



Highlights from the PFA / Hall & Wilcox webinar on ASIC's revised RG 97

This **PFA** webinar hosted by Hall & Wilcox, moderated by **Hall & Wilcox** partner **Kitty Vo**, focussed on the revised changes to **ASIC's** long-awaited **RG 97** regime, and particular issues impacting property funds.

Hall & Wilcox partner Harry New said RG 97's implementation has been delayed due to the COVID-19 crisis but property funds will be better off preparing sooner rather than later.

Harry said RG 97 has been among the most drawn out ASIC initiatives he has experienced, dating back to the "Enhanced Fee Disclosure Regime" in 2005. He noted that the period from 2014 has been a difficult time with the legislation but that recent reworking has made significant improvements.

ASIC has acknowledged nobody was happy with the previous RG 97, from consumers to product issuers to ASIC itself. Harry said we now have a much improved revised regime, which is not perfect, but allows property funds to get on with things.

He said there has been a clear shift in focus from ASIC communications on RG 97: ASIC has moved away from relying on "disclosure" alone as the primary tool to protect investors, and has moved increasingly towards focussing on the "design and distribution" of products, along with disclosure.

Hall & Wilcox partner Vince Battaglia said the revised RG 97 simplifies fees and costs disclosure in periodic statements. He said ASIC has made RG 97 more readable, and should be commended for it.

Vince analysed some key wins for property funds, including removing the distinction between performance fees and performance-based fees, simplifying transactional costs disclosures and enabling greater flexibility.

He discussed the main issues around fees and costs, and how they are to be disclosed, including interesting technical issues such as "implicit transaction costs".

While RG 97 is just a regulatory guide, Vince said it has become a de facto rulebook due to its complexity, and provides some useful rules to follow.

He said the updated RG 97 is a vast improvement, but also contained some lost opportunities.

We hope you found this summary of the RG 97 webinar informative, for any follow up questions from this webinar, please contact [Hall & Wilcox](#).

For more information, the webinar presentation and recording are available to view on the [PFA website](#).

