

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 clients and Trustee Services clients.

FEATURE ARTICLE

Financial services in the social media age: The rise and risks of ‘finfluencers’

In light of ASIC’s recent crackdown on Finfluencers (see point 5 below), we thought it would be useful to [revisit this article](#) published by Herbert Smith Freehills, which explores ASIC [INFO Sheet 269](#) and some of the common traps and risks that AFS Licensees (and Corporate Authorised Representatives) should be aware of when engaging influencers. We encourage you to read the full article accessible via the hyperlink above.

On 21 March 2022, ASIC issued Information Sheet INFO 269 *Discussing financial products and services online* containing important information for both finfluencers and AFS licensees who engage finfluencers, including examples of what ASIC considers to be financial product advice, dealing by arranging and misleading and deceptive conduct.

When will a finfluencer be providing a financial service?

The ASIC INFO Sheet focuses on two primary scenarios where finfluencers may be seen to be providing a financial service: (a) dealing by arranging under section 766C of the Corporations Act; and (b) financial product advice under section 766B of the Corporations Act.

Dealing by arranging

Whether you are arranging for someone to deal will depend on the extent of your involvement in making the transaction happen. [Arranging is likely to occur where the finfluencer is actively involved in making the transaction happen.](#) The activities of finfluencers can vary in this regard – we see the following common activities: (i) providing information about financial products; (ii) providing a hyperlink to the product issuer’s website; and (iii) sharing discount codes.

We consider that absent other involvement, the above activities of themselves are unlikely to constitute arranging. However, this is a determination that will need to be made on a case-by-case basis, having regard to the entirety of the relevant transaction and any remuneration/benefits obtained by the finfluencer.

Financial product advice

By their very name, finfluencers are ultimately influencing their viewers with the content they create and share with their followers. In discussing financial products and services, it is prudent that finfluencers ensure that [their content does not stray outside of being factual information only or if properly authorised, general advice.](#)

[Whether a finfluencer gives financial product advice is not only a function of the content they disseminate. It is also a function of their popularity and pulling power, and the channels through which they operate.](#)

[While disclaimer text can mitigate the risk of financial product advice, it will not, in and of itself, determine whether a communication constitutes financial product advice.](#) It is important that a finfluencer looks at the overall impression and circumstances of their content. Further to the overall impression, ASIC also makes clear that some statements made by finfluencers may not only constitute financial product advice, but may also be misleading and deceptive conduct if the claims cannot be substantiated e.g. that a particular financial product will “generate significant returns.” In each case, as is the case with arranging, the totality of the circumstances will need to be assessed to determine the general advice/information only position.

The full article provides numerous examples of finfluencer activity and rates the general advice risk of each activity. We recommend that you take the time to review the article in full.

GOVERNMENT

1. Publishes a Guide on Making a Ransomware Payment Report (1 June 2025)

The Department of Home Affairs has [published](#) a guide on how to make a ransomware payment report.

The mandatory ransomware payment reporting requirement under the Cyber Security Act 2024 (Cth) applies to entities with an annual turnover exceeding \$3 million, critical infrastructure providers, and third parties acting on their behalf. The ransomware or cyber extortion payments must be reported within 72 hours. The ransomware payment reporting form can be accessed [here](#).

2. Schedules Economic Roundtable (27 June 2025)

The Australian Government has scheduled an [Economic Reform Roundtable](#) for 19–21 August 2025, to address challenges in productivity, economic resilience, and budget sustainability.

Led by Treasurer Jim Chalmers, the roundtable will convene a select group of leaders from business, unions, civil society, and government to develop consensus-driven reforms aimed at lifting living standards. Key topics include potential tax reforms—such as adjustments to the GST base or rate—streamlining regulatory processes, and enhancing housing and infrastructure development. It also focuses on "Harnessing data and digital technology", and proposals to improve productivity, strengthen the budget, and enhance economic resilience.

ASIC

3. Publishes Feedback on Public and Private Market Dynamics (4 June 2025)

ASIC has [published](#) over 50 public submissions in response to its [Discussion Paper](#) published in February 2025 on the evolving dynamics between public and private markets. The paper highlighted the growth of private markets, the decline in public listings, and the increasing role of superannuation funds.

