

Dear Committee Secretary

We understand from AVCAL that you would like us to provide the Committee with percentages of our respective memberships that are foreign owned or would be deemed to be “foreign principals” under the Bill.

You will appreciate that it is difficult for us to comment definitively on the topic without undertaking extensive analysis of the ownership structures of our members and the provisions of the draft Bill.

However, we have undertaken an analysis of our membership (both Full and Supporting members) with a view to determining as requested a foreign ownership linkage.

The outcome is that of our total membership of 112 members, it appears that ultimately 47 members are foreign owned in the sense that they are not Australian domiciled. This means that in the order of 42 percent of our membership falls into this category.

We stress that we are not contending that these entities would be "foreign principals" under the Bill. We would need to undertake as we have said further detailed analysis in order to arrive at this position. However, on its face as the entities are not Australian domiciled there is a risk that they would be so characterised.

Should you require any further information or comment, please do not hesitate to contact us.

Best Regards

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Financial Services Council

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