

EXPOSURE DRAFT

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Inserts for
Treasury Laws Amendment Bill 2025:
Delivering better financial outcomes

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Schedules 1 and 2	The day after this Act receives the Royal Assent.	
2. Schedule 3	The day after the end of the period of 12 months beginning on the day this Act receives the Royal Assent.	

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Schedule 1—Advice through superannuation

Superannuation Industry (Supervision) Act 1993

1 Paragraph 29V(8)(a)

Omit “to a member by”, substitute “to a member”.

2 Subparagraph 29V(8)(a)(i)

Before “a trustee”, insert “by”.

3 Subparagraph 29V(8)(a)(ii)

Before “another person”, insert “by”.

4 Subparagraph 29V(8)(a)(ii)

Omit “; and”, substitute “; or”.

5 At the end of paragraph 29V(8)(a)

Add:

(iii) in accordance with the terms of a written request or
written consent of the member; or

(iv) in accordance with the terms of an arrangement entered
into by the member; and

6 Paragraphs 29VA(9A)(d) and (e)

Repeal the paragraphs, substitute:

(d) the fee is to be paid:

(i) in accordance with the terms of a written request or
written consent of the member; or

(ii) in accordance with the terms of an arrangement entered
into by the member; and

(e) the arrangement under which the advice is provided is not an
ongoing fee arrangement.

7 Before subsection 99F(1)

Insert:

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Restrictions on passing on the cost of advice

8 After subsection 99F(1)

Insert:

Note: The other obligations under this Act, including to act in the best financial interests of the beneficiaries (see paragraph 52(2)(c)) and to comply with the sole purpose test (see section 62), continue to apply to trustees.

Advice relating to relevant beneficial interest

- (1A) For the purposes of subparagraph (1)(c)(ii), advice is taken to relate to a financial product that is a beneficial interest of a kind mentioned in that subparagraph if the advice is given in circumstances prescribed by the regulations for the purposes of this subsection.
- (1B) For the purposes of subparagraph (1)(c)(ii), advice is taken to relate to a financial product that is not a beneficial interest of a kind mentioned in that subparagraph if the advice is given in circumstances prescribed by the regulations for the purposes of this subsection.
- (1C) Without limiting subsections (1A) and (1B), regulations made for the purposes of those subsections may prescribe circumstances relating to any of the following:
- (a) the topic of the advice;
 - (b) the person to whom the advice is provided;
 - (c) the personal circumstances of that person that are taken into account in providing the advice.

Ongoing advice

- (1D) To avoid doubt, subparagraph (1)(c)(iv) does not apply merely because at the time the advice is provided, the subject member reasonably expects that a person mentioned in subparagraph (1)(a)(i) or (ii) will implement or assist the subject member to implement the original or any later advice.

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Definitions

9 Application—financial product advice

The amendments made by this Schedule apply in relation to an arrangement to provide financial product advice which is entered into on or after the commencement of this Part.

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Schedule 2—Targeted prompts for superannuation members

Corporations Act 2001

1 Section 9

Insert:

appropriately targeted to a class of members of a superannuation fund has the meaning given by section 950B.

assessment framework has the meaning given by section 950C.

excluded advice has the meaning given by subsection 950(3).

2 Section 9 (definition of *personal advice*)

Omit “766B(3) and (3A)”, substitute “766B(3), (3A) and (3B)”.

3 Section 9

Insert:

superannuation-related advice has the meaning given by subsection 950A(1).

target class: if a document given by a trustee or trustees of a superannuation fund contains superannuation-related advice that is appropriately targeted to a class of members of the fund, that class is the *target class* for the document.

targeted superannuation prompt has the meaning given by subsections 950(1) and (2).

4 After subsection 766B(3A)

Insert:

(3B) Despite subsection (3), a recommendation or statement of opinion contained in a targeted superannuation prompt is not *personal advice*.

5 Subsection 949A(2) (note)

After “Note”, insert “1”.

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6 At the end of subsection 949A(2)

Add:

Note 2: A warning displayed in a targeted superannuation prompt in accordance with paragraph 950D(1)(b) satisfies the requirement to give a general advice warning under this subsection in relation to the prompt (see subsection 950D(2)).

7 After Division 4 of Part 7.7

Insert:

Division 5—Targeted prompts for certain superannuation members

Subdivision A—Preliminary

949C Superannuation funds to which this Division applies

This Division applies to a superannuation fund that is:

- (a) a registrable superannuation entity that:
 - (i) is not a pooled superannuation trust; and
 - (ii) is not an excluded approved deposit fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*); and
 - (iii) has 2 or more beneficiaries; or
- (b) an exempt public sector superannuation scheme.

Subdivision B—Requirements for giving targeted superannuation prompts

950 Meaning of *targeted superannuation prompt*

- (1) A *targeted superannuation prompt* is a written document that:
 - (a) is given by the trustee or trustees of a superannuation fund to a member of the fund; and
 - (b) contains superannuation-related advice that is appropriately targeted to a class of members of the fund; and
 - (c) does not contain excluded advice; and
 - (d) displays the statements and warnings required by subsection 950D(1); and
 - (e) is given in accordance with section 950E; and

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(f) satisfies any additional requirements prescribed by the regulations for the purposes of this paragraph.