ASIC received nearly 90 submissions from industry bodies, market operators, superannuation trustees, and fund managers. ASIC has categorised the feedback into key themes including:

- Data collection and transparency in private markets;
- Public market 'adjustments';
- Aligning private market regulation with industry experience and international best-practice;
- Uplifting private credit regulation;
- The distinction between how cyclical and structural factors shape market development;
- Acknowledging and channelling the systemic significance and impact of superannuation in markets and investments.

To further support its markets work, ASIC has commissioned the following expert insight papers on:

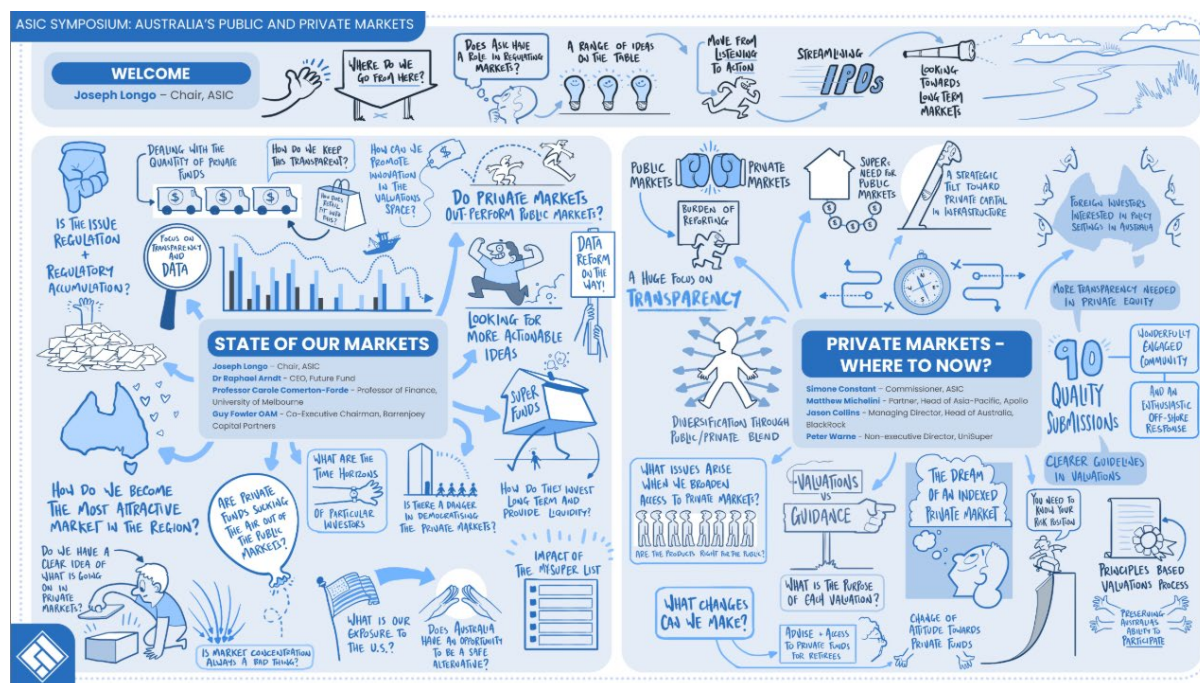
- The future state of Australia's capital markets
- The private credit environment
- International approaches to data and transparency in private markets

ASIC plans to announce actionable ideas and roadmaps for public and private markets in the third and fourth quarters of 2025.

Linked Article: [ASIC's private markets push: what industry should prepare for](#) (Allens Lawyers, 16 June 2025)

Linked Event: On 10 June 2025, ASIC held a [symposium](#) at the University of Technology Sydney, focusing on the state of Australia's public and private markets. Key discussions revolved around the intensifying global competition for capital, the impact of regulatory burdens, and the rise of private capital. The symposium

discussed the importance of balancing regulatory oversight with market innovation to ensure efficient capital allocation and long-term value creation.



4. Announces Trial for Streamlined IPO Process (10 June 2025)

ASIC has [announced](#) a two-year trial aimed at expediting the initial public offering (IPO) process for entities listing on the ASX. The trial introduces a shorter IPO timetable, reducing deal execution risk by allowing informal review of offer documents two weeks prior to public lodgement. This change could shorten the IPO timeline by up to a week. Additionally, ASIC's new 'no action' position permits eligible companies to accept retail investor applications during the public exposure period, streamlining administrative procedures.

