

FINANCIAL SERVICES REGULATORY UPDATE

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

This issue covers the period 10 April 2026 – 10 May 2026.

GOVERNMENT

1. Releases Version 3 of the Regulatory Initiatives Grid (5 May 2026)

The Government has [announced](#) that it has released edition 3 of the [Regulatory Initiatives Grid](#).

The Regulatory Initiatives Grid – Edition 3 lists announced and publicised regulatory reform priorities and initiatives that will materially affect the financial sector over the next 2 years as reported by ASIC, APRA, AUSTRAC, ATO, RBA, ACCC, AFSA, and the Department of Home Affairs.

Published twice a year, the RIG is a practical tool to support productivity and better regulation.

Planned processes and regulatory changes are indicative only and remain subject to change including, for example, to reflect changes in priorities and/or the market environment.

ASIC

Regulatory Guides, Consultation Papers and Legislative Instruments

No specific updates for this report.

Letters to Industry, Speeches and Reports

2. ASIC Continues Finfluencer Crackdown Alongside Global Regulators (24 April 2026)

ASIC has [announced](#) that it is working alongside 16 global regulators as part of its crackdown on unlawful social media ‘finfluencers’, amid growing concern about the influence of financial information online, particularly among younger Australians.

Warning notices have been issued to four finfluencers suspected of providing unlicensed financial advice or engaging in misleading or deceptive conduct. ASIC has also commenced a review of several Australian Financial Services (AFS) licensees and their supervision of 15 finfluencers operating under their licences.

The warning notices to the four finfluencers relate to suspected provision of unlicensed financial advice, including promoting claims of guaranteed returns, which may also be misleading or deceptive.

[Recent Moneysmart research](#) shows that 63% of Gen Z Australians (aged 18–28) rely on social media for financial information, with more than half saying they somewhat or completely trust financial information on social media (56%) and from finfluencers (52%).

COMMENT: It is not clear why ASIC issued “warning notices” rather than taking actual enforcement action. It may be that the initiative might be designed more to raise public awareness of the issue than anything else. The focus on the role of authorising licensees also indicates the difficulties regulators have in actually identifying and monitoring finfluencers.

3. ASIC Calls for Urgent Cyber Uplift as AI Accelerates Cyber Threats (8 May 2026)

ASIC is calling on all licensees and market participants to urgently strengthen their cyber resilience measures, as frontier artificial intelligence (AI) intensifies the global cyber risk environment.

While cyber risk has always existed, misuse of frontier AI models such as Anthropic's Claude Mythos could expose cyber security vulnerabilities at an unprecedented speed, scale, and sophistication.

In an [open letter to Industry](#) ASIC has urged entities to act now and not wait for advanced AI tools to uplift their cyber security fundamentals and ensure their systems can withstand AI-accelerated threats.

The letter, issued by ASIC Commissioner Simone Constant, emphasises the need for urgent, focused action using a principles-based, model-agnostic approach, reminding industry that cyber resilience must be treated as a core licensing obligation, not simply an IT issue.

The letter follows ASIC's recent court outcome against FIIG Securities Limited ([26-021MR](#)), which reinforced the legal case for cyber risk management controls to be demonstrably effective and proportionate to the size, nature and complexity of a business.

Ms Constant: 'Entities need to have robust incident response plans. Whether an entity faces a basic phishing attempt or a more sophisticated cyber-attack, the underlying cyber risk management principles of govern, protect, detect, respond remain the same.

'Appropriate cyber risk management starts at the leadership of licensees and participants. Boards and executives must ensure systems are tested, weaknesses are addressed early and that action is taken before threats can be exploited.

'The clock is at a minute to midnight – if you aren't on top of your cyber resilience already, the time to act and prepare is right now.'

