



ASIC
Australian Securities &
Investments Commission

Parliamentary Joint Committee on Corporations and Financial Services

Submission by the Australian Securities and Investments Commission

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A Overview

- 1 The Australian Securities and Investments Commission (ASIC) thanks the Parliamentary Joint Committee on Corporations and Financial Services for the opportunity to provide information ahead of the public hearing of the Inquiry into ASIC, the Takeovers Panel and the Corporations Legislation on 9 December 2025.
- 2 We are pleased to provide this submission on the following topics requested by the Committee ahead of ASIC's appearance:
 - (a) Enforcement
 - (b) Shield and First Guardian Master Funds
 - (c) Public & Private Markets
 - (d) Scams
 - (e) ANZ proceedings
 - (f) Regulatory Simplification
 - (g) Australian Securities Exchange (ASX)
- 3 This builds on the submission provided to the Committee ahead of ASIC's appearance on 18 September 2025.
- 4 We welcome the opportunity to discuss our work in further detail with the Committee at the upcoming hearing.

B Enforcement

- 5 ASIC is one of the most active law enforcement agencies in the country. We are in court almost every day of the week to protect Australians from financial harm and address misconduct.
- 6 Over the last five years, ASIC has doubled the number of investigations and recorded a 20 per cent lift in civil enforcement proceedings.
- 7 Subject to upcoming Court decisions, we will likely see more civil penalties imposed in 2025 than ever before; together with the longest term of imprisonment imposed following an ASIC investigation.
- 8 We align our surveillance and enforcement work to proactively identify priorities. ASIC announced its [2026 enforcement priorities](#) at the recent ASIC Annual Forum:
- (a) Misleading pricing practices impacting cost of living for Australians
 - (b) Poor private credit practices
 - (c) Financial reporting misconduct including failure to lodge financial reports
 - (d) Claims and complaint handling failures by insurers, and
 - (e) Continuing our work to hold those responsible to account for the collapse of the Shield and First Guardian Master Funds.
- 9 Continuing enforcement priorities are:
- (a) Strengthening investigation and prosecution of insider trading conduct
 - (b) Misconduct exploiting consumers facing financial difficulty including predatory credit practices
 - (c) Unlawful practices seeking to evade small business creditors
 - (d) Holding super trustees to account for member services failures, and
 - (e) Auditor misconduct.

Enforcement activity since ASIC's 15 September 2025 submission

- 10 A selection of court outcomes, new court matters and administrative bannings since ASIC's last submission on 15 September 2025, are set out below.

Court outcomes

Cbus

- 11 One of Australia's largest superannuation fund trustees was ordered by the Federal Court to pay a penalty of \$23.5 million for unreasonable delays experienced by thousands of members and claimants arising from serious failures to handle insurance claims in a timely manner on 25 November 2025.
- 12 This enforcement action followed ASIC's death benefits review. [REP 806](#) sets out findings of ASIC's death benefits review, which assessed the death benefit claims processes of 10 trustees. The review identified that none of the reviewed trustees monitored or reported on their end-to-end claims handling processes or performance and identified systemic failures by some trustees.
- 13 For more information, please see ([25-286MR](#)).

RAMS

- 14 The Federal Court has ordered RAMS Financial Group Pty Ltd (RAMS) to pay a \$20 million penalty after admitting to widespread compliance failures in relation to arranging home loans on 24 October 2025.
- 15 The Court held that RAMS failed to have in place effective processes and controls following internal findings of possible misconduct. This included instances of franchise staff submitting false pay slips from non-existent employers and altering customers' liabilities and expenses to ensure loan applications were approved.
- 16 For more information, please see ([25-248MR](#)).

Marco

- 17 The Supreme Court of Western Australia sentenced Chris Marco to 14 years imprisonment on 30 October 2025, with eligibility for parole after 12 years.
- 18 Mr Marco's case represents one of the most serious frauds ASIC has ever investigated. The sentence handed down by the Supreme Court is the highest sentence imposed by an Australian court in relation to an ASIC criminal investigation.

19 For more information, please see ([25-255MR](#)).

BSF Solutions

20 The High Court dismissed an application for special leave to appeal by Cigno Australia director Mark Swanepoel and BSF Solutions director Brenton Harrison on 6 November 2025.

21 On 7 April 2026, the matter will come back before Justice Jackman for a hearing on the appropriate penalty.

22 For more information, please see ([25-268MR](#)).

Mawhinney

23 Mayfair 101 Group director James Mawhinney will be unable to promote or raise funds in connection with financial products for over a decade after the Federal Court found he had a ‘cavalier attitude to compliance’ and handed down final restraint orders in proceedings brought by ASIC on 5 September 2024.

24 The final orders bring the total period of injunctions against Mr Mawhinney to 20 years, as he has been subject to interim restraint orders since 13 August 2020, following ASIC proceedings.

25 For more information, please see ([25-197MR](#)).

ALAMMC Group

26 The Federal Court ordered the remaining ALAMMC Group companies be wound up following significant concerns identified by the Court appointed receivers about investor funds and the viability of the businesses on 16 October 2025.

27 ASIC was successful in seeking the winding up of 13 corporate defendants on just and equitable grounds.

28 For more information, please see ([25-236MR](#)).

Societe Generale

29 One of the largest participants in the ASX 24 Market was fined \$3.88 million by the Market Disciplinary Panel (MDP), following an ASIC investigation, for failing to prevent suspicious orders from being placed on the electricity and wheat futures market on 2 September 2025.

30 This was ASIC’s fifth enforcement action in 15 months relating to alleged manipulation in electricity and wheat futures on the ASX 24 Market.

31 For more information, please see ([25-189MR](#)).

New Court matters

Electro Optic Systems

- 32 Space, communications and defence systems manufacturer Electro Optic Systems Holdings Limited (EOS) admitted breaching its continuous disclosure obligations by failing to disclose to the ASX a materially significant decline worth tens of millions of dollars in its 2022 annual revenue forecasts on 26 November 2025.
- 33 ASIC will seek declarations of contravention. It is a matter for the Court to determine whether the penalties are appropriate and to make other orders.
- 34 For more information, please see ([25-287MR](#)).
- 35 ASIC has separately commenced proceedings against the former CEO and Director of EOS, Dr Ben Greene for allegedly breaching his director's duties.
- 36 For more information, please see ([25-288MR](#)).

AVZ Minerals Limited

- 37 Suspended WA mineral exploration company AVZ Minerals Limited (AVZ) and two of its directors failed to disclose critical market information about a lithium project in the Democratic Republic of the Congo, ASIC alleges in new proceedings filed on 11 November 2025 in the Federal Court.
- 38 ASIC is seeking declarations of contravention against AVZ, and declarations of contravention and pecuniary penalties against Mr Ferguson and Mr Johnston.
- 39 For more information, please see ([25-271MR](#)).

Administrative Bannings

Roberts

- 40 ASIC disqualified Veronica Roberts, of Melbourne, Victoria, from managing corporations for a period of five years, after her involvement in four failed companies on 1 October 2025.
- 41 Ms Roberts was a director of four companies from 2018 to 2021.
- 42 The companies operated within Victoria, engaging in the construction industry, with Titan specialising in labour hire.
- 43 For more information, please see ([25-222MR](#)).

