides whether to amend the primary legislation.

Legislative authority

38. The Instrument is made under subsections 926A(2) and 951B(1) of the Corporations Act.
39. The Amendment and Repeal Instrument is made under:
- (a) subsections 601QA(1), 655A(1), 912A(3A), 926A(2) and 951B(1) of the Corporations Act; and
 - (b) subsections 47(3A) and 109(3) of the *National Consumer Credit Protection Act 2009*.
40. For the purposes of subsection 655A(2) of the Corporations Act, the Amendment and Repeal Instrument does not alter the effect of *ASIC Corporations (ASX-listed Schemes On-market Buy-backs) Instrument*

2016/1159, so it does not engage the purposes of Chapter 6 of the Corporations Act.

41. The Instrument and the Amendment and Repeal Instrument are disallowable legislative instruments under the *Legislation Act 2003*.

Statement of Compatibility with Human Rights

42. The Explanatory Statement for a disallowable legislative instrument must contain a Statement of Compatibility with Human Rights under subsection 9(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A Statement of Compatibility with Human Rights is in the Attachment.

Statement of Compatibility with Human Rights

This Statement of Compatibility with Human Rights is prepared in accordance with Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

ASIC Corporations (Financial Services Guide, General Advice Warning and Advertising Related Relief) Instrument 2025/234

ASIC Corporations and Credit (Amendment and Repeal) Instrument 2025/590

Overview

1. The *ASIC Corporations (Financial Services Guide, General Advice Warning and Advertising Related Relief) Instrument 2025/234* (**Instrument**) consolidates exemptions formerly in *ASIC Corporations (Financial Services Guides) Instrument 2015/541*, *ASIC Corporations (General Advice Warning) Instrument 2015/540*, and *ASIC Corporations (Advertising by Product Issuers) Instrument 2015/539* (the **three advice-related instruments**) into one instrument with minor changes.
2. The exemptions are relief from the requirement to hold an Australian financial service (AFS) licence, provide a Financial Service Guide (FSG) and provide a general advice warning for particular entities in certain circumstances if conditions are met. The Instrument also modifies subsections 941C(5A) and 949A(4) of the *Corporations Act 2001* to ensure that the policy intent is met.
3. The *ASIC Corporations and Credit (Amendment and Repeal) Instrument 2025/590* makes minor amendments to fix typographical errors in *ASIC Corporations (ASX-listed Schemes On-market Buy-backs) Instrument 2016/1159*, *ASIC Corporations (Equality of Treatment Impacting on the Acquisition of Scheme Interests and CCIV Share) Instrument 2023/697*, *ASIC Corporations and Credit (Breach Reporting - Reportable Situations) Instrument 2024/620* and *ASIC Corporations and Credit (Reference Checking and Information Sharing Protocol) Instrument 2024/647*. It also repeals the three advice-related instruments as they are superseded by the Instrument upon commencement.

Assessment of human rights implications

4. The Instrument and Amendment and Repeal Instrument do not engage any of the applicable rights or freedoms.

Conclusion

5. The Instrument and Amendment and Repeal Instrument are compatible with the human rights and freedoms recognised or declared in the international

instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.