Note: For the superannuation funds to which this Division applies, see section 949C.

- (2) However, the document is not a *targeted superannuation prompt* if, when the trustee or trustees give the document, ASIC has declared under section 950K that the trustee or trustees must not give targeted superannuation prompts.

Meaning of excluded advice

- (3) **Excluded advice** is a recommendation or statement of opinion that:
- (a) is not superannuation-related advice to which paragraph (1)(b) applies; or
 - (b) requires the person to whom the document is given to act on the recommendation or statement of opinion within a specified period or before a specified time; or
 - (c) is prescribed by the regulations for the purposes of this paragraph.

950A Meaning of superannuation-related advice

- (1) **Superannuation-related advice** is a recommendation or statement of opinion, given by the trustee or trustees of a superannuation fund, about any of the following matters:
- (a) the transfer of some or all interests in the fund to other kinds of superannuation products (see subsection (2));
 - (b) any of the following settings relating to existing interests in the fund:
 - (i) settings relating to making contributions to the interests;
 - (ii) settings relating to the level or levels of cover under life risk insurance products issued to the trustee or trustees for the benefit of members of the fund;
 - (iii) settings relating to the rates of payment for superannuation income streams from the interests;
 - (iv) settings relating to changing the investment options offered within a class of interests;
 - (v) settings prescribed by the regulations for the purposes of this subparagraph;
 - (c) the benefits of obtaining personal advice about existing interests in the fund;

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(d) existing interests in the fund.

- (2) For the purposes of paragraph (1)(a), the recommendation or statement of opinion must be about the transfer of interests to a kind of superannuation product, rather than about the transfer of interests to a particular product offered by the fund.

Determining whether superannuation-related advice is appropriate

- (3) In determining, for the purposes of this Division, whether superannuation-related advice is appropriate for a class of members of a superannuation fund, the trustee or trustees of the fund must take into account:

- (a) the likely objectives, financial situation and needs of the members of the class; and
- (b) if the class is a class of members of a registrable superannuation entity who are retired or who are approaching retirement—the objectives mentioned in paragraphs 52AA(2)(a) to (c) of the *Superannuation Industry (Supervision) Act 1993*.

Note: Paragraph (a) of this subsection does not limit subsection 766B(3B).

- (4) For the purposes of this Division, if the trustee or trustees of a superannuation fund are reasonably satisfied that particular superannuation-related advice (the *original advice*) that is set out in an assessment framework is appropriate for the class (the *original class*) of members of the fund set out in the assessment framework, the trustee or trustees are taken to be reasonably satisfied that:

- (a) the original advice is appropriate for any class of members of the fund that is not materially different from the original class; and
- (b) any superannuation-related advice that is not materially different from the original advice is appropriate for:
 - (i) the original class; and
 - (ii) any class of members of the fund that is not materially different from the original class.

950B When superannuation-related advice is *appropriately targeted* to a class of members

Superannuation-related advice contained in a document given by the trustee or trustees of a superannuation fund to a person is

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appropriately targeted to a class (the *recipient class*) of members of the fund if:

- (a) before giving the advice, the trustee or trustees prepare an assessment framework; and
- (b) all of the following subparagraphs apply:
 - (i) the superannuation-related advice is not materially different from the superannuation-related advice set out in the assessment framework;
 - (ii) the recipient class is not materially different from the class of members set out in the assessment framework;
 - (iii) if, according to the assessment framework, the trustee or trustees intend to give the superannuation-related advice set out in the framework only at a specified time or during a specified period—the document is given at that time or during that period; and
- (c) when the trustee or trustees give the document to the person, the trustee or trustees:
 - (i) believe, after taking reasonable steps, that the person is a member of the recipient class; and
 - (ii) have not ceased to be reasonably satisfied that the superannuation-related advice contained in the document is appropriate for the recipient class.

Note 1: For determining whether the superannuation-related advice is appropriate for the recipient class, see subsections 950A(3) and (4).

Note 2: The trustee or trustees must prepare a new assessment framework if the trustee or trustees want:

- (a) to give the superannuation-related advice after the time mentioned in subparagraph (b)(iii) of this section, or after having ceased to be satisfied as mentioned in subparagraph (c)(ii); and
- (b) subsection 766B(3B) to apply.

950C Assessment frameworks

- (1) This section applies if:
 - (a) the trustee or trustees of a superannuation fund intend to give particular superannuation-related advice to a selected class of at least 2 members of the fund; and
 - (b) the trustee or trustees select the class on a reasonable basis; and
 - (c) the trustee or trustees are reasonably satisfied that the superannuation-related advice is appropriate for the selected class.

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Note: For determining whether the superannuation-related advice is appropriate for the selected class, see subsection 950A(3).

