



OFA CONSENT FORMS AND ASIC NO-ACTION POSITION

10 July 2025



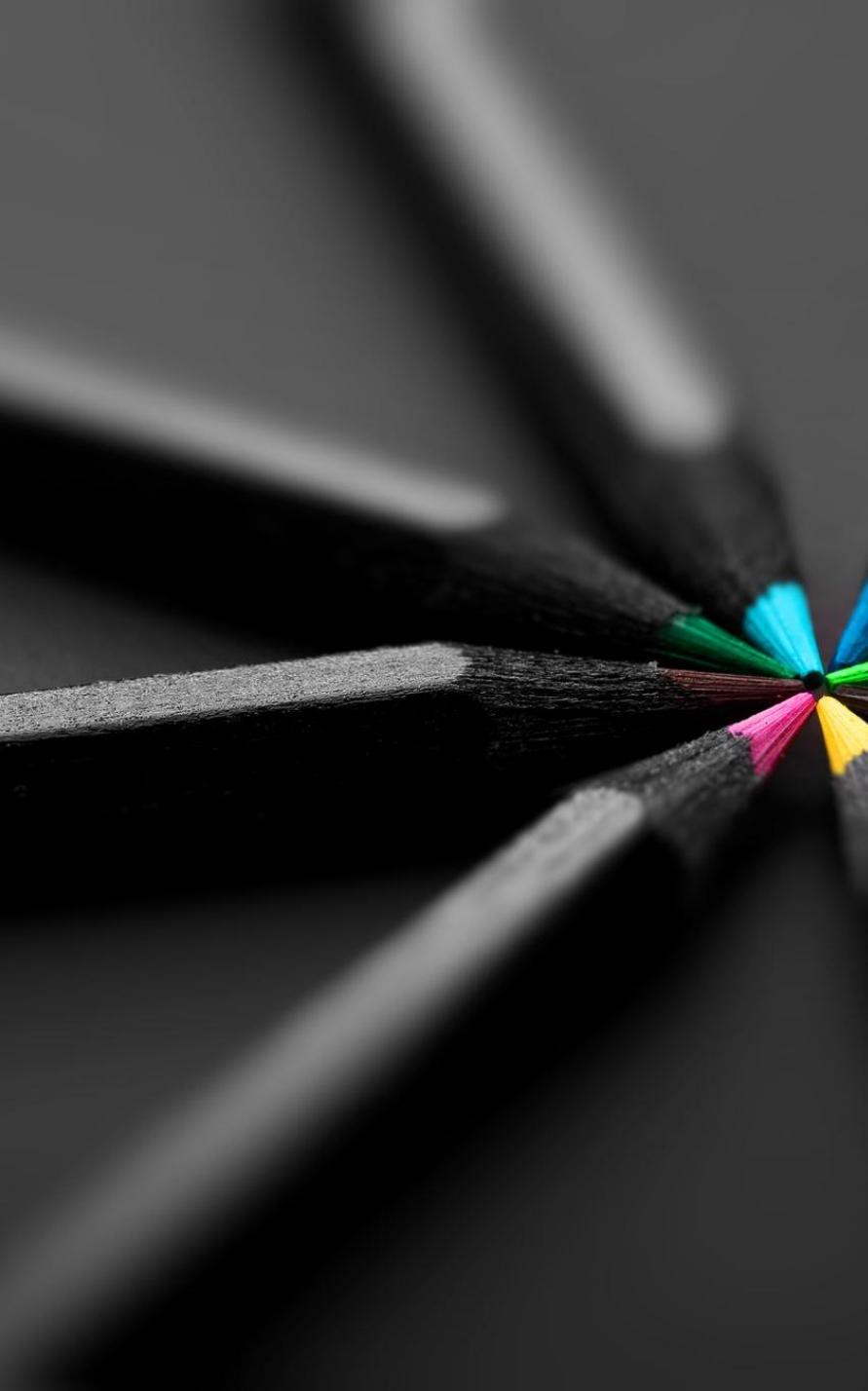
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AGENDA

- No-action position and background
- Impacted accounts and providers
- Remediation, rectification and reporting
- FAQ and Next Steps

BACKGROUND

ASIC grants limited no-action position for deficient advice fee written consents

Published **6 June 2025**

Section 962S of the Corporations Act requires written content for a fee recipient to deduct fees under an OFA to include an account number.

