

## ASIC Licensing Application Proof

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**Supporting Proof Document:** B7 Proof – Risk Management System Statement

**Applicant:** [insert full company name] (“[insert defined company name]”)

**Application Number:** [insert]

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This B7 Proof includes:

- (a) a description of [insert defined company name]’s strategy for integrating risk management into [insert defined company name]’s business operations;
- (b) a diagram illustrating [insert defined company name]’s risk management reporting lines;
- (c) a description of the frequency and nature of [insert defined company name]’s internal and external risk review/audit processes; and
- (d) a description of the frequency and nature if [insert defined company name]’s internal and external risk review/audit process.

This proof also includes a table describing the main risks [insert defined company name] will face focusing on risks that adversely affect consumers or market integrity. The table includes details of:

- (a) the risks [insert defined company name] has identified;
- (b) how they will arise;
- (c) their likelihood of occurring;
- (d) their potential impact;
- (e) measures [insert defined company name] has in place to deal with these risks (i.e. to monitor, mitigate and manage the risks); and
- (f) the person responsible for managing each risk.

## SECTION A – RISK MANAGEMENT STATEMENT AND PROCEDURES

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### 1. OVERVIEW

1.1 [insert full company name] (“[insert defined company name]”) has an effective risk management system in place to ensure that all business risks are recognised and have implemented measures to minimise the risks. In addition, section 912A(1)(h) of the *Corporations Act 2001* (Cth) (“**Corporations Act**”) imposes a legal obligation on [insert defined company name] to have adequate risk management systems in place.

### 2. RISK MANAGEMENT STRATEGY

2.1 Risk management is recognised as an integral part of good management. It is important to ensure that there are adequate risk management procedures for all aspects of the business and measures to minimise the risks are implemented.

2.2 [insert defined company name] is applying for an AFSL to provide the following services:  
**[UPDATE ACCORDINGLY]**

- Provide financial product advice for the following classes of financial products:
  - deposit and payment products including:
    - basic deposit products;
    - deposit products other than basic deposit products;
  - derivatives;
  - foreign exchange contracts;
  - general insurance products;
  - debentures, stocks or bonds issued or proposed to be issued by a government;
  - life products including:
    - investment life insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds; and
    - life risk insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds;
  - interests in managed investment schemes including IDPS;
  - retirement savings account (“**RSA**”) products (within the meaning of the Retirement Savings Account Act 1997);
  - securities;