



ASIC
Australian Securities &
Investments Commission

ASIC Corporations (Commonwealth Financial Counselling—Financial Capability Services) Instrument 2022/221

I, Tim Gough, delegate of the Australian Securities and Investments Commission,
make the following legislative instrument.

Date 29 March 2022

Tim Gough

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Part 1—Preliminary

1 Name of legislative instrument

This is the *ASIC Corporations (Commonwealth Financial Counselling—Financial Capability Services) Instrument 2022/221*.

2 Commencement

This instrument commences on the later of:

- (a) the day after it is registered on the Federal Register of Legislation;
and
- (b) 1 April 2022.

Note: The register may be accessed at www.legislation.gov.au.

3 Authority

This instrument is made under paragraph 926A(2)(a) of the *Corporations Act 2001*

4 Definitions

In this instrument:

Act means the *Corporations Act 2001*.

client means a person who receives a financial capability service from a financial capability service provider.

financial capability service means a financial literacy and capacity building service provided predominantly to improve the financial knowledge and skills of persons.

financial capability service provider means a body that is funded in whole or in part by the Commonwealth through the Department of Social Services to provide a financial capability service.

representative has the meaning given by section 910A of the Act.

Part 2—Exemption

5 Licensing relief for financial capability service providers

Exemption

- (1) A financial capability service provider does not have to comply with subsection 911A(1) of the Act for the provision of financial product advice to a client in relation to a basic deposit product.

Note: *ASIC Corporations (Miscellaneous Technical Relief) Instrument 2015/1115* provides relief from subsection 911B(1) of the Act to a person who provides financial services on behalf of a person who does not need an Australian financial services licence because of an exemption under section 926A of the Act.

Where the exemption applies

- (2) The exemption in subsection (1) applies where all of the following are satisfied:
- (a) the financial product advice is provided to the client as part of a financial capability service;
 - (b) no fees or charges (however described) are payable by or on behalf of the client in relation to the advice or any other aspect of the financial capability service;
 - (c) no remuneration (whether by way of commission or otherwise) is payable to, or for the benefit of, the financial capability service provider, its representatives or associates by any person in relation to any action by or on behalf of the client arising from either the advice or any other aspect of the financial capability service;
 - (d) the financial capability service provider:
 - (i) does not carry on or otherwise participate in a financial services business which involves the provision of a financial service other than the financial service to which this instrument relates; and
 - (ii) takes all reasonable steps to ensure that none of its representatives provides or participates in the provision of a financial service other than the financial service to which this instrument relates;
 - (e) the financial capability service provider takes all reasonable steps to ensure that each representative who provides the financial service on its behalf has undertaken appropriate training to ensure that they have adequate skills, knowledge and experience to satisfactorily provide the financial service and any other aspect of the financial capability service.

Part 3—Repeal

6 Repeal

This instrument is repealed on 1 April 2025.