

Code of ethics consultation

Pursuant to Section 921U(2)(b) of the Corporations Act (2001), FASEA is required, by Legislative Instrument, to make a Code of Ethics for the purposes of Section 921E of the Act.

Section 921U(6) of the Act requires that before making the Legislative Instrument FASEA must consult:

- a) financial services licensees; and
- b) relevant providers; and
- c) associations representing consumers of financial services; and
- d) professional associations; and
- e) ASIC and the Department; and
- f) any other person or body that the standards body considers it appropriate to consult.

Section 921U(7) provides that FASEA is taken to have consulted the persons and bodies mentioned in that subsection if, on its website, the standards body:

- a) before making a Legislative Instrument under subsection (2), (3) or (5):
 - i. makes the proposed Legislative Instrument, or a description of the content of the proposed Legislative Instrument, available; and
 - ii. invites those persons and bodies to comment on the proposed Legislative Instrument.

FASEA complied with these legislative requirements in making the Code of Ethics.

On 20 March 2018, the Code of Ethics draft standard was published on the FASEA website inviting comment on the proposed standard by 1 June 2018. During the consultation period 37 written submissions were received. A list of organisations who made written submissions regarding the draft standard is [here](#).

On 21 November 2018, FASEA commenced a four-week public consultation on the draft Legislative Instrument (LI) and Explanatory Statement (ES) for the Code of Ethics. During this consultation period 18 written submissions were received. A list of organisations who made written submissions on the draft LI and ES is [here](#).

In addition to meeting its legislative requirement to invite comment on the FASEA website published Code of Ethics consultation documents, FASEA held a series of face to face consultation briefings and meetings with stakeholders including licensees (representing small, medium, and large businesses), industry associations, higher education providers and consumer representatives. A list of stakeholders (by organisation) who attended FASEA's initial consultation briefings is [here](#).

Since making the Code of Ethics in February 2019, FASEA has continued to discuss Code of Ethics guidance material with stakeholders. These meetings have afforded FASEA the opportunity to understand how the Code of Ethics is being applied in practice and to receive feedback on areas stakeholders consider they would benefit from further guidance. In November and December 2019 FASEA held consultation briefings with a wide range of stakeholders. A list of stakeholders (by organisation) who attended these consultation briefings is [here](#).

In 2020 FASEA has held consultation briefings with consumer representatives (2), industry associations (10), Licensees (39) and compliance consultants (7). A list of stakeholders (by organisation) who have participated in these discussions is [here](#).

As noted previously, individual circumstances will differ in practice and, as with every profession, there is allowance for differences of professional opinion on how the ethical rules of the profession should apply in a particular case. Doing what is right will depend on the particular circumstances and requires you to exercise your professional judgement in the best interests of each of your clients.

In response to stakeholder input received after release of the October 2019 guidance, FASEA released further interpretive guidance in December 2019 responding to matters raised by stakeholders. FASEA will release additional interpretive guidance from time to time as it becomes aware of matters stakeholders would benefit from receiving guidance on.