

QUESTION ON NOTICE

Question: 16QW
Member: Thistlethwaite
Topic: ASIC processes to launch initial coin offering
Written

Question:
How does ASIC respond to concerns in the fintech community that ASIC appeared to stifle security token Initial Coin Offerings like the Ethereum Community Fund?

Answer:

- Companies seeking to launch an initial coin offering (ICO) are not required to seek ASIC approval. However, to facilitate this industry, ASIC has provided guidance to industry under *Information Sheet 225: Initial coin offerings and crypto-currency*.
- If a proposed ICO is likely to be an offering of security, the Corporations Act imposes regulatory obligations on company undertaking the ICO including in relation to the documentation that will be provided to retail investors. Where an entity has come to ASIC with questions about an ICO that is likely to be a security offering, ASIC has endeavoured to give guidance to the company and respond in a timely manner.