ASIC does not intend to take action for breaches where written consent was non-compliant because it did not include an account number.

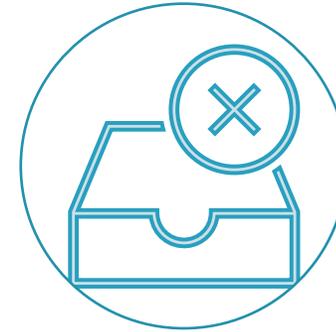
The revised OFA consent must be in place by 5 September 2025, or the fee recipient must take steps to stop receiving fees.

WHAT ARRANGEMENTS ARE AFFECTED?



May be affected

- Only applies to fees deducted from super and investment platforms
- Only applies to OFA
- Only affects new accounts opened since 10 January 2025



Not affected

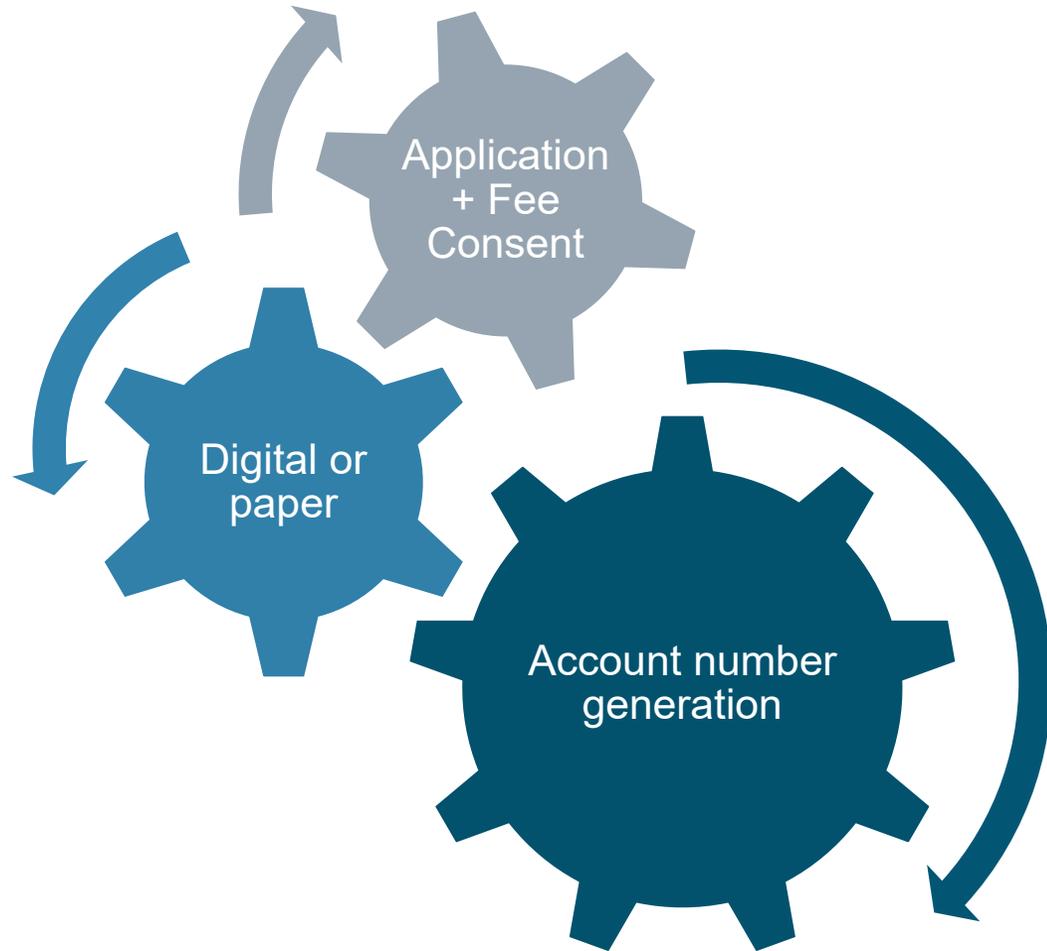
- Does not apply where the fee is deducted from bank accounts
- Does not apply to FTA or non-ongoing fees
- Does not affect fee consent for existing OFA