The initiative responds to the decline in Australian IPOs and aims to enhance the attractiveness of public markets. ASIC will monitor the trial's effectiveness and may adjust the regulatory framework accordingly. The trial is available to entities with a market capitalisation exceeding \$100 million and no ASX-imposed escrow.

5. Cracks Down on Unlawful Finfluencers (12 June 2025)

In a coordinated effort with international regulators, ASIC has [publicised](#) that it has issued warning notices to 18 social media influencers, known as 'finfluencers', for unlawfully promoting high-risk financial products and providing unlicensed financial advice. This action is part of a Global Week of Action Against Unlawful Finfluencers, involving regulators from the UK, UAE, Italy, Hong Kong, and Canada. The crackdown utilised a range of regulatory and enforcement measures, including arrests, warning notices, and website takedowns.

ASIC's concerns focus on finfluencers who position themselves as trading experts, promoting complex investment products like contracts for difference and over-the-counter derivatives, often accompanied by misleading representations of success. Following the issuance of [INFO Sheet 269 - Discussing financial products and services online](#) in 2022, ASIC observed a decline in unauthorised finfluencer activity.

6. Announces Inquiry into the ASX (16 June 2025)

ASIC has [announced](#) an inquiry into the ASX group, focusing on governance, capability, and risk management frameworks. This follows repeated and serious failures, including the CHESS batch settlement incident on 20 December 2024. The inquiry will assess ASX's compliance with its obligations as a market licensee and Clearing and Settlement facility licensee. The panel will make recommendations to address any deficiencies. ASIC will publish a report on the inquiry's outcome, informing future actions. The panel will provide a report to ASIC by 31 March 2026.

7. Updates Guidance on Share Sales Fraud (24 June 2025)

ASIC has [updated its guidance](#) for AFS Licensees on preventing share sale fraud, following a sharp rise in incidents linked to identity theft. The revised [Information Sheet 237 – Protecting Against Share Sale Fraud](#) (INFO 237) reflects findings from an ASIC-led review of licensees' client onboarding and fraud detection practices.

Share sale fraud involves unauthorised sales or transfers of shares by individuals impersonating legitimate holders. ASIC reports a seven-fold increase in such cases over the past four years, with some victims losing entire portfolios.

The updated guidance outlines better practices, including verifying client identity documents, monitoring for unusual trading behaviour, and conducting enhanced due diligence when clients change personal or banking details. ASIC also encourages the use of accredited digital ID services under the Digital ID Act 2024 (Cth).

8. Provides Targeted Relief under the Reportable Situations Regime (27 June 2025)

ASIC has [announced](#) additional relief for AFS and Australian credit licensees under the reportable situations regime. The new measures exempt licensees from having to report certain breaches of misleading and deceptive conduct provisions and certain contraventions of civil penalty provisions where:

- The breach has been completely rectified within 60 days from when it first occurred (this includes paying any necessary remediation);
- The number of impacted consumers does not exceed 10;
- The total loss across all impacted consumers (including where the loss has been remedied) does not exceed \$1,000; and
- The breach is not a contravention of the client money reporting rules and clearing and settlement rules.

Additionally, an investigation will only be reportable to ASIC if it continues for more than 60 days (rather than 30 days as provided in the legislation). ASIC also clarified that a breach report submitted to APRA in the form required by APRA is also taken to be lodged with ASIC.

These changes aim to reduce the reporting burden on industry while maintaining the regime's objectives.

True Oak will be reviewing its CAR Notifiable Incident Policy in light of this announcement and will separately communicate any changes to the policy to our clients.

9. Updates Guidance for Managed Investment Schemes (30 June 2025)

ASIC has updated two regulatory guides (RGs) relevant to managed investment schemes:

- Regulatory Guide 132 – Funds Management: Compliance and Oversight ([RG 132](#)), and
- Regulatory Guide 136 – Funds Management: Discretionary Powers ([RG 136](#)).