Petrovic

- 44 ASIC banned Milutin Petrovic for six years from providing financial services, controlling (whether alone or in concert with one or more other entities) an entity that carries on a financial services business and performing any function involved in the carrying on of a financial services business on 1 September 2025.
- 45 ASIC has issued warnings to consumers to be wary of high pressure sales tactics and online advertisements that try to lure consumers into receiving inappropriate superannuation switching advice ([25-120MR](#)).
- 46 For more information, please see ([25-185MR](#)).

C Shield and First Guardian

Introduction

- 47 ASIC is using our regulatory tools and powers to better protect the retirement savings of hard-working Australians from individuals and entities seeking to exploit our growing superannuation pool. ASIC has been actively concerned about super switching conduct both in the lead up to and since super choice began in 2005. We are continuing to take action against people that encourage consumers to switch their super into high-risk investments. This type of misconduct seeks to exploit the large amount of money held in the superannuation system and has resulted in significant losses.
- 48 ASIC is taking a range of supervision, compliance and enforcement actions to respond to super switching misconduct. We are also actively engaging with the Government and other regulators to ensure that the financial services system is as robust as possible and consumer losses are minimised.
- 49 ASIC's regulatory role does not involve preventing all consumer losses or ensuring compensation for consumers in all instances where losses arise. Our underpinning statutory objectives, regulatory tools and resources are not intended or able to prevent many of the losses that retail investors and financial consumers will experience. This is true of every financial services regulator.
- 50 The superannuation sector is a critical part of the financial services industry and the economy more generally, and it is important that consumer trust is maintained in our long-term compulsory retirement savings system.
- 51 ASIC jointly regulates the superannuation sector with APRA and the ATO. ASIC is the conduct regulator, and APRA is the prudential regulator. The ATO is the primary regulator of self-managed superannuation funds (SMSFs).
- 52 As the financial services regulator, ASIC has the function of monitoring and promoting market integrity and consumer protection in the Australian financial system. We administer the Australian financial services (AFS) licensing regime and conduct risk-based surveillance of financial services businesses to ensure that they operate efficiently, honestly and fairly. We also exercise the powers given to us by Parliament to exempt and modify the law, register new managed investment schemes, provide guidance to consumers and industry, and take enforcement action where appropriate.

Enforcement activity

- 53 We have invested significantly in enforcement action relating to the Shield Master Fund and First Guardian Master Fund. So far ASIC has had more than 50 court appearances related to Shield and First Guardian and more than 40 staff working on the connected investigations.
- 54 ASIC has focused heavily on protective measures, including consumer education and warning campaigns, calling on Australians to be on high alert for high-pressure sales tactics, clickbait advertising and promises of unrealistic returns.
- 55 ASIC's Moneysmart commenced another public information campaign on 8 October running to 9 November to highlight the risks consumers need to be aware of when considering switching their superannuation. The campaign targeted people aged 30-75.
- 56 In a [speech to the National Press Club](#) on 5 November 2025, Chair Joe Longo also highlighted ASIC's view of the need to strengthen requirements for managed investment schemes, improve data reporting, and give ASIC the powers we need to oversee this sector effectively.
- 57 Our first priority has been to preserve any remaining assets of the Shield and First Guardian Master Funds to the extent they are available, so they can be recovered for investors while our investigations are continuing. ASIC's primary goal in these matters has been to return funds to members where we can.
- 58 ASIC has ongoing investigations in relation to the [First Guardian Master Fund](#) (First Guardian) and [Shield Master Fund](#) (Shield).
- 59 An updated chronology of these matters can be found in Appendix 1.
- 60 Since ASIC's last submission, ASIC has:
- (a) commenced proceedings against Macquarie Investment Management Ltd (MIML) for failing to place Shield on a watch list for heightened monitoring and accepted an enforceable undertaking from MIML to ensure Macquarie Group Limited (Macquarie) paid members 100% of their net capital ([25-215MR](#));
 - (b) secured interim orders restraining former financial adviser, Ferras Merhi from operating within the financial services industry and obtained orders for a provisional liquidator to his associated entities, Venture Egg Financial Services Pty Ltd and United Financial Advice Pty Ltd ([25-249MR](#));
 - (c) amended its proceedings against Equity Trustees Superannuation Limited (Equity Trustees), in relation to alleged due diligence failures to seek compensation ([25-176MR](#));

- (d) commenced proceedings against Interprac Financial Planning Pty Ltd alleging licensee failures relating to financial advice provided on Shield and First Guardian ([25-274MR](#));
 - (e) sought leave to commence proceedings against MWL Financial Services Pty Ltd (now in liquidation), its former director and a lead generator, Imperial Capital Group Australia Pty Ltd alleging Shield advice failures ([25-276MR](#)); and
 - (f) commenced civil penalty proceedings against SQM Research Pty Ltd alleging its research reports contained misleading representations and its processes fell short of expected standards when it published “Favourable” ratings for Shield ([25-275MR](#)).
- 61 ASIC has now commenced 10 proceedings in the Federal Court against 18 defendants in relation to Shield and First Guardian.
- 62 Further action is increasingly likely as we continue our investigations.
- 63 Our investigations into these high-risk super investment matters are complex. They include numerous lines of inquiry and a large number of entities and individuals; from lead generators to financial advisers, advice licensees, superannuation trustees, the research house, auditors and the operators of the managed investment schemes.

Potential law reform

- 64 As ASIC stated in its previous submission, while choice and risk are inherent features of superannuation and investment in Australia, we have observed there are areas of weakness in the system where the Committee may wish to consider potential reforms:
- (a) lead generators and associated financial advisers
 - (b) super switching practices
 - (c) duties of superannuation trustees
 - (d) regulation of managed investment schemes.
- 65 We have also raised in other fora the following issues that the Committee may wish to consider:
- (a) whether the proposed unfair trading prohibition should include financial services and products,
 - (b) whether the definition of retail client in s 761G of the Corporations Act 2001 remains appropriate
 - (c) whether ASIC should be given additional powers and access to additional data to supervise the managed investments and superannuation sectors

- (d) whether there should be any limits on the range and nature of investment products (including managed investment schemes) that can be offered to retail clients.

Regulation of managed investment schemes

- 66 The Australian managed investment scheme regime is relatively open and liberal by international standards. Australian regulations mandate that an appropriately licensed entity operates the scheme, and that adequate disclosures of the nature, benefits and risks of the scheme are made to enable their offer to retail investors.

Licensing the responsible entity of a managed investment scheme

- 67 In the Australian regime, a managed investment scheme (i.e. the product or fund) that is offered to retail clients must generally be registered and the operator of the scheme (i.e. the responsible entity) must hold an AFS licence.
- 68 ASIC must grant an AFS licence to applicants where the following conditions of s913B of the *Corporations Act 2001* (Cth) (Corporations Act) are met:
 - (a) all documentary requirements with the application were submitted by the applicant;
 - (b) ASIC has no reason to believe that the applicant is likely to contravene the obligations that will apply under s912A if the licence is granted;
 - (c) ASIC is satisfied that there is no reason to believe that the applicant, or in the case of a body corporate its officers, is not a fit and proper person.
 - (d) the applicant has provided ASIC with any additional information that we have requested; and
 - (e) the applicant meets any other relevant requirements prescribed by regulations.
- 69 To enable ASIC to form a view on the above licensing criteria, we collect information from the applicant about its responsible officers and about its organisational expertise, compliance arrangements, training, supervision and monitoring of representatives, adequacy of financial, human and IT resources, dispute resolution systems, and risk management practices. We impose conditions on the AFS licence (such as conditions relating to minimum financial resources) to address these matters.
- 70 We conduct a review of documents provided in support of the licensing application to help assess whether to grant a license to a responsible entity.