- (2) A document prepared by the trustee or trustees is an ***assessment framework*** if the document is in writing and sets out the following:
- (a) the superannuation-related advice the trustee or trustees intend to give;
 - (b) the class of members to which the trustee or trustees intend to give the advice;
 - (c) the basis on which the trustee or trustees selected the class of members;
 - (d) the basis on which the trustee or trustees are reasonably satisfied that the superannuation-related advice is appropriate for the class;
 - (e) the trustee's or trustees' assessment of the likely objectives, financial situation and needs of the members of the class;
 - (f) both:
 - (i) the trustee's or trustees' assessment of the risks for the class relating to the superannuation-related advice, including an assessment of the steps (if any) the trustee or trustees have taken or could take to manage the risks; and
 - (ii) the steps (if any) the trustee or trustees have taken or intend to take to manage the risks;
 - (g) how the trustee or trustees intend to give the superannuation-related advice;
 - (h) when the trustee or trustees intend to give the superannuation-related advice;
 - (i) how the trustee or trustees intend to monitor the effect of the superannuation-related advice on the behaviour of the members to whom it is given.
- (3) For the purposes of paragraph (2)(h), the superannuation-related advice may be given:
- (a) at a specified time; or
 - (b) during a specified period; or
 - (c) on or after a specified day.
- (4) For the purposes of this section, in selecting the class of members of the fund the trustee or trustees intend to give superannuation-related advice to, the trustee or trustees may have regard to the following:

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- (a) the members' ages;
 - (b) the members' incomes;
 - (c) the members' superannuation balances;
 - (d) whether the members own property;
 - (e) the members' relationships;
 - (f) the members' interests in the fund;
 - (g) any other matter the trustee or trustees consider relevant.

Note: This subsection does not limit subsection 766B(3B).

950D Statements and warnings that must be included in targeted superannuation prompts

- (1) For the purposes of paragraph 950(1)(d), a document given to a person by the trustee or trustees of a superannuation fund must prominently display the following statements and warnings:
 - (a) a statement:
 - (i) specifying the target class for the document; and
 - (ii) explaining why the person to whom the document is given is a member of the target class;
 - (b) a warning that the superannuation-related advice contained in the document:
 - (i) is based on the broad characteristics of the target class; and
 - (ii) does not take into account the person's individual objectives, financial situation and needs;
 - (c) a statement that the person should, before acting on the superannuation-related advice, consider whether to obtain personal advice;
 - (d) a statement of the following information:
 - (i) the name and contact details of the fund;
 - (ii) if the person considers that the information held by the trustee or trustees is incorrect—how the person can request that the information be corrected;
 - (iii) how the person can make an election not to be given targeted superannuation prompts.
- (2) A warning given for the purposes of paragraph (1)(b) of this section satisfies the requirement under subsection 949A(2) to give a general advice warning in relation to the superannuation-related advice.

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- (3) For the purposes of subsection (1), the statements and warnings are displayed prominently if they:
- (a) appear at, or close to, the start of the information contained in the document; and
 - (b) stand out from the other information contained in the document.

950E How to give targeted superannuation prompts

For the purposes of paragraph 950(1)(e), a document is given to a person in accordance with this section if it is given to the person by:

- (a) sending it to an address (including an electronic address) nominated by the person; or
- (b) displaying it on a website or a digital application designed for the purpose of providing access to the person's superannuation account; or
- (c) any other method prescribed by regulations for the purposes of this paragraph.

Subdivision C—Other rights and obligations

950F Record keeping

- (1) This section applies if the trustee or trustees of a superannuation fund give a targeted superannuation prompt.
- (2) The trustee or trustees must retain the relevant assessment framework for 7 years from the day the trustee or trustees give the prompt.
- (3) The trustee or trustees must keep and maintain written records of the following matters in accordance with subsection (4):
 - (a) the person to whom the prompt is given;
 - (b) the day the prompt is given;
 - (c) how the prompt is given;
 - (d) the superannuation-related advice contained in the prompt;
 - (e) the target class for the prompt.
- (4) The trustee or trustees must retain the records for 7 years from the day the trustee or trustees give the prompt.

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Fault-based offence

- (5) A person commits an offence if the person contravenes subsection (2) or (3).

Strict liability offence

- (6) A person commits an offence of strict liability if the person contravenes subsection (2) or (3).

950G Monitoring system for targeted superannuation prompts

- (1) This section applies if the trustee or trustees of a superannuation fund give a targeted superannuation prompt.
- (2) The trustee or trustees must have a system to monitor the effect, of targeted superannuation prompts given by the trustee or trustees to members of the fund, on the behaviour of the members in relation to:
- (a) the members' interests in the fund; and
 - (b) the members' engagement (if any) in conduct related to their interests in the fund.

Note: If a trustee or trustees fail to have a monitoring system, ASIC may make a declaration under section 950K that the trustee or trustees must not give targeted superannuation prompts.

950H Correcting information held by trustees

- (1) This section applies if:
- (a) the trustee or trustees of a superannuation fund give a targeted superannuation prompt to a person; and
 - (b) the person considers that the person is not in the target class for the prompt, as specified in the prompt under paragraph 950D(1)(a), because the information held by the trustee or trustees about the person is incorrect.
- (2) The person may, by written notice given to the fund, request that the information be corrected.

Note: If a person gives a trustee or trustees a notice to correct information under this subsection but is later given superannuation-related advice by the trustee or trustees based on the incorrect information:

- (a) the trustee or trustees may not have taken reasonable steps to ensure that person is in the target class, as required by subparagraph 950B(c)(i); or

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- (b) ASIC may declare under section 950K that the trustee or trustees must not give targeted superannuation prompts.

