

Requirement	Details
Aggregate client exposure limits – overall cap on services and activities	An aggregate client (wholesale and retail clients and credit consumers) exposure limit of \$5 million. Includes gross written premiums for general and life insurance, superannuation contributions, commitments to other financial products and value of credit contracts .
Maximum number of wholesale clients	Unlimited.
Maximum number of retail clients	Unlimited.
Client exposure limits for wholesale clients	No individual exposure limit.
Client exposure limits for retail clients	<ul style="list-style-type: none"> ■ \$10,000 limit per retail client for: <ul style="list-style-type: none"> □ interests in simple managed investment schemes; □ Commonwealth debentures, stocks, bonds; □ securities listed on approved domestic or overseas markets; and □ securities offered under a crowdfunding service. ■ No limit for certain products issued by an entity regulated by the Australian Prudential Regulation Authority (APRA) (general and life insurance, superannuation, deposits and non-cash payments). ■ Between \$2,000 and \$25,000 for credit contracts.
Consumers protections – applied as a condition of the exemption	<ul style="list-style-type: none"> ■ Adequate compensation arrangements, generally PI insurance with minimum \$1 million cover. ■ Internal dispute resolution process and AFCA membership. ■ Disclosure and conduct requirements, including notifying clients and/or ASIC when certain events occur (e.g. a provider materially changes its offering) – see below.
Other consumer protections (as applicable)	<ul style="list-style-type: none"> ■ Best interest duty – financial advice. ■ Conflicted remuneration provisions. ■ Responsible lending obligations, unfair contract term protections and other protections under consumer credit laws. ■ Crowd-sourced funding intermediary obligations, including gatekeeper and disclosure obligations. ■ Compliance with other applicable laws – for example, the prohibitions against misleading or deceptive conduct.
Disclosures	<ul style="list-style-type: none"> ■ Businesses must notify clients and potential clients that they are operating without a licence. ■ Businesses must provide clients and potential clients with applicable prescribed disclosure documents (e.g. Statement of Advice, Product Disclosure Statement, Credit Guide). ■ Client notification requirements if tested financial service or product or credit activity changes significantly or is no longer offered, business ceases to operate, business ceases testing in enhanced regulatory sandbox, or business obtains a licence for the service or product being tested.