



SARACENS PTY LTD

*POLICY DOCUMENT*

# Breach Handling and Reporting Policy

Date produced: 1 October 2021

Responsibility:

1. Director /Responsible Manager

Reporting:

1. Register maintained
2. As needs basis
3. ASIC

## Preamble

Due to the past performance of Australian Financial Services Licensees with handling, recording, and reporting Breaches the Royal Commission into Banking and Financial Services recommended that there be significant changes made to the legislative requirements. The Federal Government accepted that recommendation and passed Legislative changes to implement the changes necessary to the Corporations Act.

In response to the legislative changes ASIC has updated and re-released Regulatory Guide 78 which is effective from 1 October 2021; the present version of RG78 will be superseded but remain available for a time for breaches that occurred prior to 1 October. This Policy is to assist us and you (authorised representatives, employees, directors of the company holding the licence or related bodies corporate or any person acting on our behalf) to comply with the requirements. A brief summary though is that what must be reported has been broaden considerably and record keeping becomes extremely important to support how we (i.e., you and us) handle situations and make decisions around them whether they are reportable or not.

All responsibility remains with us to comply with the requirements however, we may liaise with Compliance FP or lawyers when we deem necessary.

In this policy representative applies to both those employed by us and any authorised representatives if appointed.

‘Us’ refers to the Licensee

‘We’ refers to the Licensee and representatives

‘You’ refers to employees and authorised representatives

‘ASIC’ refers to Australian Securities and Investments Commission

RG NN refers to Regulatory Guide NN issued by ASIC

## Policy

### Important concepts

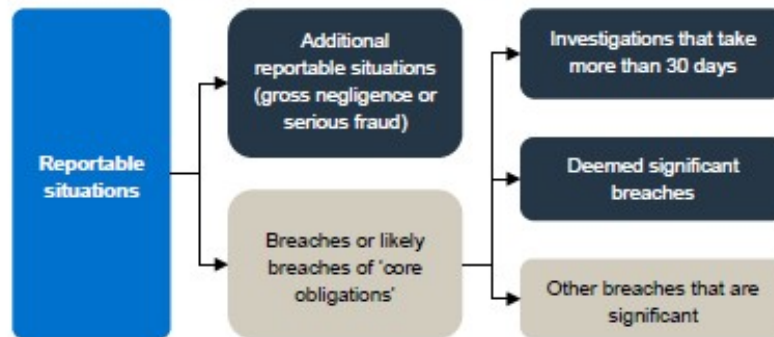
The four reportable situations are:

1. Breaches or likely breaches of core obligations that are significant
2. Investigations that continue for more than 30 days into breaches or likely breaches of core obligations that are significant
3. Additional reportable situations such as gross negligence or serious fraud
4. Reportable situations about other Licensees' conduct including that of their advisers

A likely breach is a situation where the licensee is no longer able to comply with a core obligation.

Reportable situations, core obligations, and objective determinations of significance are important and interrelated concepts demonstrated in the below graphic from RG78.

**Figure 1: Reportable situations, core obligations and objective determinations of 'significance'**



The three **darker boxes** indicate that those categories do not require a significance assessment to determine if they are reportable, they are **reportable automatically**.

### DEEMED SIGNIFICANT BREACHES

1. Breaches that constitute the commission of an offence punishable on conviction by imprisonment upon conviction of three months or more for dishonesty or 12 months or more in any other case.
2. A civil penalty provision applies to the breach (which has not been exempted under regulations – see exemptions in table below).
3. Misleading or deceptive conduct under the Corporations Act or ASIC Act.
4. A material loss or damage occurs from a financial service we provide to a **wholesale or retail client**.