ASIC is urging entities to take the following steps now:

- **Reassess your cyber plans** and refocus efforts on the most critical risks in today's threat environment.
- **Confirm your cyber risk, governance and overall risk and decision-making frameworks** consider the cumulative impact of interrelated vulnerabilities and facilitate clear decision making and escalation at the pace necessary to manage risk.
- **Identify and protect critical assets and systems**, with a clear understanding of what matters most to your business and customers.
- **Strengthen cyber security fundamentals** by regularly reviewing and validating core controls.
- **Minimise attack surfaces** by reducing exposure of systems and services to untrusted networks.
- **Regularly review user access and reassess privileges**, to protect against unauthorised access Insider threats are increasing and entities should monitor for warning signs and act to restrict access where concerns are identified.
- **Patch systems promptly**, recognising that AI is accelerating vulnerability discovery and exploitation.
- **Review and strengthen** patch management processes, considering challenges daily patching may present to identification, testing, and governance of critical updates.
- **Implement layered, defence-in-depth architectures** that assume breach and restrict lateral movement.
- **Prepare for incident response** by maintaining and exercising incident response plans and playbooks including business continuity plans and identification of highest priority services, channels and platforms.
- **Actively manage third-party risks**, particularly where services introduce concentration or systemic exposure.

- **Use AI for defensive purposes, where appropriate**, including identifying vulnerabilities and securing software before release.

Entities are required to table the letter at their ultimate board and risk governance committees.

All ASIC-regulated entities should use practical guidance from trusted sources to strengthen cyber defences, including the Australian Signals Directorate (ASD).

ASIC also encourages the use of the Australian Government's free and anonymous [Cyber Health Check](#), which provides a tailored action plan with simple, actionable steps to improve cyber security.

ASIC will continue to work closely with other regulators, agencies and industry to monitor cyber risks and promote consistent expectations across the financial system.

Linked Article: [Board and management briefing: preparing for Mythos-class threats](#) (Allens Lawyers, 1 May 2026)

Linked Article: [How Mythos-class AI is Changing Cyber Security Risk](#) (G+T Law, 21 April 2026)

COMMENT: ASIC's open letter is framed in licensing terms, not merely technology terms. The practical 'next step' is straightforward. Boards and executives should be able to show that cyber controls are tested, weaknesses are remediated, incident response plans are current, and cyber governance is proportionate to the nature, scale and complexity of the business. This is no longer just an IT issue. It is a core licence, governance and operational risk issue.

True Oak has tabled this letter at its latest 'all-hands' team meeting, and is in the process of developing a written response to ASIC's suggestions which takes into account the nature of True Oak's business.

TIP: ASIC's regulatory resources include further information about cyber security and cyber resilience: [Cyber resilience good practices](#), [Cyber risk: Be prepared](#), and [Resources on cyber resilience](#).

Entities may wish to also refer to [APRA's recent letter to industry on Artificial Intelligence \(AI\)](#).

ASIC recommends organisations and investors to consider advice from the Australian Signals Directorate (ASD) Australian Cyber Security Centre, subscribe to ASD alerts and consider the ASD partnership program where appropriate. The ASD provides easy to understand advice about what to do when organisations and investors suffer a data breach via their [Report and recover](#) webpage.

ASIC also encourages the use of the Australian Government's free and anonymous [Cyber Health Check](#), which provides a tailored action plan with simple, actionable steps to improve cyber security.

Infringement Notices and Court Proceedings

No specific updates for this report.

ATO

No specific updates for this report.

AUSTRAC

4. AUSTRAC Identifies Low Suspicious Matter Reporting in Wealth Management Sector (15 April 2026)

AUSTRAC has [announced](#) that it has written to businesses in the wealth management sector (which includes trustees of managed investment schemes and financial service intermediaries, such as financial advisors and financial planners) with concerns about alarmingly low suspicious matter reporting (SMR) and the risk that serious financial crime may be going undetected.

The letter follows a supervisory campaign in which AUSTRAC found that 98 per cent of wealth management businesses did not submit a single SMR in 2025, despite operating in a sector exposed to a wide range of money laundering risks.

AFCA

No specific updates for this report.

CLEAN ENERGY COUNCIL

No specific updates for this report.