These RGs were changed in minor and technical respects only and do not change legal requirements or impose additional regulatory burdens. The changes are focused on reflecting consequential changes to the

law and legislative relief granted by ASIC since these RGs were last updated. ASIC did not consult externally on the changes as they are consequential and administrative in nature

RG 132 provides guidance on the compliance and oversight obligations that responsible entities of registered managed investment schemes and operators of other collective investment schemes, must meet under the Corporations Act and other legal obligations.

RG 136 provides guidance for responsible entities of registered managed investment schemes and operators of other collective investment schemes, as well as service providers and advisers, on ASIC's approach to exercising its exemption and modification powers to grant individual relief from requirements under the Corporations Act.

True Oak does not hold authorisations under its AFS Licence to operate as a Responsible Entity of a registered managed investment scheme, and does not currently provide access to financial services authorisations to any fund managers of registered schemes. As such, no further action is required by True Oak in respect of the changes to these two Regulatory Guides.

10. Refreshed Website Goes Live (30 June 2025)

ASIC's [refreshed website](#) has gone live with a simplified, streamlined and intuitive interface aimed at improving user experience for the Australian public.

AUSTRAC

No relevant updates for this month.

COUNCIL OF FINANCIAL REGULATORS

11. Holds Quarterly Meeting (11 June 2025)

The Council of Financial Regulators [held](#) its regular quarterly meeting on 11 June; discussing the risk environment with a focus on international developments and implications for the Australian financial system.

- While domestic financial markets had continued to function without significant dislocation over recent months, liquidity conditions in April were affected and Council agencies continued to closely monitor conditions.
- Global trends reinforced the importance of existing Council priorities aimed at strengthening crisis preparedness. These priorities included improving the resilience of the financial system to geopolitical risks, enhancing the operational resilience of financial institutions, and deepening understanding of and preparedness for liquidity shocks that could transmit across the system.

[The Council is the main coordinating body for Australia's financial regulators, with the ultimate objective of promoting the stability of the financial system and supporting effective and efficient regulation. It brings together APRA, ASIC, the Australian Treasury and the RBA.]

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](#).

July 2025

- a. Investor Daily – **Australian Wealth Management Summit** (Sydney – 31 July) – more info to come.
- b. Schroders – **The cost of sitting still: Income opportunities in the new regime** (Brisbane (breakfast or lunch sessions) – 31 July) – more info [here](#).

August 2025

- a. Schroders – **The cost of sitting still: Income opportunities in the new regime** (Melbourne (breakfast or lunch sessions) – 6 August) – more info [here](#).
- b. Schroders – **The cost of sitting still: Income opportunities in the new regime** (Sydney (breakfast or lunch sessions) – 7 August) – more info [here](#).
- c. Schroders – **The cost of sitting still: Income opportunities in the new regime** (Adelaide – 13 August) – more info [here](#).
- d. Schroders – **The cost of sitting still: Income opportunities in the new regime** (Perth (lunch or evening sessions) – 14 August) – more info [here](#).
- e. Carbon Market Institute – **12th Australasian Emissions Reduction Summit** (Melbourne – 13-14 August) – more info [here](#).
- f. Momentum Media – **Australian Wealth Management Summit 2025** (Sydney – 22 August) – more info [here](#).

September 2025

- a. Australian Investment Council – **Australian Investment Conference** (Gold Coast – 3-4 September) – more info [here](#).

- b. International Business Review – **Invest-Ops Australia Investment and Operations Challenges 2025 Forum** (Sydney – 9-10 September) – more info [here](#).
- c. FINSIA – **The Regulators** (Sydney – 12 September) – more info [here](#).

November 2025

- a. ASIC – **Annual Forum** (Melbourne – 12-13 November) – more info [here](#).

INTERESTING READS

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

- a. [Why the new government must prioritise crypto regulation](#) (Investor Daily – 10 June 2025).

Published by True Oak Investments Pty Ltd (ABN 81 002 558 956, AFSL 238184).

This Regulatory Update is a summary of relevant legislative and regulatory information sourced from publicly available Government and Regulator announcements and eNewsletters produced by and for the financial services industry. The information contained within is not legal or compliance advice and should not be relied upon as such. Specific legal or compliance advice about your specific circumstances should always be sought separately before taking any action based on information in this publication.