Provision	Description
Subsection 941A(3)	Failure by a licensee to give a Financial Services Guide (FSG) when providing a financial service to

Provision	Description
	a person as a retail client
Subsection 941B(4)	Failure by an authorised representative to give a FSG when providing a financial service to a person as a retail client
Subsection 1012A(5)	Failure to give a Product Disclosure Statement (PDS) when giving personal advice recommending a particular financial product
Subsection 1012B(6)	Failure to give a PDS in situations relating to the offer and issue of financial products
Subsection 1012C(11)	Failure to give a PDS in situations relating to the sale of financial products
Subsection 1021E(8)	Giving a defective disclosure document or statement (including a defective PDS or supplementary PDS)
RG271 Enforceable Paragraphs	Individual breaches exempted by ASIC Corporations and Credit (Breach Reporting-Reportable Situations) Instrument 2021/716

It is important to understand that these exemptions apply to individual situations as deemed significant breaches however we will still need to assess them against other criteria,

- Commission of an offence carrying certain penalties of imprisonment
- Misleading or deceptive conduct as defined in the Corporations Act or ASIC Act
- Results or likely to result in material loss or damage to a client
- Finally assess against the significance test which we have been applying since our licence was granted

In point 4 it states a material loss or damage but these are not defined in the legislation, so the ordinary meaning applies. As some guidance for us:

- the material loss or damage does not need to be limited to financial loss
- assessment should take into consideration a person's own financial situation
- it could be the loss or damage of an individual within a number of people affected or the total loss or damage for all affected; for example, a loss of say \$1000 per person may not be significant however if there are 100 clients affected then the total of \$100,000 may be significant.

#### **A couple of examples of deemed significant breaches**

##### **Quality of Advice and failure to act in best interests of client (civil penalty provision).**

A compliance assessment of representatives' clients' files identifies that best interest duty and appropriate advice has not been provided to multiple clients. Potential breaches are insufficient steps to ensure compliance with best Interest Duty – a civil penalty provision and failure to take reasonable steps to ensure representatives comply with financial services laws.

##### **Misleading or deceptive statements in relation to financial products or services.**

A representative asks client to sign blank forms or signing client name on the authority to proceed or falsely declaring to have witnessed forms.

**Operating efficiently, honestly and fairly.**

As a result of poor service or no service, the licensee needs to commence a remediation program for fees for no or inadequate service. Due to the resources needed for the program the revenue has reduced so the decision was made to reallocate some resources and slow down the remediation. This could be a breach of the obligation to do all things necessary to provide the services efficiently, honestly and fairly.

**OTHER BREACHES THAT MAY BE SIGNIFICANT**

This is where the previous assessment process continues to play a part, that is:

- (a) The breach has occurred on a number of occasions.
- (b) The impact of the breach on our ability to provide financial services to clients including actual or potential breach of financial requirements.
- (c) There were inadequate procedures in place to ensure compliance with the obligations.

**Examples of application of these assessments**

The significant delays or failure to lodge financial reports to ASIC by the deadline over a number of years. The frequency is an issue under (a) but may also fall within the compliance failures so not meeting obligations, inadequate procedures to ensure compliance (c) and potentially an indication of financial difficulties (b).

The response letter to complaints not including that the complainant can escalate the complaint to AFCA is excluded from being a deemed significant breach however if there are numerous complainants affected by the omission over a period of time then that may be regarded as significant under (a) and (c).

**REPORTABLE INVESTIGATIONS**

Investigations into whether a breach is significant or not that continue for more than 30 calendar days are reportable. If the investigation concludes within 30 calendar days and the conclusion is that it is not significant then this is not reportable.

However, once an investigation goes to the 31<sup>st</sup> calendar day regardless of the decision then it is reportable and must be reported to ASIC within 30 calendar days of the 31<sup>st</sup> day.

The legislation does not define the term 'investigation'. So, it will take on the ordinary meaning of the word. The Macquarie dictionary defines investigation as 'a searching inquiry in order to ascertain facts'. Therefore, relevant factors to consider would be some human effort applied or information gathering by us. For example:

- Seeking specialist or technical advice
- Communicating with potentially affected clients
- Gathering information from staff or representatives involved in the conduct.

Outsourcing the investigation to our compliance consultants or lawyers is still considered as us commencing an investigation.