The level and type of documentation required depends on our assessment of the risks associated with the application. For example, if the application is to vary an existing AFS licence to include additional financial services, our assessment of the application generally focuses on the additional services. If the licensee has a history of significant compliance issues, we will assess the applicant more broadly before making a decision.

71 In the context of these collapses:

- (a) for Shield, the licensed responsible entity was Keystone Asset Management Ltd (Keystone Asset Management); and
- (b) for First Guardian, the licensed responsible entity was Falcon Capital Limited (Falcon).

Registering managed investment schemes

72 To register a managed investment scheme, the responsible entity must lodge an application with ASIC together with the scheme constitution, compliance plan and directors' statement that the constitution and the compliance plan meet particular requirements in s601EA.

73 We must register a scheme within 14 days of lodgement unless it appears that the application, scheme documents or proposed responsible entity and compliance plan audit arrangements do not meet the relevant statutory requirements: see s601EB(1). For example, the scheme constitution and compliance plan must meet certain content requirements and the proposed responsible entity must hold an AFS licence authorising it to operate the scheme.

74 ASIC will check that the responsible entity is appropriately licensed, the application and the scheme documents have been properly completed and signed, and the constitution and compliance plan appear to meet the statutory content requirements. If we identify an issue with the application and/or scheme documents, we may ask the applicant to provide an explanation and further information or to amend the scheme documents to address the issue.

75 While this process can result in minor improvements to scheme documents, a responsible entity may, after registration, unilaterally change the constitution provided they reasonably consider that the change will not adversely affect members' rights: see s601GC(1)(b). The compliance plan may also be changed after registration. ASIC's experience is that the current scheme registration process is of limited effectiveness. We have not observed a clear link between the quality of scheme documents and the governance and compliance practices of the responsible entity. Further, as scheme documents may be amended at any time after registration, the requirement for ASIC to check conduct a basic assessment of scheme

constitutions and compliance plans does not ensure a material reduction in consumer harm.

Risk-based surveillance of managed investment scheme disclosure

- 76 Offers of interests in a registered managed investment scheme to retail investors must generally be through a Product Disclosure Statement (PDS). If a scheme is not listed on a financial market, the PDS does not need to be lodged with ASIC. A PDS does not expire, but it must be updated to reflect any substantial changes. The PDS is issued by the responsible entity and does not need to be signed by the directors.
- 77 Under the Design and Distribution Obligations (DDO) regime, the responsible entity must also prepare a Target Market Determination (TMD), which identifies the target market for the scheme. The responsible entity must take reasonable steps to ensure that distribution of the scheme to retail clients is consistent with this target market.
- 78 There is no requirement to lodge PDSs or TMDs with ASIC. However, as part of our regulatory activities, including surveillance, we review samples of these documents in the market. Where we identify concerns, ASIC may seek corrective disclosure, or issue a stop order for defective disclosure.
- 79 The Corporations Act empowers ASIC to issue a stop order on a PDS and/or TMD if the document is defective (for example, it is misleading or deceptive or does not contain material information). We may issue interim or final stop orders:
- (a) interim order generally last for around 21 days.
 - (b) final stop orders can only be made after a hearing, where interested parties can make submissions about whether the stop order should be made.
- 80 For example, following our surveillance in 2025 of 19 retail schemes with a private credit strategy, we issued:
- (a) interim stop orders on the PDSs for two classes of units of the TruePillars Investment Trust; and
 - (b) an interim TMD stop order against each of La Trobe US Private Credit Fund and RELI Capital Mortgage.
- 81 ASIC has issued 95 interim stop orders and one final stop order under the DDO regime since its inception.
- 82 Where we believe a PDS is defective, the issuer may rectify their disclosure document by issuing a supplementary PDS. Similarly, where we believe a TMD is defective, the issuer may amend the TMD.

83 ASIC's stop order power also extends to advertisements or statements made by product issuers where the advertisement or statement is defective. ASIC may (subject to a hearing where interested parties have the right to make submissions) order that the advertising be removed from publication.

84 ASIC's actions do not always result in stop orders. There are a range of other measures that may be requested from or negotiated with the responsible entity.

Risk-based surveillance of responsible entities

85 With over 400 responsible entities operating (collectively) over 3,500 managed investment schemes, it is not possible for ASIC to individually review or inspect each managed investment scheme on an ongoing basis. ASIC takes a risk-based approach to surveillance of the conduct of responsible entities, to check whether they are complying with their legal obligations for the managed investment schemes they operate. If we become aware that a responsible entity is not complying with its obligations, we may conduct further inquiries. We may also take enforcement action as appropriate. The enforcement action may be administrative, civil or criminal action.

86 Breach notifications from the responsible entity, reports from a compliance plan auditor or compliance committee, a person reporting misconduct, or targeted surveillance of entities or sectors may often trigger this surveillance.

87 When we target an entity for surveillance, we tailor our approach to the circumstances of the entity. We may engage in active dialogue with senior executives and hold meetings to ascertain information. We may also use our powers under s601FF of the Corporations Act to conduct surveillance checks.

88 When conducting surveillance of a responsible entity, we may, for example:

- (a) attend the premises of the responsible entity and conduct interviews with its officers and examine documentation it maintains;
- (b) request documents from the responsible entity and conduct assessments of those documents;
- (c) request disclosure documents from a larger population of the industry and examine the PDSs and TMDs;
- (d) write to a responsible entity requiring it to respond to the issues we have raised; and
- (e) set up regular reporting periods by which a responsible entity provides ASIC with updates as to how it is dealing with any issues we have identified.

- 89 Responsible entities are obliged to act in the best interests of members of the schemes they operate at all times. In some circumstances, this may require closing the scheme to new members or winding up the scheme altogether. If ASIC receives sufficient information to become concerned that a scheme is not being managed in members' best interest, or may be trading while insolvent, ASIC may take regulatory action.

Regulation of financial advisers

- 90 ASIC plays an important role in promoting confident and informed participation by investors and consumers in the financial system. We inform and educate consumers and investors through our Moneysmart tools and provide guidance to the regulated sector about their obligations and requirements. ASIC has a role in administering the relevant registration and licencing regimes, and we use a range of regulatory and enforcement tools to support consumer and investor protection, improve industry practices, and prevent and act on conduct that contravenes the law.

