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**NEWS**

## **ASIC defers design and distribution obligations**

On Friday 8 May 2020, ASIC announced it has deferred the commencement date of the new product design and distribution obligations (DDOs) by six months to 5 October 2021.

The reforms were legislated in April 2019 and were to commence on 5 April 2021. While the legal basis for ASIC's deferral is unclear, the additional six months to prepare will be welcomed by fund managers and their distributors.

ASIC has announced it is continuing to work towards releasing final regulatory guidance at some point mid-2020. The anticipated final regulatory guide is not expected to differ materially from ASIC's current draft guidance. However, it will provide much needed certainty for fund managers as they prepare product governance frameworks to comply with their new obligations, particularly around ASIC's approach to the reforms.

For more information on the new DDOs and what to expect, please [click here](#) for an article by consultant Jeunesse Meldrum which provides practical takeaways on how ASIC proposes to administer the new DDOs.

Our [Funds Management lawyers](#) can help with your queries about these significant new obligations and explain what you need to do next to prepare.

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