POLLING QUESTION

Which of the following may have resulted in non-compliant fee consent forms?

- A. Pension refresh strategies
- B. Super rollovers
- C. Commencing an account-based pension
- D. All of the above



APPLICATION PROCESS IS KEY

It will depend on the application process and method used to open new accounts.

ACCOUNT NUMBERS NOT GENERATED DURING APPLICATION



MLC MasterKey



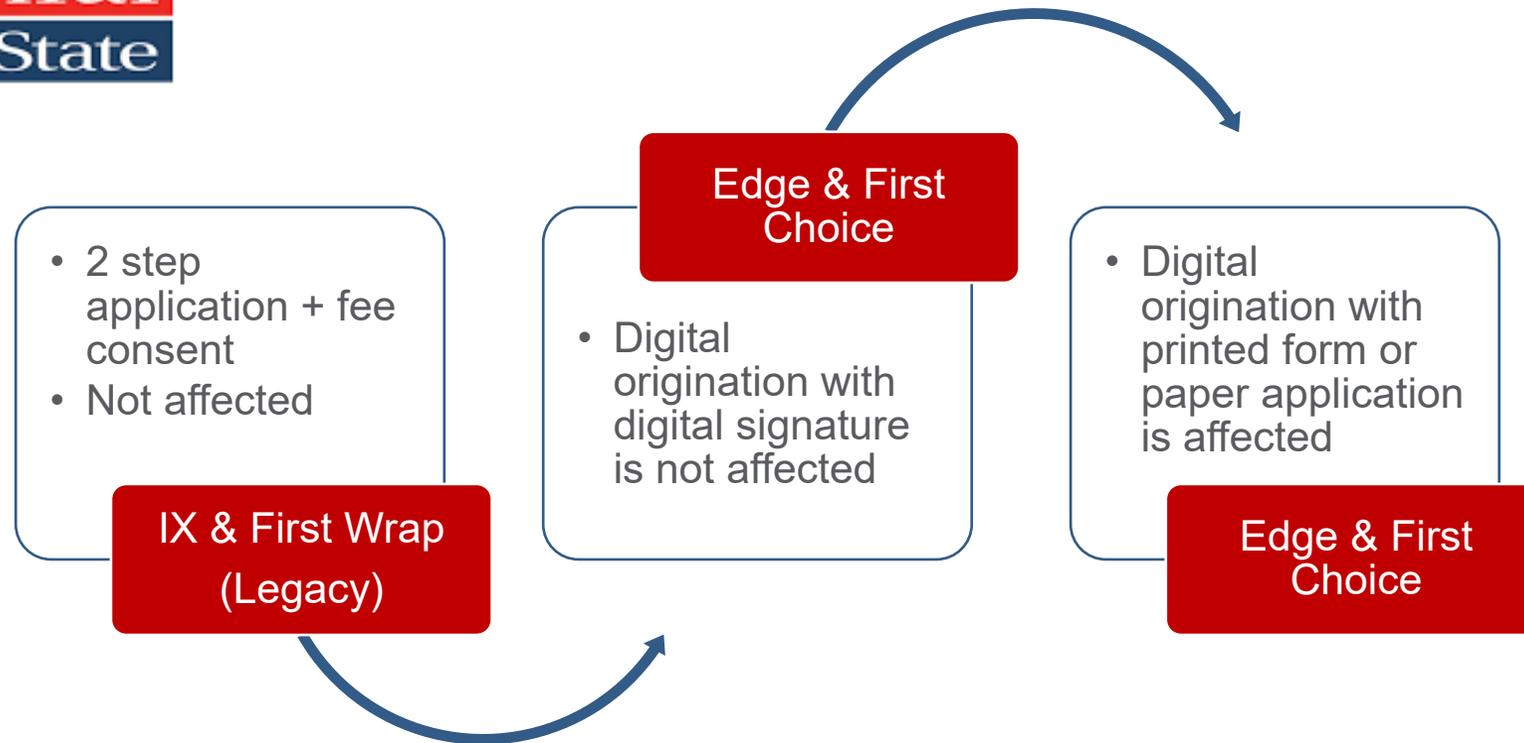
Asgard

BT Panorama



HUB24 added account numbers from 17 May 2025

ACCOUNT NUMBER GENERATION



ACCOUNT NUMBER GENERATION



When completing an advice fee request form for a client who is newly joining ART, the Pending Member Request ID is entered in the member number field. ART considers this sufficient to meet the requirement to include an account number, as it serves as the unique identifier for the client's account at that point in time.



A small number of applications did not have the correct account number on the form because the application was signed more than 90 days after origination.

STEPS TAKEN TO ENSURE COMPLIANT FEE CONSENT

Providers have/are taking steps to ensure new accounts opened have compliant fee consent.

- Temporary preventative measures
- System updates to generate an account number with the application
- A 2-step process where the consent is completed after the account is set up

Providers are restricted in some cases by legacy platforms and/or technology.



APPLICATION PROCESS UPDATES



- Paper applications will need to follow a 2-step process where the consent form is completed and submitted after account set up.
- Technology changes are being planned to generate the account number earlier in the digital origination process so printed forms will be compliant



- Temporary message on the user interface warning not to add fees at application. Accounts will be flagged, fees removed, and advisers notified if ignored.
- System changes expected July/August to generate account number during application.



MLC MasterKey

- Limited system changes. Plan to block ASF at application.
- 2 step process will be required for these platforms



ADVOCACY