950J Member may elect to not be given targeted superannuation prompts

- (1) A member of a superannuation fund may, by notifying the trustee or trustees of the superannuation fund in writing, elect not to be given targeted superannuation prompts by the trustee or trustees.
- (2) The election begins to be in force on the first business day after the day on which the trustee or trustees receive the notice.
- (3) The election ceases to be in force on the first business day after the earlier of:
- (a) the end of the 5 years starting on the day on which the election begins to be in force; and
 - (b) if the trustee or trustees receive notice in writing from the member withdrawing the election:
 - (i) unless subparagraph (ii) applies—the day on which the trustee or trustees receive the notice; or
 - (ii) if the notice specifies a later day—the specified day.
- (4) A trustee or trustees of a superannuation fund contravene this subsection if:
- (a) the trustee or trustees give a member of the fund a targeted superannuation prompt; and
 - (b) when the trustee or trustees give the prompt to the member, an election by the member not to be given a targeted superannuation prompt by the trustee or trustees is in force.

Subdivision D—ASIC’s powers

950K ASIC’s power to declare that trustees must not give targeted superannuation prompts

- (1) ASIC may, by giving written notice to the trustee or trustees of a superannuation fund, declare that the trustee or trustees must not give targeted superannuation prompts, if:
- (a) the trustee or trustees:
 - (i) contravene this Division; or
 - (ii) do not correct information after being requested to do so under subsection 950H(2); and

1 (b) ASIC considers that it is reasonable to do so in the
2 circumstances.

3 (2) Without limiting the matters to which ASIC may have regard in
4 considering whether it is reasonable to make a determination under
5 subsection (1), ASIC may consider whether the matter mentioned
6 in paragraph (1)(a) is serious or systemic.

7 **8 In the appropriate position in Chapter 10**

8 Insert:

9 **Part 10.81—Application provisions relating to the**
10 **Treasury Laws Amendment Bill 2025**
11

12 **1711 Application provision—Schedule 2**

13 (1) The amendments made by Schedule 2 to the Treasury Laws
14 Amendment Bill 2025 apply in relation to a document that is given
15 to a member of a superannuation fund on or after the
16 commencement of this section.

17 (2) To avoid doubt, a reference in section 950A, 950B or 950F, as
18 amended by Schedule 2 to the Treasury Laws Amendment Bill
19 2025, to an assessment framework includes a reference to an
20 assessment framework prepared before the commencement of this
21 section.

22 **9 Schedule 3 (after table item dealing with**
23 **subsection 949B(4))**

24 Insert:

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Subsection 950F(5)	2 years imprisonment
Subsection 950F(6)	60 penalty units

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Schedule 3—Client Advice Records

Corporations Act 2001

1 Section 9

Insert:

Client Advice Record has the meaning given by section 946A.

2 Section 9 (definition of *further market-related advice*)

Repeal the definition.

3 Section 9

Insert:

further personal advice has the meaning given by section 946B.

4 Section 9 (definition of *Statement of Advice*)

Repeal the definition.

5 Subsection 766B(9) (subparagraph (a)(i) of the definition of *exempt document or statement*)

Omit “Statement of Advice”, substitute “Client Advice Record”.

6 At the end of Division 3 of Part 7.6

Add:

Subdivision E—Record-keeping

912G Record-keeping requirements

(1) This section applies if personal advice is provided to a person (the *client*) as a retail client by:

- (a) a financial services licensee (the *provider*); or
- (b) an authorised representative (the *provider*) of a financial services licensee (the *authorising licensee*).

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Financial services licensee obligations

(2) The financial services licensee must ensure that the following are kept, in accordance with subsection (3), in relation to the personal advice:

- (a) records that appropriately demonstrate the provider's compliance with the requirements of this Act, including a copy of whichever of the following is given to the client:
 - (i) the Client Advice Record;
 - (ii) the record of advice required by subsection 946AA(4), 946B(5) or 946BB(3);
 - (iii) if subsection 946BA(1) applies—the information required to be given to the client by subsection 946BA(2);
- (b) any other information or documents prescribed by the regulations for the purposes of this paragraph.

Note: Failure to comply with this subsection is an offence (see subsection 1311(1)).

(3) The records, information or documents must be kept:

- (a) for 7 years after the day the personal advice is provided to the client; and
- (b) in a manner that enables the records, information or documents to be readily accessible to the licensee during that period.

(4) Subsection (2) of this section continues to apply even if the financial services licensee ceases to be a licensee during the period that the records, information or documents are required to be kept and accessible.

Authorised representative obligations

(5) If the provider is an authorised representative of an authorising licensee and keeps the records, information or documents mentioned in subsection (2), the authorised representative must:

- (a) give the records, information or documents to the licensee if requested by the licensee, provided the request is made:
 - (i) in connection with the obligations imposed on the licensee by this Chapter; and
 - (ii) within 7 years after the day on which the personal advice is provided to the client; and

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(b) unless the records, information or documents have been given to the licensee—keep the records, information or documents for 7 years after the day the personal advice is provided to the client.

Note: Failure to comply with this subsection is an offence (see subsection 1311(1)).

