



MEDIA RELEASE

Wednesday, 7th June 2023

FSC PROMOTES REGULATORY BEST PRACTICE ON DESIGN AND DISTRIBUTION OBLIGATIONS

The Financial Services Council (FSC) is building on promoting best regulatory practice across the funds management industry in the interest of consumers with the release today of an updated template Target Market Determination (TMD) for funds management.

The FSC's template TMD for funds management is available free of charge for FSC members.

FSC CEO, Blake Briggs, said: "The Design and Distribution Obligations (DDO) regime, which commenced in October 2021, represented a transformative change in the way the financial services industry approaches the design and distribution of products to consumers.

"The FSC's updated TMD template, a key part of the DDO regime, provides an important step up in industry capabilities and compliance, building on the first version that was released in 2021.

"The FSC has consulted with members and ASIC when developing the new template, with the aim of helping industry address ASIC's concerns with initial DDO regime compliance."

Changes in the new template will help fund managers address the issues raised by ASIC through DDO enforcement actions and in their recently released *Report 762: Design and distribution obligations: Investment products*.

The revised TMD template complements other products the FSC has developed to assist with DDO compliance and reduce industry costs, including DDO data standards, FSC guidance on how to implement the DDO in investment portfolios, and a FSC standard questionnaire for DDO-related due diligence for product distributors.

"This collaborative project has exemplified the FSC's commitment to initiatives that benefit financial services consumers whilst also lowering compliance costs for members," added Mr Briggs.

Visit the [FSC website](#) for more important information and to access the TMD template and related products.

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About the Financial Services Council

The FSC is a peak body which sets mandatory Standards and develops policy for more than 100 member companies in one of Australia's largest industry sectors, financial services. Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds, life insurers and financial advice licensees. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses. The financial services industry is responsible for investing more than \$3 trillion on behalf of over 15.6 million

Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is one of the largest pools of managed funds in the world.