DCCEEW

5. New ACCU Savanna Fire Management Methods (10 April 2026)

The Australian Government has made [2 new savanna fire management methods](#) under the ACCU Scheme:

- a savanna fire management sequestration and emissions avoidance 2026 method
- a savanna fire management emissions avoidance 2026 method.

Both new methods incentivise low intensity, 'cooler' fires in the early dry season, which lowers emissions from the fires and increases carbon stored in savanna ecosystems.

The new methods:

- Encourage new savanna fire management projects
- Support existing projects by enabling them to earn more ACCUs (provided they meet the requirements in the new methods)
- Use updated science to measure emissions reduction and sequestration benefits of strategic savanna burning
- Use SavCAM (Savanna Carbon Accounting Model) calculator, to be updated mid-2026, to align carbon accounting of savanna projects with the DCCEEW's [National Greenhouse Gas Inventory reporting](#).

6. Reminder to Have Your Say on Proposed ACCU Scheme Amendments (30 April 2026)

The DCCEEW has [issued a reminder](#) to have your say as part of the [Carbon Credits and Other Legislation Amendment \(Integrity and Transparency\) Bill Consultation](#), before 22 May 2026.

CARBON MARKET INSTITUTE

No specific updates for this report.

IGCC

No specific updates for this report.

OFFICE OF THE AUSTRALIAN INFORMATION COMMISSIONER (OAIC)

No specific updates for this report.

Australian Communications and Media Authority (ACMA)

No specific updates for this report.

PROFESSIONAL DEVELOPMENT OPPORTUNITIES

Sophie Grace Compliance Videos

Consultancy [Sophie Grace](#) has released a number of compliance-based videos that can be purchased separately. Consider, in particular, [AFSL Wholesale Client Qualification](#) and [What Things Must Not Be On Your Website](#).

Carbon Market Institute Courses

- a. **Carbon Market Fundamentals Training:** e-learning course provides participants with an overview of the scientific and economic basis for carbon markets. More info [here](#).
- b. **Carbon Farming Banker Training:** This finance sector-focused module builds capacity and knowledge of carbon farming in Australia from the perspective of bankers and agri-lenders. More info [here](#).
- c. **Net Zero Transition Planning Program:** This transition planning education program introduces key concepts for organisations seeking to understand the role of net zero transition planning in private sector climate leadership. More info [here](#).

FINSIA Micro-Learning Courses

FINSIA provides a range of micro-learning courses, which you can investigate [here](#).

June 2026

- a. Carbon Market Institute – **Director’s Duties and Australia’s Environmental Markets** (Sydney – 16 June) – more info [here](#).
- b. Australian Investment Council – **Principles of Venture Capital** (Melbourne – 17 June) – more info [here](#).
- c. Australian Investment Council – **Principles of Private Equity** (Melbourne – 18 June) – more info [here](#).
- d. Carbon Market Institute – **Director’s Duties and Australia’s Environmental Markets** (Melbourne – 23 June) – more info [here](#).

- e. Australian Investment Council – **Foundations of Private Capital** (Sydney – 23, 24, 25 June) – more info [here](#).

July 2026

- a. Clean Energy Council – **Australian Clean Energy Summit** (Sydney – 28-29 July) – more info [here](#).

August 2026

- a. Australian Investment Council / AICD – **Foundations of Directorship** (Sydney – 7, 14, 21 August) – more info [here](#).
- b. Carbon Market Institute – **4th Singapore Carbon Market and Investor Forum** (Singapore – 27 August) – more info [here](#).

September 2026

- a. Clean Energy Council – **Queensland Clean Energy Summit** (Brisbane – 9 September) – more info [here](#).

October 2026

- a. Carbon Markets Institute – **Australasian Emission Reduction Summit 2026** (Adelaide – 20-21 October) – more info [here](#).
- b. Markets Group – **5th Annual Private Wealth Melbourne Forum** (Melbourne – 21 October) – more info [here](#).
- c. Clean Energy Council – **All Energy Australia** (Melbourne – 28-29 October)- more info [here](#).

November 2026

- a. Investor Group on Climate Change – **Annual Summit** (Sydney – 24-25 November) – more info to come.

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