Merely entering a complaint into our complaints register and commencing initial fact finding into the complaint does not mean a reportable investigation has commenced; however, if during those fact-finding inquiries there is a suspicion that a possible breach of the law has occurred then the 30 calendar days commence from that point and if it exceeds that period then it must be reported. If before the end of the 30 calendar days period it is decided that the breach was significant then we are not to wait until the end of the period to report it.

Some examples of potential situations are:

- The conduct of annual compliance assessments of representatives does not constitute an investigation however if it is identified that a representative is not providing appropriate advice, not meeting the best interest duty, in the initial assessments and a broader in-depth assessment of client files for the representative is undertaken then if those assessments continue for more than 30 calendar days then it is reportable. The reason it is reportable is that there are a number of potential breaches not just by the representative but by us such as taking reasonable steps to ensure representatives comply and doing all things necessary to provide financial service efficiently, honestly and fairly.
- Complaints about fees for no service or lack of service generates an in-depth assessment of client books and identifies many other clients are affected. This is of course reportable and would be so even if the investigation had formed that view before the end of the 30 calendar days.

#### ADDITIONAL REPORTABLE SITUATIONS

This category is intended to catch serious compliance concerns such as illegal activities, dishonesty, misleading or deceptive conduct, fraudulent activity, misconduct that if proven would likely result in instant dismissal or termination, gross incompetence, gross negligence, and deliberate non-compliance.

These additional reportable situations do not require a significance assessment and must be reported to ASIC without delay.

#### REPORTABLE SITUATIONS ABOUT OTHER LICENSEES AND THEIR REPRESENTATIVES

This category applies when an individual provides personal advice to retail clients about financial products and we, you, or us, have reasonable grounds to believe that a reportable situation has arisen. It applies to the activity of the other licensee, its employees, representatives, directors, or related body corporate of the other licensee.

Reasonable Grounds means that there exists facts or evidence to induce a reasonable person to believe a reportable situation has arisen.

A licensee does not have to proactively seek out or investigate misconduct of other licensees BUT cannot turn a blind eye to something to which they become aware. A situation that we may come across is when conducting due diligence on a business for purchase or recruitment and our due

diligence brings to light information that indicates misconduct. We do not need to prove the facts or evidence but must report to ASIC and provide a copy to the other licensee within 30 calendar days.

### **Breach Reporting from 1 October 2021**

1. The Responsible Manager will promptly investigate all occurrences of non-compliance by us, or our representatives, with legal and regulatory requirements as well as our own policies and procedures.
  - 1.1 Therefore, if you identify a situation that may be a breach you need to notify the Responsible Manager or their delegate so that investigations/judgements can be commenced. Where the situation is reportable, we only have 30 calendar days from when it is first known, or we are reckless with respect to whether that there are reasonable grounds to believe a reportable situation has arisen.
2. Breaches are recorded in our register and if you are involved you must provide as much of the listed information in the Annexure 1 to enable accurate and honest completion of the register.
3. You must respond to all requests we make of you if, you are involved, or we have been informed that you have knowledge of the breach or potential breach.
4. Those involved in the breach are required to provide all relevant documentation within the required timeframe we set (and we will be the arbitrator of what is relevant).
5. You must comply with our directive if we instruct you to cease providing financial advice while an investigation is conducted into your involvement in a breach or potential breach.
6. The Responsible Manager or their delegate has the power to decide the requisite category of a breach.
7. While the Responsible Manager may seek assistance, internally or advice from an external source, he has full power to manage the process and decision on whether the breach is a reportable situation; NO AUTHORISATION is required from a higher power such as a committee, board or chairmen.
8. Any bottle neck or delay in the breach handling process is to be addressed immediately to void any possible allegation of inadequate processes.
9. The Responsible Manager will also provide reporting required to the board or relevant committee during the breach handling process and if there are numerous breaches then at each monthly meeting of directors.
10. The Responsible Manager will complete the lodgement of any reportable situations to ASIC through ASIC's Regulatory Portal.