Adviser Registration

- 91 As the conduct and disclosure regulator, ASIC is focused on the behaviours of participants in the financial advice industry and the impact on consumers. Financial advice firms and individuals must meet certain registration and licencing requirements. The following requirements apply:
- (a) AFS licence—If an entity or individual provides financial services (including advice on or issue of investments, superannuation or other financial products), they must hold an AFS licence or be authorised by an AFS licensee to provide financial services on its behalf. More information on AFS licensees can be found on the [ASIC website](#).
 - (b) The requirement for financial advisers (also known as relevant providers) to be registered was introduced by the *Financial Sector Reform (Hayne Royal Commission Response—Better Advice) Act 2021*, which responds to Recommendation 2.10 of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. It is separate to the requirement for AFS licensees to authorise and appoint relevant providers to the Financial Advisers Register.
 - (c) AFS licensees are required to apply to register the relevant providers they authorise (except provisional relevant providers) from 16 February 2024. To be registered, a relevant provider must make a declaration to their registering AFS licensee that they are a fit and proper person to provide personal advice.
- 92 There are more than 15,469 Advisers and 1893 licensees (with at least one adviser on the FAR) currently on ASIC's registers.

- 93 An application for registration will be refused by ASIC only if:
- (a) a banning or disqualification order is in place against the relevant provider which prohibits them from providing personal advice, or
 - (b) a registration prohibition order is in force against the relevant provider.
- 94 More information on [financial adviser registration](#) can be found on the ASIC website.

Setting expectations of the financial advice sector through guidance

- 95 We provide regulatory guidance to industry about how we administer and enforce the law. Our regulatory resources:
- (a) explain when and how we will exercise specific powers under legislation, primarily the Corporations Act
 - (b) explain how we interpret the law
 - (c) describe the principles underlying our approach, and
 - (d) provide practical guidance—for example, by describing the steps of a process (such as applying for a licence) or giving practical examples of how regulated entities may meet their obligations.
- 96 We have published a broad range of guidance and reports on issues relevant to this inquiry, including:
- (a) how certain conduct and disclosure obligations apply to the provision of financial product advice—see Regulatory Guide 175 AFS *licensing: Financial product advisers—Conduct and disclosure* ([RG 175](#))
 - (b) compliance with the statutory obligation to manage conflicts of interest—see Regulatory Guide 181 *Licensing: Managing conflicts of interest* ([RG 181](#))
 - (c) obligations relating to giving of information and advice—see Regulatory Guide 244 *Giving information, general advice and scaled advice* ([RG 244](#))
 - (d) how large banking and financial services institutions oversee their advisers—see Report 515 *Financial advice: Review of how large institutions oversee their advisers* ([REP 515](#)), and
 - (e) how large banking and financial services institutions manage conflicts of interest—see Report 562 *Financial advice: Vertically integrated institutions and conflicts of interest* ([REP 562](#)).
- 97 While financial advisers are not obliged to be independent of other financial services companies (e.g. product issuers), they must clearly disclose:
- (a) whether or not they are independent

- (b) any relationships they have with product issuers (e.g. if they are related companies), and
- (c) whether they receive any commissions or benefits from product issuers (other than those that are banned).

98 Financial advisers are obliged to act in the best interests of their clients and ensure that their advice is appropriate for their clients. These obligations are set out in Part 7.7A of the Corporations Act, with detailed guidance on these provisions in RG 175.

99 Financial advisers are also required to comply with the Financial Planners and Advisers Code of Ethics 2019 (Code of Ethics).

100 The Code of Ethics is a set of standards and core values designed to encourage higher standards of behaviour and professionalism for relevant providers.

101 The Code of Ethics establishes 12 high-level ethical standards for relevant providers to meet, including:

- (a) acting in the best interests of clients
- (b) avoiding conflicts of interest
- (c) ensuring that clients give informed consent and understand the advice they receive
- (d) ensuring that clients clearly agree to the fees they will pay, and
- (e) maintaining a high level of knowledge and skills.

102 The Minister is responsible for developing the Code of Ethics.

Supervision and surveillance

103 Australia's financial services sector is a multi-trillion dollar industry with thousands of providers and individuals operating in the sector.

104 ASIC's legislative mandate and resources do not allow us to monitor all advice provided or products offered across this broad industry. ASIC's role involves gathering information from many sources, across the range of entities that we regulate, and using it to make strategic, risk-based decisions about when to intervene and how to do so. Our supervision and surveillance activity is informed by intelligence from consumers and industry, as well as our own analysis.

105 We seek to identify and prevent harm to consumers through our activities. Our thematic surveillances are conducted to understand, assess and change industry practices or behaviour across our regulated population (including by identifying enforcement targets).

- 106 We may undertake targeted activities directed at a particular entity, or broader surveillances focused on a particular theme or sub-set of entities in a sector.
- 107 Through our surveillance work in the financial services sector, we look to identify misconduct resulting in consumer harm, improve behaviours and processes to drive good consumer and investor outcomes, and promote trust and confidence in Australian financial markets. We may look at whether the entities and individuals subject to the surveillance:
- (a) are adequately considering the interests of consumers and investors consistent with their legal obligations
 - (b) have the resources, competence and systems to operate efficiently, honestly and fairly, and
 - (c) are complying with their licence permissions.
- 108 To influence behaviour and support improved practices that enhance consumer protections, we regularly communicate the results of our thematic surveillances through media releases or reports highlighting findings or observations on industry practices. See, for example, Report 824 Review of SMSF Establishment Advice. We may also engage in follow-up activity of varying degrees of seriousness with the entities who were subject to our surveillance activity.
- 109 ASIC has a range of regulatory tools we can use when addressing misconduct involving financial advice. These are broadly grouped under three types of action: civil, criminal and administrative. We may use remedies in combination or standalone.
- 110 For AFS licensee misconduct, we may use the following administrative tools:
- (a) immediately suspending or cancelling an AFS licence in certain limited circumstances
 - (b) suspending or cancelling an AFS licence after offering a hearing
 - (c) varying AFS licence conditions after offering a hearing, including by imposing additional licence conditions or removing licence authorisations
 - (d) issuing an infringement notice, and
 - (e) for AFS licensees who are market participants, referring alleged breaches of the market integrity rules to the Markets Disciplinary Panel.
- 111 For providers of financial services, we may also take administrative action by banning that person from providing financial services, controlling, or being an officer of a financial services business (via a banning order), either immediately, in certain limited circumstances, or after offering a hearing.

112 We may also consider referring matters to the Financial Services and Credit Panel or issuing warnings or reprimands. For more information, see Regulatory Guide 263 *Financial Services and Credit Panel* (RG 263) and Information Sheet 270 *Warnings and reprimands* (INFO 270).

113 ASIC also has a power to accept an enforceable undertaking. For more information, see Regulatory Guide 100 *Court Enforceable undertakings* (RG 100) and Information Sheet 28 *About the court enforceable undertakings register* (INFO 28).

114 ASIC may also, if we consider it appropriate, give information to a licensee about a person (see section 916G of the Corporations Act). However, we may only give this information if:

- (a) it is about a person who we believe is, or will be, a representative of that licensee, and
- (b) we believe, on reasonable grounds, that the information is true.

For more information, see Information Sheet 250 *Giving AFS and credit licensees information about their representatives* (INFO 250).

115 ASIC publishes the outcomes of our regulatory action taken in relation to misconduct involving financial advice. For more information, see Information Sheet 152 *Public comment on ASIC's regulatory activities* (INFO 152).

