LAST WORDS

NEW APPOINTMENT – THOMAS CHOW

We welcome Thomas Chow as a law graduate in our Funds Management team.

Thomas has tertiary qualifications in law and finance and will focus on funds management and banking and finance transactions. Thomas has previously worked as an investment analyst for a family office focused on investments in traditional asset classes, property and venture capital, and in the Research & Development team at KPMG.

ASIC EXTENDS RELIEF FOR FOREIGN FINANCIAL SERVICE PROVIDERS

On 10 September, ASIC announced that the ‘sufficient equivalence relief’ and ‘limited connection relief’ for Foreign Financial Service Providers (FFSPs) have been extended to 31 March 2020. This means FFSPs relying on sufficient equivalence or limited connection relief can continue to provide certain financial services in Australia to wholesale clients without needing to hold an AFS licence until 31 March 2020.

However, the announcement does not provide any update on ASIC’s proposed new foreign AFS licensing regime or AFS licensing exemption for FFSPs. We will keep you up to date with any developments.

CHANGES TO COMPLEX DUTY TRANSACTIONS IN VICTORIA

State Revenue Office (SRO) Victoria has recently introduced a new requirement for purchasers to apply for complex stamp duty assessments at least 30 days before settlement. Prior to these changes, complex assessments could be lodged with the SRO within 30 days after settlement. The new process assists Land Use Victoria’s mandatory electronic conveyancing procedure by ensuring assessment is completed prior to settlement and enabling payment of stamp duty and document registration to occur at settlement. Please click here for an article by lawyer Emma Taylor explaining what you need to know about these changes.

THE END OF GRANDFATHERED COMMISSIONS

In August this year, the Federal Government introduced legislation to end grandfathered commissions by 1 January 2021 and require rebating of commissions to retail clients. Regulations also require product manufacturers to pass through to retail clients the benefits of any grandfathered commissions still in contracts after the 2021 deadline. For more information, please click here for our most recent update on grandfathered commissions.

In the interim, in response to a Government directive, ASIC is monitoring and reporting on the extent to which product issuers are acting to end grandfathering of commissions. As part of this review, ASIC requires certain companies to respond to statutory notices requesting data on grandfathered commissions.

MORTGAGE BROKERS FACE REFORMS

Consultation has recently closed on the Government’s proposal to introduce a duty for mortgage brokers to act in the best interests of consumers and address conflicted remuneration. Please click here for an article by Langton Clarke explaining the proposed reforms which are acutely consumer focused. We expect the reforms to pass into law in essentially the form proposed, and we will let you know when the laws are passed.

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