11. The Responsible Manager will set follow up dates for actions during the investigation of the Breach or Potential Breach until such time as the conclusion is reached, either it is concluded that it was not a breach or that it has been rectified.
12. The Responsible Manager will also be responsible for the continual reporting to ASIC through the Portal on the progress and conclusion of any reportable situation.
13. Where an event may make a material or adverse change to our financial position such that it can no longer meet its licence conditions, the matter will be reported to ASIC within 3 business days of becoming aware of the event.
14. Where a client or clients could have been impacted by the breach appropriate remedial action will be instigated to rectify the situation for the client as well as changes to procedures to minimise the recurrence and further investigations will be conducted to see if any other clients were impacted.
15. If the reportable situation is about the conduct of another licensee or its representative then the Responsible Manager will enter the information into the ASIC Regulatory Portal and provide a copy to the relevant licensee.



## Consequences of not lodging reportable situations

Failing to report a reportable situation has both civil and criminal penalties. The maximum penalties are:

### CIVIL

Individual	the greater of 5,000 penalty units, three times the benefit derived and detriment avoided
Body Corporate	the greatest of 50,000 penalty units, three times the benefit derived and detriment avoided and 10% of the annual turnover for the 12 month period ending at the end of the month in which the contravened or began to contravene (capped at 2.5 million penalty units).

### CRIMINAL

- 240 penalty units for an individual
- 2,400 penalty units for a body corporate
- Two years imprisonment
- Or both financial and incarceration.

Each Penalty Unit is worth \$222 at the time of composing this policy.

## Important Points

With the outline of the penalty provisions for failure to lodge you should appreciate the importance of us complying with these reporting obligations.

For employees and representatives it is imperative that if you think that there has been a reportable situation that you do not hesitate/procrastinate about passing your thoughts onto the Responsible Manager.

All staff and representatives have access to a copy of this policy and other approved policies electronically or in hard copy. Any new representatives appointed will be provided with this policy along with the other policies at the time of induction.

## Annexure 1 Information required for notifying ASIC of a reportable situation

You will need to provide as much detail as possible for points 1, 3, 4, 5 and 6

What to include	Description of content
<p>1. Date of the reportable situation</p>	<p>You must include:</p> <ul style="list-style-type: none"> <li>• the date that the reportable situation arose or the date you anticipate that you will no longer be able to comply with your obligations; and</li> <li>• the date you first knew that there were reasonable grounds to believe that a reportable situation had arisen.</li> </ul> <p>Note 1: If there is a reportable situation, you must report it to ASIC within 30 calendar days of the date you first know that, or are reckless with respect to whether, there are reasonable grounds to believe a reportable situation arose. You will need to have a record of that date to ensure timely reporting.</p> <p>Note 2: Your breach register might also include the date that the breach was reported to ASIC and rectified.</p>
<p>2. Nature of the reportable situation</p>	<p>You must state whether the report relates to:</p> <ul style="list-style-type: none"> <li>• a significant breach of a core obligation;</li> <li>• a likely significant breach of a core obligation;</li> <li>• an additional reportable situation (serious fraud or gross negligence);</li> <li>• an investigation into whether a breach (or likely breach) of a core obligation has occurred that has continued for more than 30 days;</li> <li>• an investigation into whether a breach (or likely breach) of a core obligation has occurred that has continued for more than 30 days that discloses that no reportable situation has occurred; or</li> <li>• a reportable situation about another licensee.</li> </ul>
<p>3. Description of the reportable situation</p>	<p>You must describe the reportable situation, including the section of the relevant law that sets out the relevant obligation, including any relevant financial services law and any relevant licence condition.</p>
<p>4. Instances of the reportable situation (if relevant)</p>	<p>You may specify how many reportable situations relate to the breach or likely breach you are reporting. Reportable situations are related when they arise from a single specific root cause.</p>

