

## Article Information

Authors: Andrea Beatty, Chelsea Payne, Chloe Kim

Service: Banking & Finance, Banking & Finance Litigation

Sector: Financial Services, Government

---

## Banking & Finance Summary Updates - June 2020

**There have been numerous updates in the industry over the past months from regulators and the Government.**

---

- On 5 June 2020, the Government announced significant reforms to the *Foreign Acquisitions and Takeovers Act 1975*. Draft legislation will be released in July for consultations, with the reforms expected to commence on 1 January 2021. The reforms are designed to include:
  - a new national security test for foreign investors required to seek approval to commence or acquire a direct interest in 'sensitive national security business' despite the value of the investment;
  - time-bound 'call-in' power enabling the Treasurer to review acquisitions which raise national security risks outside of the proposed acquisitions relating to a 'sensitive national security business';
  - national security last resort power which provides the ability to impose or vary conditions and in extraordinary circumstances order disposal on national security grounds;
  - strengthened and flexible enforcement options which include the expansion of infringement notices and greater civil and criminal penalties; and
  - measures to streamline approval for passive investors and investments into non-sensitive businesses.
- On 25 May 2020, Treasurer Josh Frydenberg announced there would be temporary amendments to continuous disclosure provisions that apply to companies and their officers to allow them to provide guidance to the market during COVID-19. These changes will ensure companies and officers are only liable if there has been "knowledge, recklessness or negligence" in regards to price sensitive information.
- On 26 May 2020, the ACCC launched the Consumer Data Right Register and Accreditation Application Platforms (**RAAP**) and the Consumer Data Right Participant Portal to allow businesses to apply and become Accredited Data Recipients. The RAAP will assist in creating a trusted data environment where encrypted data is shared strictly between approved participants and businesses can apply to become accredited.
- The [ASIC Corporations \(COVID-19 - Distribution of Debit Cards\) Instrument 2020/401](#) was introduced to provide relief for the distribution of debit cards to existing customers who do not have debit cards including any vulnerable or elderly customers in response to COVID-19.
- On 8 May 2020, the ACCC and OAIC released a joint [Consumer Data Right Compliance and Enforcement Policy](#). The policy identifies the approaches adopted by the bodies when dealing with the compliance and breaches of the Consumer Data Right regulatory framework.