

# ASIC RECOMMENDATIONS TO HIT LICENCE APPROVALS

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<https://www.ifa.com.au/news/26949-asic-recommendations-to-hit-licence-approvals>

Approvals of financial advice licence applications will likely be affected if recommendations from an ASIC taskforce are implemented, according to a consultant.

The new considerations come as a result of recommendations from the ASIC Enforcement Review Taskforce and will impact the future assessment of licence applications, The Fold Legal's Sónia Cruz said in a blog.

If these are adopted, Ms Cruz said ASIC may be able to:

- Refuse a licence application (or, for existing licensees, take licensing action) if it's not satisfied that the entities or persons controlling the licensee are fit and proper;
- Cancel a licence if the licensee fails to commence business within six months;
- Refuse a licence application if it's false or misleading in a material way;
- Require applicants to explicitly confirm that there have been no material changes to the information they gave in their application before their licence is granted;
- Align the assessment requirements for AFS and credit licence applications so that the highest standard applies; or
- Align the consequences for making false or misleading statements in documents it's provided with.

"If you're preparing or resubmitting your licence application, we suggest having it reviewed before you submit it to ASIC. This includes ensuring you have all the core, complex product and additional proofs you require and that your responsible managers meet ASIC's requirements," Ms Cruz said.