(6) Subsection (5) continues to apply even if the authorised representative ceases to be an authorised representative of the authorising licensee during the period that the records, information or documents are required to be given or kept.

(7) To avoid doubt, subsection (5) does not limit subsections (2) and (3).

7 Subsection 921F(4)

Omit “Statement of Advice”, substitute “Client Advice Record”.

8 Paragraph 940B(1)(a)

Omit “Statement of Advice”, substitute “Client Advice Record”.

9 Subsection 940C(1)

Omit “Statement of Advice”, substitute “Client Advice Record”.

10 Subsection 940C(2)

Omit “946B(6)”, substitute “946BA(2)”.

11 Subsection 940C(3)

Omit “subsection 946B(3) or (8)”, substitute “subsection 946B(4) or 946BB(2)”.

12 Paragraph 942B(2)(g)

Omit “further market-related advice (see subsection 946B(1)) or advice to which subsection 946B(7)”, substitute “further personal advice or advice to which subsection 946BB(1)”.

13 Paragraph 942B(8)(a)

Omit “further market-related advice or advice to which subsection 946B(7)”, substitute “further personal advice or advice to which subsection 946BB(1)”.

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14 Paragraph 942C(2)(h)

Omit “further market-related advice (see subsection 946B(1)) or advice to which subsection 946B(7)”, substitute “further personal advice or advice to which subsection 946BB(1)”.

15 Paragraph 942C(8)(a)

Omit “further market-related advice or advice to which subsection 946B(7)”, substitute “further personal advice or advice to which subsection 946BB(1)”.

16 Paragraph 943N(a)

Omit “further market-related advice or advice to which subsection 946B(7)”, substitute “further personal advice or advice to which subsection 946BB(1)”.

17 Subdivision A of Division 3 of Part 7.7 (heading)

Repeal the heading, substitute:

Subdivision A—Preliminary

18 Before section 944A

Insert:

944 Simplified outline of this Division

A retail client who is provided personal advice must be given a clear, concise and effective Client Advice Record that includes:

- (a) a summary of the advice; and
- (b) other relevant information.

Subdivision B—When this Division applies

19 Subdivision C of Division 3 of Part 7.7 (heading)

Omit “Statement of Advice”, substitute “Client Advice Record”.

20 Section 946A (heading)

Omit “Statement of Advice”, substitute “Client Advice Record”.

21 Subsections 946A(1) and (2)

Repeal the subsections, substitute:

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- (1) The providing entity must, in accordance with this Subdivision, give the client a *Client Advice Record* for the advice that complies with Subdivision D.

22 Section 946AA (heading)

Omit “Statement of Advice”, substitute “Client Advice Record”.

23 Subsection 946AA(1)

Omit “Statement of Advice”, substitute “Client Advice Record”.

24 Paragraph 946AA(5)(b)

Repeal the paragraph, substitute:

- (b) the information (if any) that would, if a Client Advice Record were to be given, be required to be included in the Client Advice Record by paragraphs 947C(1)(e) and (f).

25 Section 946B

Repeal the section, substitute:

946B Situation in which a Client Advice Record is not required— further personal advice

- (1) The providing entity does not have to give the client a Client Advice Record for particular advice (the *further personal advice*) if subsection (2) or (3) applies in relation to the advice.
- (2) This subsection applies if:
- (a) the providing entity has previously given the client a Client Advice Record for personal advice (the *previous personal advice*); and
 - (b) the client’s objectives, financial situation and needs, to the extent these are known to the providing entity and relevant to the further personal advice, have not changed significantly since the previous personal advice was provided; and
 - (c) so far as the basis on which the previous personal advice and further personal advice are provided relate to matters other than the client’s objectives, financial situation and needs—the basis on which the further personal advice is provided is not significantly different from the basis on which the previous personal advice was provided.

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Note: Paragraph 947C(1)(c) requires a Client Advice Record to include reasons for the advice, including how the advice meets the client's objectives, financial situation and needs.

(3) This subsection applies if:

(a) the client had a relationship with the providing entity before:

(i) if the providing entity is a financial services licensee—the day on which the providing entity obtained its Australian financial services licence; or

(ii) if the providing entity is an authorised representative—the day on which the licensee on whose behalf the advice is provided obtained its Australian financial services licence; and

(b) the providing entity gave the client advice (the *earlier advice*) of a kind that, if it were provided after the day the Australian financial services licence was obtained, would be personal advice; and

(c) the client's objectives, financial situation and needs, to the extent these are known to the providing entity and relevant to the further personal advice, have not changed significantly since the earlier advice was provided; and

(d) so far as the basis on which the earlier advice and further personal advice are provided relate to matters other than the client's objectives, financial situation and needs—the basis on which the further personal advice is provided is not significantly different from the basis on which the earlier advice was provided.

(4) If subsection (2) or (3) applies and the client is not given a Client Advice Record, the providing entity must instead, when or as soon as practicable after the further personal advice is provided, give the client the information (if any) that would, if a Client Advice Record were to be given, be required to be included in the Client Advice Record by paragraphs 947C(1)(e) and (f).