116 ASIC is likely to take administrative action in instances where there is a need to protect consumers, to deter misconduct, or where the person's conduct may result in investor or consumer detriment. Whether administrative action will be taken will depend on the facts of each matter. In general, ASIC may consider banning a person from providing financial services, controlling, or being an officer of a financial services business where we have concerns about the person, or the way their business is being or has been conducted.

117 ASIC may ban a financial services provider even if the person has rectified breaches or has taken steps to prevent further non-compliant conduct, such as by completing additional training. We may do so to deter misconduct by the provider or others. In deciding whether to do so we will consider, among other things, whether the person has been reactive rather than proactive in their approach to compliance. The person's attitude to compliance is an example of a factor we will take into account when forming a view about whether they have a reactive or proactive compliance approach.

Regulation of superannuation trustees

- 118 Superannuation trustees have obligations regarding investment due diligence under the *Superannuation Industry (Supervision) Act 1993* (SIS Act), the Corporations Act and APRA prudential standards.
- 119 ASIC has recently commenced court action against Equity Trustees, alleging failures in its due diligence concerning Shield. ASIC alleges that Equity Trustees' process to onboard Shield onto its investment menu and its approach to ongoing monitoring of the fund were inadequate and failed to meet the standards expected of a superannuation trustee under the current law.
- 120 Trustees have a key role as stewards of the superannuation savings of the Australian community. Under the SIS Act and APRA's prudential framework, trustees must prudently select, manage and monitor the investments offered to members.
- 121 Superannuation platforms offer a diverse range of investment options to both superannuation members, usually with the assistance of a licenced financial adviser. APRA has stated in a recent letter to the industry:
- 122 For superannuation members Platform Trustees play a key decision-making role regarding what investment options are offered, and in overseeing their ongoing suitability and performance. While a Platform Trustee may not manage each investment option offered, they must exercise diligence ensuring the platform's investment menu as a whole is appropriate, each investment option is true to label, delivers value to members and is underpinned by robust decision making and good governance.¹
- 123 APRA's Prudential Standards are generally principles based, however, it also publishes guidance and reports to support the interpretation of these principles for superannuation platform trustee duties. In recent years, these standards have been strengthened and/or commenced:
- (a) SPS 530 Investment Governance (SPS 530)- strengthened requirements came into force in January 2023, and an updated accompanying prudential practice guide (SPG 530) was released in July of the same year.
 - (b) SPS 515 Strategic Planning and Member Outcomes (SPS 515) and the accompanying practice guide (SPG 515) came into force in July 2025.
- 124 Supervision and enforcement of compliance with these Prudential Standards is a matter for APRA.

¹ [Strengthening investment governance and member outcomes in Platform Trustees | APRA](#)

- 125 In December 2024, APRA published the results of its thematic review into trustees' progress in complying with the strengthened SPS 530.² The review found that a significant proportion of trustees still displayed material gaps in key areas, including in valuation governance. These findings were communicated to trustees.

Communications with investors by the superannuation trustees and liquidators

- 126 We understand that each superannuation trustee affected by the Shield and First Guardian matters has taken steps to provide website updates and direct affected members to support resources, such as crisis counselling services and information on how to lodge complaints with AFCA.
- 127 The Liquidators of Keystone and Falcon are also maintaining websites which contain updates for creditors and members.
- 128 On 8 July 2025, the Liquidators of Falcon published a statutory report to creditors which updated the estimated value of assets and liabilities of Falcon. Shortly thereafter, Equity Trustees, Netwealth Investments Ltd/Netwealth Superannuation Services Pty Ltd and Diversa Trustees Ltd issued Significant Event Notices (SEN) to members stating that the value of their investment in First Guardian would be recorded as zero until further information becomes available due to ongoing uncertainty in relation to the valuation of the fund. On 2 December 2025, the Liquidators of Falcon published an Update Report to Creditors and Unitholders which is available on their website.
- 129 On 26 June 2024, two partners of Deloitte were ordered by the Court to prepare a report on the financial position of Shield (the Financial Position Report). On 22 November 2024, the Voluntary Administrators of Keystone issued a SEN to members of Shield which included an executive summary of the Financial Position Report. On 17 September 2025, Equity Trustees issued SENs informing members that the value of units in Shield would be updated to reflect the Financial Position Report. The new value per unit was a significant decline in value against the previous unit price (the % variance in unit price varied between a 44.5% and 75% decline in value depending on what class of unit the member was invested in).
- 130 Jason Tracy and Glen Kanevsky in their capacity as Liquidators of Keystone Asset Management and receivers of Shield have applied to the Federal Court to approve an interim distribution. The Court will consider the proposal at a case management hearing at 9:30am on 11 December 2025.

² [APRA review highlights the need for improved valuation and liquidity risk governance in superannuation | APRA](#)

Impact on access to Centrelink and other support services

- 131 ASIC has liaised with Services Australia and published information and guidance for impacted investors whose funds are frozen due to the Shield and First Guardian collapse.³ This guidance addresses how changes in superannuation arrangements affect eligibility for Centrelink income support and other government assistance.
- 132 For those already receiving Centrelink income support, it is essential that they provide Services Australia with an updated superannuation or income stream account balance to maintain accurate assessments and payment rates. For those not receiving Centrelink income support payments, they may be eligible on application to Services Australia.
- 133 For individuals under the Age Pension age (67),
- (a) superannuation held in accumulation phase is not assessed in income and assets tests, and
 - (b) superannuation pensions are treated as income streams.
- 134 For those at or over Age Pension age, superannuation balances are included in income and assets tests.
- 135 To update details or lodge a new claim, we understand Services Australia requires either a superannuation statement showing the revised balance or an income stream schedule showing the revised balance. We encourage investors to contact Services Australia directly for more information and to update their details. We encourage investors to contact Services Australia directly for more information and to update their details.
- 136 Administration of the Centrelink system is a matter for Services Australia.

³ [First Guardian Master Fund | ASIC](#)

D Private and public markets

- 137 We want both private and public markets to thrive, and we are making changes to promote the integrity, attractiveness, competitiveness and efficiency of Australia's capital markets. In February 2025, ASIC released a [discussion paper on Australia's evolving capital markets](#), outlining our preliminary views on capital market shifts and called for feedback. In [November 2025](#), we released a response to its discussion paper and set out a regulatory roadmap to support to following priorities.

Stronger practices in private markets, including private credit

- 138 When done well, private markets benefit those seeking capital, as well as investors and borrowers, and the Australian economy. We set out clear principles for private credit participants (with relevance for private markets more widely), designed to lift industry practices to comply with the law. We will refresh regulatory guides applying to private market managed funds and will continue to hold participants to account through enforcement action.
- 139 ASIC's private credit surveillance found that while the private credit is growing quickly, it is still relatively immature and untested in a system stress scenario. The sector lacks consistent, well-established practices, especially in governance and transparency, fees, treatment of net interest margins, valuation methodologies, and conflicts, liquidity and credit management.
- 140 ASIC will conduct further targeted surveillances of the funds management sector, including private credit funds such as those with a strategy of real estate lending. This surveillance work will have a focus on distribution, fees, margin structures and management of conflicts of interest.
- 141 ASIC encourages industry to contribute to improving industry practices for private credit and private markets within the next 12 to 18 months on some of the poorer practices identified.