What to include	Description of content
5. Why the breach is significant (if relevant)	<p>When relevant, you must identify why the breach is significant. This may involve identifying:</p> <ul style="list-style-type: none"> <li>• that the reportable situation relates to a deemed significant breach; or</li> <li>• the factors in s912D(5) of the Corporations Act that you consider apply in determining whether the breach (or likely breach) is significant and required to be reported to ASIC.</li> </ul>
6. How the reportable situation was identified	<p>You must provide details of how you found out about the reportable situation. For example, the reportable situation may have been identified through your compliance arrangements, an audit or review, or as a result of a client complaint.</p>
7. How long the breach lasted	<p>You will need to include details as relevant, including whether the breach is still continuing.</p>
8. Information about representatives	<p>If an authorised representative or credit representative is involved, you must include:</p> <ul style="list-style-type: none"> <li>• that representative’s name and number;</li> <li>• if the representative’s authorisation has been revoked or suspended; and</li> <li>• if the representative’s work is being monitored or supervised.</li> </ul>
9. Whether and how the reportable situation has been rectified	<p>If relevant, you must provide details of plans to rectify the breach (or likely breach). This includes:</p> <ul style="list-style-type: none"> <li>• when you expect to complete the rectification (or complete a plan for rectifying the breach); and</li> <li>• how the rectification will be achieved.</li> </ul> <p>If ongoing steps are being taken to rectify the breach (or likely breach), indicate when you expect to send ASIC a report on your progress in rectifying it, as well as a notification that rectification is complete.</p>
10. Whether and when affected clients have been compensated— Remediation	<p>You must provide details of any remediation program (including preventative measures) that has been or is being developed to compensate clients who have suffered a loss. Include relevant dates or expected dates for the start and conclusion of the remediation program.</p> <p>You should also provide information about completion of remediation.</p>
11. Future compliance	<p>You must describe any steps that have been, or will be, taken to ensure future compliance with the obligation.</p>



## Annexure 2 Our Core Obligations

The following are core obligations under s912D (3):

Note: These core obligations are current at the date of publication and will not be updated unless otherwise indicated.

(a) the general obligations under s912A or 912B other than the obligation under s912A(1)(c) of the Corporations Act, which are your obligations to:

- (i) do all things necessary to ensure that the financial services covered by your licence are provided efficiently, honestly and fairly;
- (ii) have in place adequate arrangements for the management of conflicts of interest;
- (iii) comply with the conditions of your licence;
- (iv) take reasonable steps to ensure that your representatives comply with the financial services laws;
- (v) if you are the operator of an Australian passport fund, or a person with responsibilities in relation to an Australian passport fund— comply with the law of each host economy for the fund;
- (vi) comply with the ASIC reference checking and information sharing protocol;

Note: See ASIC reference checking and information sharing protocol and ASIC Corporations and Credit (Reference Checking and Information Sharing Protocol) Instrument 2021/429.

- (vii) have adequate resources to provide the financial services covered by your licence and to carry out supervisory arrangements (unless you are a body regulated by APRA—see RG 78.151–RG 78.152);
- (viii) be competent to provide the financial services;
- (ix) have trained and competent representatives;
- (x) have an IDR procedure for retail clients that complies with standards and requirements made or approved by ASIC in accordance with the regulations;

Note: This includes a licensee’s IDR obligations in s912A(1)(g), which through the operation of ASIC Corporations, Credit and Superannuation (Internal Dispute 55 Resolution) Instrument 2020/98 includes the enforceable parts of RG 271 (IDR Standards).