(5) The providing entity must keep a record of the further personal advice and, in doing so, must comply with any applicable requirements of regulations made for the purposes of this subsection.

Note 1: Failure to comply with this subsection is an offence (see subsection 1311(1)).

Note 2: For the client's right to a record of the advice, see subsections 942B(8) and 942C(8) (Financial Services Guides) and section 943N (website disclosure information).

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946BA Situation in which a Client Advice Record is not required— basic deposit products etc.

- (1) The providing entity does not have to give the client a Client Advice Record if the advice relates only to any of the following:
 - (a) a basic deposit product;
 - (b) a facility for making non-cash payments (see section 763D) that is related to a basic deposit product;
 - (c) a financial product of a kind prescribed by the regulations for the purposes of this paragraph.
- (2) However, if subsection (1) applies and the client is not given a Client Advice Record, the providing entity must instead, when or as soon as practicable after the advice is provided, give the client the information (if any) that would, if a Client Advice Record were to be given, be required to be included in the Client Advice Record by paragraph 947C(1)(e).

946BB Situation in which a Client Advice Record is not required— advice does not recommend purchase or sale of products

- (1) The providing entity does not have to give the client a Client Advice Record for particular advice if:
 - (a) the advice does not recommend or state an opinion in respect of either of the following:
 - (i) the acquisition or disposal of any specific financial product, or the products of a specific issuer;
 - (ii) a modification to an investment strategy or a contribution level in relation to a financial product held by the client; and
 - (b) the following persons do not directly receive any remuneration (other than remuneration that is currently being received for an earlier acquisition of a product) or other benefit for, or in relation to, the advice:
 - (i) the providing entity;
 - (ii) an employer of the providing entity;
 - (iii) the authorising licensee or any of the authorising licensees;
 - (iv) an employee or director of the authorising licensee or of any of the authorising licensees;
 - (v) an associate of any of the above;

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(vi) any other person prescribed by the regulations for the purposes of this subparagraph.

(2) However, in the same communication as is used to provide to the client the advice referred to in subsection (1), the providing entity must give the client the information (if any) that would, if a Client Advice Record were to be given, be required to be included in the Client Advice Record by paragraph 947C(1)(e).

(3) The providing entity must keep a record of the advice and, in doing so, must comply with any applicable requirements of regulations made for the purposes of this subsection.

Note 1: Failure to comply with this subsection is an offence (see subsection 1311(1)).

Note 2: For the client's right to a record of the advice, see subsections 942B(8) and 942C(8) (Financial Services Guides) and section 943N (website disclosure information).

26 Section 946C (heading)

Omit "Statement of Advice", substitute "Client Advice Record".

27 Subsections 946C(1) and (2)

Repeal the subsections, substitute:

General rule

(1) Subject to this section, the Client Advice Record must be given to the client:

(a) when, or as soon as practicable after, the advice is provided; and

(b) in any event—before the providing entity provides the client with any further financial service that arises out of, or is connected with, that advice.

Statement of certain information if Client Advice Record not given when advice provided

(2) If the Client Advice Record is not given to the client when the advice is provided, the providing entity must, when the advice is provided, give the client the information (if any) that is required to be included in the Client Advice Record by paragraphs 947C(1)(e) and (f).

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28 Paragraph 946C(3)(b)

Omit “Statement of Advice”, substitute “Client Advice Record”.

29 Subsection 946C(3)

Omit “client the Statement of Advice”, substitute “client the Client Advice Record”.

30 Subdivision D of Division 3 of Part 7.7

Repeal the Subdivision, substitute:

Subdivision D—Content of Client Advice Record

947A Name of Client Advice Record

The words “Client Advice Record” must feature prominently in the Client Advice Record, whether the Client Advice Record is given to the client in writing or by other means.

947B Presentation of Client Advice Record

The contents of the Client Advice Record must be expressed and presented in a manner that, having regard to clarity, conciseness and effectiveness, is fit for the purpose of assisting the client to make an informed decision on whether to act on the advice as a retail client.

947C Client Advice Record—main requirements

- (1) Subject to the regulations (see subsection (10)), the Client Advice Record must include the following:
 - (a) a statement of the scope of the advice;
 - (b) a statement of the advice;
 - (c) a statement of the reasons for the advice, including how the advice meets the client’s objectives, financial situation and needs;
 - (d) a statement of the cost of providing the advice;
 - (e) the information (if any) required by subsections (2) and (3);
 - (f) the information (if any) required by subsection (6);
 - (g) any other statements or information required by the regulations for the purposes of this paragraph.

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Information about remuneration and benefits

- (2) For the purposes of paragraph (1)(e), the Client Advice Record must include information about any remuneration (including commission) or other benefits that any of the following is to receive that might reasonably be expected to be or have been capable of influencing the providing entity in providing the advice:
- (a) an employer, employee or director of the providing entity;
 - (b) the authorising licensee or licensees, or an employee or director of the authorising licensee or licensees;
 - (c) a related body corporate of the providing entity, or an employee or director of the related body corporate;
 - (d) an associate of any of the above;
 - (e) any other person prescribed by the regulations for the purposes of this paragraph.