Continued supervision of superannuation

- 142 Superannuation's allocation decisions will contribute to the future shape of Australia's markets. We want superannuation to deliver for Australians at every age and every stage. Superannuation funds must remain focussed on their obligations to their members and the market. We will continue our focus on supervision of superannuation trustees through our market

cleanliness work, financial reporting and audits as well as investment disclosures, including our work in the platforms segment.

Enhanced transparency and reporting

- 143 Our data reporting rules for funds lag behind international benchmarks, undermining market integrity and investor protection. We need to ensure our data collection is proportionate, targeted, fit for purpose and consistent with a ‘collect once’ principle across government. We will continue to make the most of the data reported and available to ASIC, and will initiate a pilot on funds management data collection in collaboration with industry and government agencies to inform our information sharing and law reform options, such as a recurrent data collection power for ASIC and improved data sharing between government bodies.

Well-considered managed investments and public markets law reform

- 144 In private markets, the report outlines that ASIC needs better tools from government for effective supervision of funds, including notification of wholesale funds in operation, recurrent data collection, and independent audited financial reports for wholesale funds. For further consideration we have outlined reform ideas on statutory duties and timely notification of significant events. We also received ideas to reform the listing and corporate governance frameworks to enhance the competitiveness and attractiveness of our public markets. ASIC will continue to engage with government on these important matters.

Modernising public markets

- 145 Public markets remain fundamental for capital formation and price discovery but face challenges from declining listings and increased competition globally. In addition to actions already taken to streamline IPOs and foster competition and innovation, ASIC will engage with industry on ideas for new listing frameworks, simplified disclosure obligations, robust trading platforms and technological innovations to ensure Australia remains fit for the future.

E Scams

- 146 ASIC's scam work focuses on reducing the impact of investment scams on
Australians. We've also invested significant time and assets working with
the firms we regulate to ensure that they are protecting their customers from
scams and responding to customers who have been scammed.
- 147 Combating scams remains a strategic priority for ASIC.
- 148 Our work also involves protecting ASIC's brand and brand assets (including
our registers) from deliberate misuse by scammers.
- 149 ASIC is one of a number of regulators whose remit touches scams, and our
work forms part of the whole-of-government Fighting Scams agenda.
- 150 We work closely with the Australian Competition and Consumer
Commission's (ACCC) National Anti-Scam Centre (NASC), as the lead
agency coordinating scam disruption efforts across industry and government
in Australia.
- 151 ASIC also supports the work of foreign regulators, including through the
IOSCO Asia Pacific Regional Committee (APRC) Working Group on Scams
and Online Harms.

Scams Prevention Framework

- 152 The *Scams Prevention Framework Act 2025* commenced on 21 February
2025. ASIC supports the Scams Prevention Framework and its whole of
ecosystem approach that imposes mandatory and enforceable obligations on
key sectors to drive action against scams.
- 153 We have worked closely with Treasury since 2023 to support the
development of policy settings and legislation for the Framework. We are
continuing to assist Government with its development of the subordinate
instruments needed to operationalise the Framework.
- 154 Once the banking sector is designated as being subject to the Framework, the
banking sector scams code has been made, and ASIC is designated as a
regulator responsible for administering the Framework, we will be able to
take action against banks that have breached their obligations under the
Framework.
- 155 We stand ready to play an active role in administering and enforcing the
Framework obligations for the banking sector once those obligations are in

effect, in collaboration with the ACCC as the general regulator of the Framework.

156 We have also maintained an investor alert list since November 2023, which consumers can use to help inform themselves as to whether an entity they are considering investing in could be fraudulent, a scam or unlicensed. On average, 90 companies, businesses or websites are added to the list per month.

ASIC's scams focused work

157 Since July 2023, ASIC has coordinated the removal of an average 130 investment scam and phishing websites per week, including those promoted by advertising on digital platforms. The quick removal of malicious websites is an important disruptive step, to stop scammers from causing further harm to Australians.

158 While our scams work is primarily focused on disruption, we also take targeted enforcement action and this work includes

- (a) In April 2025, ASIC announced the winding up of 95 companies, many of which ASIC believes may be associated with scams. ([25-052MR](#)). This winding up included 71 companies who were also corporate authorised representatives of former AFS licensees.
- (b) In March 2025, Brendan Gunn was charged for allegedly dealing in the proceeds of crime connected to an international scam ring following an ASIC investigation ([25-030MR](#)).

159 In [December 2024](#), ASIC announced it had commenced civil penalty proceedings against HSBC Australia alleging failure to adequately protect customers from scams ([24-280MR](#)).

160 ASIC has examined the way banks and superannuation trustees prevent, detect and respond to consumers who have been scammed resulting in ASIC setting expectations that all financial institutions take steps to improve their approaches. This work is set out in the following publications:

- (a) In January 2025, ASIC published a letter to superannuation trustees following ASIC's review of 15 trustees' anti-scam practices ([Letter](#)).
- (b) In August 2024, ASIC released a report into the anti-scam practices of 15 banks outside the four major banks ([24-182MR](#)).
- (c) In April 2023, ASIC released *Scam prevention, detection and response by the four major banks* which found that the overall approach to scams strategy and governance of Australia's major banks was variable and overall less mature than expected ([23-101MR](#)).

F ANZ proceedings

- 161 In its [submission](#) to the Committee on 15 September 2025, ASIC noted that on 12 September ASIC [commenced proceedings in the Federal Court of Australia](#) alleging ANZ engaged in unconscionable conduct in its dealings with the Australian Office of Financial Management (AOFM) in its role as joint lead manager and risk manager on an issuance of \$14 billion 10-year Australian government treasury bonds conducted on 19 April 2023 and incorrectly reporting bond trading data to the AOFM by overstating the volumes by tens of billions of dollars over almost two years.
- 162 We also noted that at the same time, ASIC commenced three other proceedings against ANZ:
- (a) for making false and misleading statements about its savings interest rates and failing to pay the promised interest rate to tens of thousands of customers,
 - (b) failing to refund fees charged to thousands of dead customers and respond to loved ones trying to deal with deceased estates, within the required timeframes, and
 - (c) failing to respond to 488 customer hardship notices, in some cases for over two years, and failing to have proper hardship processes in place.
- 163 The proceedings were heard on 2 and 3 December 2025 before Justice Beach. His Honour reserved judgment in three of the four proceedings and adjourned the fourth matter to a date to be fixed to allow the parties to provide further material.

G Regulatory Simplification

164 We are focused on reducing regulatory burden while maintaining consumer protections.

ASIC Simplification Consultative Group (ASCG) and expert advisers

165 In January 2025, we established the ASCG. The group – made up of business, consumer and industry leaders – has helped us explore how we can start to simplify regulation and guidance, with an initial focus on where we can make the most difference as quickly as possible for consumers, investors, businesses and directors. We have also established a group of expert advisers to provide technical input.

166 In addition to seeking input from the ASCG and expert advisers, we have also held two roundtables with small business representatives.