- (xi) have adequate risk management systems (unless you are a body regulated by APRA—see RG 78.151–RG 78.152);
- (xii) have compensation arrangements in accordance with s912B; and
- (xiii) comply with any other obligations prescribed by Corporations Regulations, including the requirement to cooperate with AFCA;

(b) the obligation under s912A(1)(c) of the Corporations Act to comply with the ‘financial services laws’ as defined in s761A, but only those parts that are set out in s912D(3)(b), which are as follows:

- (i) Ch 7 of the Corporations Act (financial services and markets);
- (ii) Ch 9 of the Corporations Act (miscellaneous), but only as it applies to the chapters of the Corporations Act listed above; and
- (iii) Div 2 of Pt 2 of the ASIC Act (unconscionable conduct and consumer protections for financial services) and related regulations under the Australian Securities and Investments Commission Regulations 2001 (ASIC Regulations)

(c) in relation to financial services, other than traditional trustee company services provided by a licensed trustee company, the obligations under the Commonwealth legislation administered by APRA and specified in reg 7.6.02A of the Corporations Regulations, which are as follows:

- (i) Australian National Registry of Emissions Units Act 2011;
- (ii) Banking Act 1959;

- (iii) Carbon Credits (Carbon Farming Initiative Act) 2011;
- (iv) Clean Energy Act 2011 (no longer in force);
- (v) Financial Sector (Collection of Data) Act 2001;
- (vi) Financial Sector (Shareholdings) Act 1998;
- (vii) Financial Sector (Transfer of Business) Act 1999;
- (viii) Insurance Acquisitions and Takeovers Act 1991;
- (ix) Insurance Act 1973;
- (x) Insurance Contracts Act 1984;
- (xi) Life Insurance Act 1995; (xii) Retirement Savings Accounts Act 1997;
- (xiii) Superannuation Industry (Supervision) Act 1993;
- (xiv) Superannuation (Resolution of Complaints) Act 1993; and

Note: Regulation 7.6.02A of the Corporations Regulations will be amended by the Financial Sector Reform (Hayne Royal Commission Response—Protecting Consumers (2020 Measures)) Regulations 2021 (exposure draft).

(d) in relation to traditional trustee company services provided by a licensed trustee company, the obligation under s912A(1)(c) of the Corporations Act to comply with financial services laws so far as they are Commonwealth, state or territory legislation or the common law or equity that relate to the provision of financial services and traditional trustee company services (see paragraphs (d) and (e) of the definition of ‘financial services law’ in s761A).

### Annexure 3 Penalty Provisions of the Corporations Act most relevant to us

Provision	Penalty	Part
<p><b>Part 7.6</b> concerns <b>Licensing and includes all your core AFSL obligations (Div 3 of Part 7.6) as well as appointing representatives, professional standards, lodgements about financial advisers and restrictions on terminology (e.g. independence).</b></p>		
Section 911C	2 years imprisonment	7.6
Subsection 911A(1)	5 years imprisonment	7.6
Subsection 911B(1)	5 years imprisonment	7.6
Subsection 912C(3)	2 years imprisonment	7.6
Subsection 912D(1B)	2 years imprisonment	7.6
Subsection 912D(2)	1 year imprisonment	7.6
Subsection 912E(1)	2 years imprisonment	7.6
Subsection 916A(3A)	2 years imprisonment	7.6
Subsection 916B(2A)	2 years imprisonment	7.6
Subsection 916B(5A)	1 year imprisonment	7.6
Subsection 916C(3)	2 years imprisonment	7.6
Subsection 916D(2A)	2 years imprisonment	7.6
Subsection 916F(1)	6 months imprisonment	7.6
Subsection 916F(1A)	6 months imprisonment	7.6
Subsection 916G(2)	1 year imprisonment	7.6
Subsection 916G(3)	1 year imprisonment	7.6
Subsection 920C(3)	5 years imprisonment	7.6
<p><b>Part 7.7</b> concerns <b>disclosure (FSGs, SOAs, ROAs, General Advice Warnings).</b></p>		
Section 942E	2 years imprisonment	7.7
Section 943F	2 years imprisonment	7.7
Section 952K	5 years imprisonment	7.7
Section 952M	5 years imprisonment	7.7
Subsection 942B(8)	1 year imprisonment	7.7
Subsection 942C(8)	1 year imprisonment	7.7
Subsection 949A(2)	2 years imprisonment	7.7
Subsection 949A(5)	5 years imprisonment	7.7
Subsection 949B(2)	1 year imprisonment	7.7
Subsection 949B(4)	1 year imprisonment	7.7
Subsection 952C(3)	5 years imprisonment	7.7
Subsection 952D(1)	15 years imprisonment	7.7
Subsection 952D(2)	15 years imprisonment	7.7