Other interests and relationships

- (3) For the purposes of paragraph (1)(e), the Client Advice Record must include information about:
- (a) any interests (other than the remuneration or other benefits to which subsection (2) applies), whether pecuniary or not and whether direct or indirect of the person mentioned in subsection (4); and
 - (b) any associations or relationships between the issuers of any financial products and the person mentioned in subsection (4);
- that might reasonably be expected to be or have been capable of influencing the providing entity in providing the advice.
- (4) For the purposes of paragraphs (3)(a) and (b), the person is:
- (a) if the providing entity is a financial services licensee—the providing entity or of any associate of the providing entity; or
 - (b) otherwise—the providing entity, any employer of the providing entity, the authorising licensee or any of the authorising licensees, or any associate of any of those persons.

Advice recommends replacement of one product with another

- (5) Subsection (6) applies if the advice provided to the client is or includes a recommendation that:
- (a) the client:

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- 1 (i) dispose of, or reduce the client's interest in, all or part
2 of a particular financial product; and
3 (ii) instead acquire all or part of, or increase the client's
4 interest in, another financial product; or
5 (b) the client:
6 (i) dispose of, or reduce the client's interest in, a MySuper
7 product offered by a regulated superannuation fund, or
8 by an AFCA regulated superannuation scheme; and
9 (iii) instead acquire an interest, or increase the client's
10 interest, in another MySuper product or a choice
11 product offered by the fund.
- 12 (6) For the purposes of paragraph (1)(f), the following must be
13 included:
14 (a) information about any of the following:
15 (i) any charges the client will or may incur in respect of the
16 disposal or reduction;
17 (ii) any charges the client will or may incur in respect of the
18 acquisition or increase;
19 (iii) any pecuniary or other benefits that the client will or
20 may lose (temporarily or otherwise) as a result of taking
21 the recommended action;
22 including the amount of the charges or losses;
23 (b) information about any other significant consequences for the
24 client of taking the recommended action that are likely;
25 (c) if the providing entity:
26 (i) knows that, or is reckless as to whether, the client will
27 or may incur charges or losses, or there will or may be
28 consequences for the client, as mentioned in
29 paragraph (a) or (b) of this subsection; but
30 (ii) does not know, and cannot reasonably find out, what
31 those charges, losses or consequences are or will be;
32 a statement to the effect that there will or may be such
33 charges, losses or consequences but the providing entity does
34 not know what they are.
- 35 (7) Paragraph (6)(a) or (b) applies to information that the providing
36 entity knows, or could reasonably find out.
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Other requirements

- (8) Any amounts stated for the purposes of subsection (2) or paragraph (3)(a) or (6)(a) must be stated:
- (a) in dollars; or
 - (b) in accordance with a determination (if any) made under subsection (9).
- (9) If ASIC believes that, based on the nature of the financial product or service, or of the information, it would not be practicable to state the amounts in dollars, ASIC may, by legislative instrument, determine that the amount may be:
- (a) stated as a percentage of a specified matter; or
 - (b) if that is not possible—set out as a description of the method of calculating the amount.

Regulations

- (10) The regulations may:
- (a) provide that a specified provision of subsection (1) does not apply in a specified situation; or
 - (b) provide that specified information is not required by a specified provision of subsection (1), either in a specified situation or generally; or
 - (c) require a more detailed statement of the information required by a specified provision of subsection (1), either in a specified situation or generally; or
 - (d) provide:
 - (i) that subsections (5) to (7) do not apply in relation to a specified financial product or a specified class of financial products; or
 - (ii) that subsections (5) to (7) do not require the provision of information of a specified kind, whether generally or in relation to a specified situation, financial product or class of financial products.

947D Client Advice Record—additional requirements

The Client Advice Record must also include statements of the following:

- (a) the name and contact details of the providing entity;
- (b) if the providing entity is an authorised representative:

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- (i) that the providing entity is an authorised representative of a financial services licensee; and
- (ii) the name and contact details of the authorising licensee.

Note: If section 961H requires a warning to be given to the client for the advice, the Client Advice Record must include a statement setting out, or recording, the warning required by that section (see subsections 961H(3) and (3A)).

947E Other information included in Client Advice Record

Sections 947C and 947D do not limit the information that may be included in the Client Advice Record.

947F Client Advice Record not to be combined with Financial Services Guide or Product Disclosure Statement

A Client Advice Record must not be combined in a single document with a Financial Services Guide or a Product Disclosure Statement.

31 Paragraph 951A(b)

Omit “Statement of Advice”, substitute “Client Advice Record”.

32 Subsection 952B(1) (paragraph (b) of the definition of *defective*)

Omit “Statement of Advice” (first occurring), substitute “Client Advice Record, a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

33 Subsection 952B(1) (paragraph (b) of the definition of *defective*)

Omit “946B(3), (6) or (8)” (first occurring), substitute “946B(4), 946BA(2), 946BB(2)”.

34 Subsection 952B(1) (subparagraph (b)(ii) of the definition of *defective*)

Omit “Statement of Advice—there is an omission from the Statement of advice of material required by section 947B, 947C or 947D”, substitute “Client Advice Record—there is an omission from the Client Advice Record of material required by section 947C or 947D”.