Simplification work currently underway

167 ASIC has started the following pieces of simplification work:

Improving access to regulatory information

168 To make it easier for consumers and other stakeholders to find and understand information, in June 2025 we launched a new-look website. We are also considering how we could better structure our regulatory guidance, including regulatory guides, information sheets, speeches and ‘Dear CEO’ letters. Finally, we are testing industry-specific how-to guides – or ‘roadmaps’ – to help people navigate the regulatory requirements most relevant to them. We have developed two potential roadmaps so far, for directors of small companies and for financial advice businesses.

Reducing complexity in regulatory instruments

169 In an effort to draft clearer, simpler regulatory documents, we have developed best-practice principles for drafting. We are also testing the value of consolidating and simplifying our legislative instruments, with two initial pieces of work in progress – one to simplify two investment platform

instruments, and the other to consolidate 21 financial reporting and audit instruments into a single instrument.

Making it easier to transact with ASIC

- 170 Over the next six months, we will begin accepting more email lodgements for high-volume, time-sensitive forms, and will support digital signatures where possible. We're also designing a digital experience to improve interactions with ASIC and complete more online transactions and electronic payments.
- 171 We have started a significant program of work to enhance the functionality and security of ASIC's registers, the official source of information on organisations and professionals registered or licensed to operate in the Australian economy.
- 172 We are also exploring ways to engage earlier with industry on potential data requests from us and on how we consult on new regulatory materials.

Simplification through law reform

- 173 We recognise that there are additional areas of law where regulatory simplification could add significant value, and we are actively considering broader opportunities for law reform.
- 174 We are working with Treasury on several areas of the law that may benefit from simplification, including the reportable situations regime and substantial holding notice forms. ASIC will continue to work closely with Treasury to explore these opportunities and help shape a more streamlined and effective regulatory framework.

Regulatory Simplification Report

- 175 On 3 September 2025, ASIC published [REP 813, the Regulatory Simplification Report](#) setting out our progress and proposals on simplification in greater detail. We received a total of 44 submissions to REP 813.
- 176 The majority of submissions expressed support for ASIC's regulatory simplification work:
- (a) Many submissions agreed that ASIC's website redesign has improved searchability and access to regulatory information, but some submissions said that more could be done.

- (b) There was strong support for ASIC's work on our regulatory guidance, including consolidating guidance, different guidance formats for different audience types, and using examples or scenarios to assist with compliance.
- (c) Some submissions said that the regulatory roadmap pilots lacked sufficient detail, including links to relevant material.
- (d) There was general support for the best-practice guidance principles, and the two pilots for consolidating and simplifying legislative instruments.
- (e) There was strong support for ASIC to move to a digital platform for forms, including digitising the remaining paper-based forms as well as accepting electronic signatures for all forms.
- (f) Feedback was provided on how ASIC can better interact with industry, including enhancing portal functionality so it can be used to respond to notices, introducing a 'process stage' for our online portals, using a single-pass authentication gateway, dedicated mailboxes and better training for call centre staff.
- (g) There was strong support for inter-agency coordination and better use of the Regulatory Initiatives Grid.
- (h) There was strong support for simplifying the reportable situations and substantial holding notice regimes.

177 We are in the process of considering these submissions and our wider program of work to determine our simplification work plan going forward.

178 Our simplification work aligns with broader government aims to reduce regulatory complexity not only in Australia, but across the world.

H Audit

- 179 ASIC is committed to strengthening the quality of financial reports and audits. These are critical to investor confidence and market integrity.
- 180 In 2025, ASIC expanded its regular financial reporting and audit surveillance program to include specific work on registrable superannuation entities and auditor independence and conflicts of interest.
- 181 These surveillance programs were designed to support ASIC's ongoing financial reporting and audit workstreams. Collectively our work aims to imprint the quality of financial reporting and audit in Australia by highlighting best practices, calling out poor performance and calls to action.
- 182 All three surveillance programs identified that company directors, superannuation trustees and auditors need to do more in delivering higher-quality audits and financial reports.
- 183 Since September, ASIC has published 3 reports setting out these findings and best practice recommendations:
- (a) [REP 816](#) Accounting for your super: ASIC's review into the financial reporting and audit of super funds sets out the findings of ASIC's review of 60 Registrable Superannuation Entities (RSE) financial reports, 17 financial reporting surveillances and five RSE audit surveillances and calls on superannuation trustees and their auditors to do more to strengthen the quality of RSE audited financial reports.
 - (b) [REP 817](#) Building trust: Auditors' compliance with independence and conflict of interest obligations sets out the findings from ASIC's large scale review into auditors' compliance with their independence and conflicts of interest obligations, which found that many auditors were unable to effectively demonstrate how they complied with their independence and conflicts of interest obligations. As a result of the auditor independence surveillance, ASIC has secured enforcement outcomes.
 - (c) [REP 819](#) ASIC's oversight of financial reporting and audit 2024-25 sets out the results of ASIC's financial reporting and audit surveillance findings for companies and auditors.

I ASX

ASX Inquiry

- 184 As announced on [16 June 2025](#), ASIC has initiated an Inquiry into the ASX group.
- 185 ASIC has appointed an expert panel under [Terms of Reference](#) to examine the frameworks and practices of ASX in relation to governance, capability and risk management.
- 186 The [Inquiry panel](#) is chaired by Rob Whitfield, with Christine Holman and Guy Debelle as panel members, and supported by a dedicated Secretariat.
- 187 While the Inquiry is ongoing, ASIC continues to closely monitor progress towards release 1 of the CHESS replacement project, due in April 2026, and ASX more broadly.
- 188 The expert panel has been asked to make recommendations to address any identified shortcomings or deficiencies and will provide a report to ASIC by 31 March 2026.

ASX Litigation

- 189 On 13 August 2024, ASIC commenced civil penalty proceedings in the Federal Court against ASX for misleading conduct related to representations made about the progress of its CHESS replacement project.
- 190 ASIC alleges statements made in ASX announcements on 10 February 2022 that the Project remained “on-track for go-live” in April 2023 and was “progressing well” were misleading. At the time of the announcements, we allege the Project was not “progressing well” or currently tracking to plan and ASX did not have a reasonable basis to imply that the Project was on track to meet future milestones.
- 191 ASX’s CHESS replacement is a significant technology project, replacing critical national infrastructure fundamental to the operation of the Australian economy. The critical importance of the project was a vital reason why ASX needed to ensure that it told the Australian public the truth about how the Project was progressing and whether it was on track to be completed on time.
- 192 A case management hearing is scheduled on 20 May 2026, and the liability hearing is listed to commence on 15 June 2026.