- Product providers are still hopeful that industry engagement may be successful.
- Providers are working with the FSC who are:
 - Writing to the Minister to request a legislative amendment
 - Writing to ASIC to request an extension of the current no-action period.





POLLING QUESTION

True or False: Revised written fee consent forms need to be obtained by 5 September 2025?

- A. True
- B. False

OBTAINING NEW CONSENT

- Providers expect to provide list of affected clients in the coming days/weeks.
- New forms will be made available – some saying later July, other no ETA yet.
- Most providers have indicated that they will be providing prepopulated forms to be completed
- Reference dates will be unchanged
- Providers are working on technology to share the new forms
- If new consent is not received by 5 September fee will be turned off

FAQ

Do I need to get a new Ongoing Fee Agreement signed by the client?

No, you only need to obtain a new fee consent

What happens if a new fee consent isn't returned?

If a new fee consent isn't signed by 5 September 2025 the OFA terminates, and fees must be turned off.

A client may later enter into a new OFA, and/or give consent for the fees deducted when the consent was not compliant.

Refunds are likely to be a licensee decision.

As this is a breach of a civil penalty provision it is reportable situation. We are seeking clarification if each licensee must report.

REPORTABLE SITUATION

- ASICs no-action position does not remove the need for licensees to comply with their obligation to report breaches to ASIC.
- Licensees should add this to their breach register. S962s is a civil penalty provision.
- Licensees reporting should make best efforts to provide details of the number of affected clients in their breach report.



NEXT STEPS



Look for affected clients



Engage with product providers



Follow product providers instructions



Obtain revised consent forms - ensure the consent forms covers the same period and maintains the reference date



Consider communication strategy for clients



Ensure new applications contain account numbers



Implement new processes if required

Thank you