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35 Subsection 952B(1) (subparagraph (b)(iii) of the definition of *defective*)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

36 Subsection 952B(1) (after subparagraph (b)(iii) of the definition of *defective*)

Insert:

or (iv) if it is a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)—there is an omission from the record of advice of material required by that subsection or subsection 947C(6);

37 Subsection 952B(1) (paragraph (c) of the definition of *disclosure document or statement*)

Omit “Statement of Advice”, substitute “Client Advice Record”.

38 Subsection 952B(1) (paragraph (d) of the definition of *disclosure document or statement*)

Omit “946B(3), (6) or (8)“, substitute “946B(4), 946BA(2), 946BB(2)”.

39 Subsection 952B(1) (at the end of the definition of *disclosure document or statement*)

Add:

; or (e) a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3).

40 Subparagraph 952E(2)(a)(i)

Omit “Statement of Advice”, substitute “Client Advice Record or a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

41 Subparagraph 952E(2)(a)(iii)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

42 Subparagraph 952F(1)(b)(i)

Omit “Statement of Advice”, substitute “Client Advice Record or a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

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43 Subparagraph 952F(1)(b)(iii)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

44 Subparagraph 952F(1)(c)(i)

Omit “Statement of Advice”, substitute “Client Advice Record, a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

45 Subparagraph 952F(1)(c)(i)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

46 Subparagraph 952G(1)(b)(i)

Omit “Statement of Advice”, substitute “Client Advice Record or a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

47 Subparagraph 952G(1)(b)(iii)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

48 Subparagraph 952G(1)(c)(i)

Omit “Statement of Advice”, substitute “Client Advice Record, a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

49 Subparagraph 952G(1)(c)(i)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

50 Section 952J (heading)

Omit “Statement of Advice”, substitute “Client Advice Record”.

51 Paragraph 952J(1)(a)

Omit “Statement of Advice”, substitute “Client Advice Record”.

52 Paragraph 952J(1)(b)

Repeal the paragraph, substitute:

(b) the Client Advice Record does not comply with section 947A or 947F.

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53 Subsection 953A(1) (paragraph (b) of the definition of *defective*)

Omit “Statement of Advice” (first occurring), substitute “Client Advice Record, a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)”.

54 Subsection 953A(1) (paragraph (b) of the definition of *defective*)

Omit “946B(3), (6) or (8)” (first occurring), substitute “946B(4), 946BA(2), 946BB(2)”.

55 Subsection 953A(1) (subparagraph (b)(ii) of the definition of *defective*)

Omit “Statement of Advice—there is an omission from the Statement of Advice of material required by section 947B, 947C or 947D”, substitute “Client Advice Record—there is an omission from the Client Advice Record of material required by section 947C or 947D”.

56 Subsection 953A(1) (subparagraph (b)(iii) of the definition of *defective*)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

57 Subsection 953A(1) (at the end of paragraph (b) of the definition of *defective*)

Add:

; or (iv) if it is a record of advice required by subsection 946AA(4), 946B(5) or 946BB(3)—there is an omission from the record of advice of material required by that subsection or subsection 947C(6).

58 Subsection 953A(1) (paragraph (c) of the definition of *disclosure document or statement*)

Omit “Statement of Advice”, substitute “Client Advice Record”.

59 Subsection 953A(1) (paragraph (d) of the definition of *disclosure document or statement*)

Omit “946B(3), (6) or (8)”, substitute “946B(4), 946BA(2), 946BB(2)”.

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1 **60 Subsection 953A(1) (at the end of the definition of**
2 ***disclosure document or statement*)**

3 Add:

4 ; or (e) a record of advice required by subsection 946AA(4), 946B(5)
5 or 946BB(3).

6 **61 Subsection 961H(2)**

7 Omit all the words after “same time as the advice is provided”.

8 **62 Subsection 961H(3)**

9 Repeal the subsection, substitute:

10 (3) If the Client Advice Record is given at the time when the advice is
11 provided, the warning must be given by including it in the Client
12 Advice Record.

13 (3A) If the Client Advice Record is not given at the time when the
14 advice is provided, a record of the warning that was given to the
15 client must be included in the Client Advice Record.

16 Note: For the timing of giving a Client Advice Record, see section 946C.

17 **63 Paragraphs 985G(3)(a) to (e)**

18 Omit “statement of advice” (wherever occurring), substitute “Client
19 Advice Record”.

20 **64 At the end of Part 10.81**

21 Add:

22 **1711A Application provision—Schedule 3**

23 (1) The amendments made by Schedule 3 to the Treasury Laws
24 Amendment Bill 2025 apply in relation to advice provided on or
25 after the commencement of this section.

26 (2) A reference in paragraph 946B(2)(a), as amended by Schedule 3 to
27 the Treasury Laws Amendment Bill 2025, to a Client Advice
28 Record includes a reference to a Statement of Advice relating to
29 advice provided before the commencement of this section.

30 **65 Schedule 3 (after table item dealing with**
31 **subsection 912F(1))**

32 Insert:

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Subsections 912G(2) and (5) 50 penalty units

66 Schedule 3 (table item dealing with subsections 946B(3A) and (9))

Repeal the item, substitute:

Subsection 946B(5)	50 penalty units
Subsection 946BB(3)	50 penalty units