Appendix 1

High level chronology – Shield Master Fund and First Guardian Master Fund

KEY:		
		First Guardian Master Fund
		Shield Master Fund
		Shield Master Fund & First Guardian Master Fund
2006		
—	APR	—
		Falcon Capital is registered
—	AUG	—
		Falcon Capital obtains AFS licence
2016		
—	MAY	—
		Keystone Asset Management is registered
2017		
—	APR	—
		Keystone Asset Management obtains AFS licence
2019		
—	AUG	—
		First Guardian is registered. Falcon Capital is the responsible entity
2020		
—	FEB	—
		ASIC takes a range of action with respect to lead generation and cold calling misconduct between 2020 and 2025, commencing with cancelling the licence of Smart Solutions Group
—	JUN	—
		From June 2020, ASIC receives occasional reports about conduct involving cold calling, lead generation, unlicensed advice, selling/disclosure practices (including the payment of commissions and the Fund's assets allocation). Some of these reports refer specifically to the First Guardian Master Fund as an underlying investment
2021		
—	FEB	—
		ASIC commences Hutchinson investigation (alleged mis-selling of First Guardian Master Fund)
—	MAY	—
		Shield Master Fund is registered. Keystone Asset Management is the responsible entity
2022		
—	APR	—
		Shield Master Fund starts receiving investor funds
—	MAY	—
		From May 2022, ASIC receives occasional reports about conduct involving cold calling, lead generation, and unlicensed advice. Some of these reports refer specifically to the Shield Master Fund as an underlying investment
—	AUG	—
		Hutchinson is banned
2023		
—	APR	—
		Report of misconduct is received about the Shield Master Fund itself and the investments held by the Shield Master Fund
		ASIC commences preliminary investigation into Shield Master Fund
—	MAY	—
		ASIC issues a 912C direction to Macquarie to provide a statement
—	JUN	—
		Macquarie offboards Shield Master Fund
—	SEP	—
		Thematic (sector-wide) cold calling project commences

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High level chronology – Shield Master Fund and First Guardian Master Fund

KEY:		<div></div> First Guardian Master Fund	<div></div> Shield Master Fund	<div></div> Shield Master Fund & First Guardian Master Fund
2023				
<div></div>	NOV	<div></div>	Equity Trustees Superannuation Limited (ETSL) lodges reportable situation with ASIC in relation to Venture Egg (financial advice firm) with no reference to Shield or First Guardian	
			ASIC commences formal investigation into Shield Master Fund	
2024				
<div></div>	JAN-FEB	<div></div>	ETSL offboards Shield Master Fund	
<div></div>	FEB	<div></div>	ASIC commences preliminary investigation into First Guardian	
			ASIC makes interim stop orders on four product disclosure statements for classes of units in Shield. No new investors have been able to invest in Shield since this time.	
<div></div>	MAY	<div></div>	ASIC issues warning over dodgy cold calling operators and online baiting tactics	
			First Guardian Master Fund suspends applications and withdrawals from First Guardian subject to some limited exceptions	
<div></div>	JUN	<div></div>	ASIC cancels AFS licence of United Global Capital Pty Ltd (UGC) and bans its director	
			ASIC obtains interim orders from the Federal Court freezing assets of the Shield Master Fund. Mr Chiodo (director of Keystone) provides an undertaking to the Court re international travel. The Federal Court subsequently appoints Jason Tracy and Lucica Palaghia of Deloitte to have full control of the bank accounts of Shield and to prepare a report on the financial position of Shield and the Advantage Diversified Property Fund by 23 July 2024	
			ASIC commences another public information campaign to raise awareness for consumers when considering shifting their superannuation into another fund or SMSF that may be connected to high-risk investments	
<div></div>	JUL	<div></div>	Financial Position Report of Shield and the Advantage Diversified Property Fund is finalised	
<div></div>	AUG	<div></div>	ASIC obtains orders appointing Mr Tracy and Ms Palaghia of Deloitte as receivers and managers of the property of Keystone	
<div></div>	SEP	<div></div>	ASIC commences formal investigation into First Guardian Master Fund and Falcon Capital	
			Orders are made to remove the voluntary administrators appointed by Keystone and appoint Mr Tracy and Ms Palaghia of Deloitte as voluntary administrators in addition to their role as receivers	
<div></div>	OCT	<div></div>	ASIC cancels the AFS licence of Next Generation Advice Pty Ltd	
<div></div>	DEC	<div></div>	Liquidators are appointed to Keystone Asset Management (the responsible entity for Shield)	
2025				
<div></div>	FEB	<div></div>	ASIC undertakes 3 day search warrant operation with the Australian Federal Police	
			ASIC obtains interim orders freezing certain assets of Melbourne-based financial advisers Ferras Merhi and Osama Saad (director of Aus Super Compare and Atlas Marketing)	

Appendix 1

High level chronology – Shield Master Fund and First Guardian Master Fund

KEY:		First Guardian Master Fund	Shield Master Fund	Shield Master Fund & First Guardian Master Fund
2025				
—	MAR	—	ASIC obtains orders freezing assets of Rashid Alshakshir relating to marketing services (including lead generation)	
—	APR	—	ASIC obtains orders for Falcon Capital and the First Guardian Master Fund to be wound up and for the appointment of a receiver to David Anderson's personal property	
—	JUN	—	ASIC cancels AFS licence of Financial Services Group Australia Pty Ltd and permanently bans its responsible manager	
			ASIC secures travel restraint against David Anderson and Simon Selimaj (directors of Falcon Capital) and asset freezing orders against Simon Selimaj	
—	JUN-JUL	—	ASIC bans five financial advisers of MWL Financial Services Pty Ltd (MWL) in relation to financial advice provided on Shield	
—	JUL	—	ASIC launches investor warning campaign	
			ASIC secures travel restraint orders prohibiting Mr Merhi and Mr Saad from leaving or attempting to leave Australia until 12 December 2025	
—	AUG	—	ASIC obtains orders appointing receivers over the property of Mr Selimaj (director of Falcon Capital)	
			ASIC cancels AFS licence of MWL in relation to financial advice provided on Shield and bans MWL's director and compliance manager and responsible manager	
			ASIC bans former Melbourne-based UGC and MWL financial adviser in relation to financial advice provided on Shield	
			ASIC commences civil penalty action against ETSL alleging due diligence failures relating to Shield	
			ASIC seeks leave to expand action against Mr Merhi alleging he engaged in unconscionable conduct, failed to act in the best interest of clients, gave conflicted advice, and provided defective statements of advice. ASIC seeks injunctions prohibiting Mr Merhi from any involvement in a financial services business or the marketing of financial products, the appointment of a receiver to Mr Merhi's personal property and provisional liquidators to his associated companies.	
—	SEP	—	ASIC commences action against Macquarie Investment Management Ltd for s912A contraventions and accepts enforceable undertaking from MIML to ensure MIML pays members 100% of the amounts they invested in Shield less any amounts withdrawn	
—	OCT	—	ASIC secures Federal Court interim orders restraining Mr Merhi from operating within the financial services industry and obtains orders for the appointment of a receiver to provide a report and a provisional liquidator to his associated entities, Venture Egg Financial Services Pty Ltd and United Financial Advice Pty Ltd	
			ASIC amends ETSL proceedings to seek compensation orders	
—	NOV	—	ASIC commences action in the Federal Court against Interprac Financial Planning Pty Ltd alleging licensee failures relating to Shield and First Guardian	
			ASIC seeks leave to commence action against MWL (administrators appointed), its former director and Imperial Capital Group Australia Pty Ltd alleging Shield advice failures	

Appendix 1

High level chronology – Shield Master Fund and First Guardian Master Fund

KEY:



First Guardian Master Fund



Shield Master Fund



Shield Master Fund & First Guardian Master Fund

2025



NOV



ASIC commences civil penalty proceedings in the Federal Court against SQM Research Pty Ltd alleging its reports contained misleading representations and its processes fell short of expected standards when it published “Favourable” ratings for the Shield Master Fund