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## ALERT

# Are you ready for the new breach reporting regime?

AFS licensees should take steps now to get ready for the new breach reporting regime which goes live in a few weeks on 1 October 2021.

ASIC expects industry participants to use their 'best efforts to comply' and has just released new regulatory guidance to assist licensees. The key features of the new regime include—

- deeming certain breaches 'significant' and therefore automatically reportable
- introducing more situations reportable to ASIC, including an obligation to report an investigation into whether a reportable breach has occurred where the investigation continues for more than 30 days
- requiring ASIC to publish certain breach report data received by it each year.

These breach reporting reforms flow from the Hayne Royal Commission which identified several shortcomings in the regulation of AFS licensees.

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## WHAT SHOULD YOU DO NOW?

AFS licensees should take steps now to prepare for the new regime, which comes into effect on 1 October 2021. The steps you should take include—

1. reviewing and updating your compliance procedures to ensure they address these new requirements
2. testing the effectiveness of your compliance procedures to prevent or mitigate the likelihood of breaches occurring
3. educating staff to ensure they understand what the changes mean for your business.

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## WE CAN HELP

We are guiding our clients through the required steps and can help with your preparations. If you would like to discuss the changes and how we can help, then please [get in touch](#).

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