Provision	Penalty	Part
Subsection 952E(6)	2 years imprisonment	7.7
Subsection 952F(2)	15 years imprisonment	7.7
Subsection 952F(3)	15 years imprisonment	7.7
Subsection 952F(4)	15 years imprisonment	7.7
Subsection 952G(2)	2 years imprisonment	7.7
Subsection 952G(4)	2 years imprisonment	7.7
Subsection 952G(6)	2 years imprisonment	7.7
Subsection 952H(2)	5 years imprisonment	7.7
Subsection 952L(1)	15 years imprisonment	7.7
Subsection 952L(2)	5 years imprisonment	7.7
Subsection 952L(3)	5 years imprisonment	7.7
<b>Part 7.7A concerns Best Interest Duty, Ongoing Fee Arrangements, Renewals, Fee Consents and Conflicted Remuneration.</b>		
Subsection 962X(1)	5 years imprisonment	7.7A
<b>Part 7.8 concerns Handling of client monies and use of Trust Accounts.</b>		
Paragraph 990F(a)	2 years imprisonment	7.8
Section 982D	2 years imprisonment	7.8
Section 983C	6 months imprisonment	7.8
Subsection 982C(1)	2 years imprisonment	7.8
Subsection 982C(2)	2 years imprisonment	7.8
Subsection 985K(1)	2 years imprisonment	7.8
Subsection 988A(1)	5 years imprisonment	7.8
Subsection 989B(1)	5 years imprisonment	7.8
Subsection 989B(2)	5 years imprisonment	7.8
Subsection 989B(3)	5 years imprisonment	7.8
Subsection 989CA(3)	2 years imprisonment	7.8
Subsection 990B(1)	5 years imprisonment	7.8
Subsection 990B(2)	5 years imprisonment	7.8
Subsection 990B(6)	6 months imprisonment	7.8
Subsection 990D(1)	2 years imprisonment	7.8
Subsection 990D(2)	2 years imprisonment	7.8
Subsection 990I(3)	2 years imprisonment	7.8
Subsection 990K(1)	1 year imprisonment	7.8
Subsection 991B(2)	1 year imprisonment	7.8
Subsection 991E(1)	1 year imprisonment	7.8
Subsection 991E(3)	1 year imprisonment	7.8



Provision	Penalty	Part
Subsection 991F(1)	6 months imprisonment	7.8
Subsection 991F(2)	6 months imprisonment	7.8
Subsection 991F(3)	6 months imprisonment	7.8
Subsection 992A(1)	6 months imprisonment	7.8
Subsection 992A(3)	6 months imprisonment	7.8
Subsection 992AA(1)	6 months imprisonment	7.8
Subsection 993B(3)	15 years imprisonment	7.8
Subsection 993C(3)	5 years imprisonment	7.8
Subsection 993D(2)	5 years imprisonment	7.8
	(b) otherwise--2 years imprisonment	7.8
<b>Part 7.8A concerns Design &amp; Distribution Obligations.</b>		
Section 994D	5 years imprisonment	7.8A
Section 994G	2 years imprisonment	7.8A
Subsection 994B(2)	5 years imprisonment	7.8A
Subsection 994B(9)	1 year imprisonment	7.8A
Subsection 994C(2)	1 year imprisonment	7.8A
Subsection 994H(3)	2 years imprisonment	7.8A
Subsections 994C(3), (5) and (6)	5 years imprisonment	7.8A
Subsections 994E(1) and (3)	5 years imprisonment	7.8A
Subsections 994F(1), (3), (4), (5), (6) and (8)	1 year imprisonment	7.8A
Subsections 994J(7) and (8)	2 years imprisonment	7.8A

Sources

ASIC RG 78