SQUIRE PATTON BOGGS

Borders by account: How far can Section 80 injunctive relief reach? Apple ordered to open up the iPhone in Australia

***Epic Games Inc v Apple Inc (No 2)* [2026] FCA 1552**

Australia – November 2026

As has been widely reported in the media, the *Epic Games v Apple* litigation is a legal battle centred on Apple's control over the iOS App Store, its mandatory use of its own in-app payment system, and its standard 30% commission fee on digital transactions.

In August 2025, the Federal Court of Australia found that Apple had misused its market power, in breach of Australian competition law, in two ways:

1. By stopping iPhone and iPad users from downloading apps from anywhere other than Apple's App Store
2. By forcing app developers to use Apple's own payment system, and pay Apple's commission, when selling digital content inside their apps, and by banning them from pointing customers to cheaper options elsewhere

The court has now made orders[1] under which Apple must, from 1 March 2027 (or 3 May 2027 if Apple obtains an extension):

(a) Allow Australian users to download apps directly from developers' websites and from rival app stores, provided the apps pass security checks

(b) Allow developers to offer their own payment options and to link customers to deals outside the app, without Apple imposing fees, extra warning screens or contract terms designed to discourage them

In making these orders, the court was required to consider the extent of territorial and other limits on the court's powers and where the court should draw the line in deciding what orders to make.

In short, the court held that its power to grant injunctive relief could extend to Apple's conduct overseas, but chose to limit the orders to Apple customers whose accounts are set up in Australia.

How wide is the court's power?

Under Section 80 of the *Competition and Consumer Act 2010* (Cth) (CCA), the courts have wide powers to grant an injunction in response to conduct that contravenes various provisions of the CCA. But how far do these powers extend?

Apple argued that Section 80 was limited in that the court could only make orders banning the specific conduct found to be unlawful. The court disagreed, holding that a Section 80 injunction can also restrain conduct that would otherwise be lawful, and can be mandatory (requiring a business to take positive steps), where that is appropriate to prevent, restrain or remedy the contravention and its effects.

Whether a particular order goes too far is a matter for the court's discretion (what is "appropriate", including whether the order is proportionate) rather than an inherent limit on its power. The court also stated that there is no fixed test and that its power to grant an injunction is the same whether a case is brought by the regulator (the Australian Competition and Consumer Commission (ACCC)) or by a private business such as Epic. That is significant for businesses considering their own competition claims.

The court was heavily influenced by how Apple had responded to similar regulatory and court interventions overseas. In Europe, Japan, the Netherlands and South Korea, Apple had engaged in what the court called "purported compliance" by introducing new fees, conditions and warning screens that made the alternatives commercially unattractive. The court therefore made detailed antiavoidance orders designed to stop Apple achieving the same result by a different route.

Can the orders reach outside Australia?

In principle, orders can have extraterritorial effect. The court held that nothing in Section 80 limits it to conduct inside Australia. Read with Section 5 of the CCA, which extends the competition rules to conduct outside Australia by corporations carrying on business in Australia (as Apple does), Section 80 displaces the presumption against extraterritoriality.

1 *Epic Games Inc v Apple Inc (No 2)* [2026] FCA 1552

The required territorial "nexus" is already built in: the conduct must affect competition in a market in Australia (Section 4E).

The court made two further points:

1. The fact that an Australian order might be hard to enforce in a foreign court does not stop the court making it, although that is relevant to the court's discretion.
2. An Australian order operates *in personam* (against Apple itself) and only under Australian law. It does not change anyone's rights under the laws of other countries.

Why the court chose not to go global

Epic asked for orders that would apply worldwide. Although the court had the power to make orders of this nature, it decided, on grounds of international comity, that doing so would be inappropriate because it would intrude on decisions that belong to other countries. Three factors weighed heavily on the outcome:

1. US courts had held that US competition law does not require Apple to allow alternative app stores or payment systems.
2. The EU (under the Digital Markets Act) and Japan (under its Mobile Software Competition Act) had already introduced their own detailed rules, striking their own balance between competition, security and Apple's interests.
3. A US court in Epic's parallel case against Google had limited its orders to the US out of respect for other countries' laws, even though it found the market was worldwide.

Worldwide orders would have forced Apple to redesign its systems across all 175 countries in which it operates, and could have exposed Apple to conflicting obligations, where following another country's regulatory regime meant breaching the Australian orders.

Where the line was drawn

1. **The finding of wrongdoing is not limited to Australia** – The court's declaration that Apple broke the law is not geographically limited by where the user, developer or app store is located.
2. **Apple's obligations apply only to Australian accounts** – The injunctions (orders 3–11) bite on the Australian App Store and users whose Apple Account is set to the Australian storefront with an Australian billing address. For example, a tourist visiting Australia on a foreign account is not covered.
3. **The benefits are global** – Developers anywhere in the world can use the new channels to reach Australian users, provided they remain members of Apple's Developer Program, and payment providers can be based anywhere.

In practice, the reach of the orders is set not by national borders but by a setting in each customer's Apple Account, which serves as a practical jurisdictional proxy, or connecting factor, for the Australian nexus.

That was determined to be a workable solution, because Apple's systems already link every user to one country's App Store, and Apple uses the same approach where other countries have required it to open up. But the orders do have limits. For example, the orders do not help Australian developers who want to use alternative channels to reach customers overseas. The court acknowledged that point but held that a line had to be drawn.

Why it matters for business

1. Global businesses with Australian operations should note the extraterritorial reach of the CCA, which can extend to their conduct overseas. Courts may limit their orders on grounds of international comity, but that is a discretionary choice made case by case, not a legal barrier.
2. The orders have no end date and are drafted to stop workarounds, although Apple can apply under Section 80(3) of the CCA to vary or discharge them if circumstances change materially (and bears the onus of doing so). Apple has indicated it will appeal, and the court flagged that any stay would need to be addressed, so businesses should watch the appeal and any stay application before relying on the 1 March 2027 start date.
3. App developers and digital businesses selling to Australian iPhone users will be able to distribute apps outside the App Store and take payments directly, potentially reducing what they pay Apple. They should review pricing, payment arrangements and distribution strategy ahead of March 2027, and plan for the customer support, refund and security responsibilities that come with dealing with customers directly.
4. Payment providers and alternative app stores, wherever they are based, have a new market opening in Australia. Apple is prohibited from charging discriminatory fees, adding unnecessary warning screens or other friction, or penalising developers who use them.

Authors



Scott Crabb
Partner, Perth
T +61 8 9429 7582
scott.crabb@squirepb.com



Richard Shaw
Associate, Perth
T +61 8 9429 7403
richard.shaw@squirepb.com

The opinions expressed in this update are those of the author(s) and do not necessarily reflect the views of the firm, its clients, or any of its or their respective affiliates. This article is for general information purposes and is not intended to be and should not be taken as legal advice.

© Squire Patton Boggs. All Rights Reserved 2026.

72887/11/26