

CORPORATE AND FINANCIAL SERVICES REGULATION REVIEW PROPOSALS PAPER 2006

DRAFT REGULATION IMPACT STATEMENTS

Where appropriate, draft Regulation Impact Statements (RISs) have been prepared for proposals in the *Corporate and Financial Services Regulation Review Proposals Paper*, which would involve regulatory amendments that are not considered to be of a minor or machinery nature, and which could potentially alter existing arrangements. To assist in the development of a final RIS at the decision-making stage, preliminary draft RISs are released for public comment.

Draft RISs have been prepared for selected proposals in the areas of financial services regulation, company reporting obligations, fundraising and takeovers, as follows:

Chapter 1. Financial Services Regulation

- 1.1. Scope of financial advice - sales recommendation
- 1.2. Scope of financial advice – exemption from providing a Statement of Advice - no product recommendation and no remuneration
- 1.3. Scope of financial advice - thresholds for requiring a Statement of Advice
- 1.4. Scope of financial advice - Financial Services Guide exemption - public forum
- 1.9. Product activity and data collection

Chapter 2. Company Reporting Obligations

- 2.2 Thresholds for reporting for large proprietary companies

Chapter 5. Fundraising

- 5.1 Rights issue disclosure for quoted securities and financial products
- 5.4 Employee unlisted share schemes disclosure

Chapter 6. Takeovers

- 6.1 Remove telephone monitoring during takeover bids

Draft RISs for the proposals in each chapter listed above are available for consideration and comment. Where the costs and benefits of the proposals have been able to be quantified, they have been included in the RISs. However, where costs and benefits have not been able to be quantified, a scale of -3 to +3 has been used to assign a rating of the costs and benefits of each option relative to the status quo.

Comments on the RISs, particularly with respect to whether the ratings of particular costs and benefits are appropriate, are sought by **15 January 2007**. To assist in the development of a final RIS, input is sought with respect to quantifying these costs and benefits.