



PARLIAMENTARY JOINT COMMITTEE ON CORPORATIONS AND FINANCIAL SERVICES

Media release

Statutory inquiry into ASIC, the Takeovers Panel, and the corporations legislation: ASIC licence transfers

11 July 2023

On 10 July 2023, the Parliamentary Joint Committee on Corporations and Financial Services (the committee) presented its report entitled *Statutory oversight of ASIC, the Takeovers Panel and the corporations legislation: ASIC licence transfers*.

Under section 243(a) of the *Australian Securities and Investments Commission Act 2001* (ASIC Act), the committee's duties include inquiring into, and reporting to the Parliament on matters in connection with ASIC, the Takeovers Panel and the corporations legislation. This report is the committee's first statutory oversight report for the 47th Parliament.

The committee's examination of this issue followed media reporting about the cancellation of FTX Australia's Australian Financial Services Licence (AFSL), which it had acquired by taking over a company (IFS Markets) that already held an AFSL. This case raises concerns about the effectiveness of the regulation of transfers of ASIC licences.

This report highlights the committee's concerns over the minimal oversight of the transfer of hundreds of ASIC licenses. The committee is concerned that entities may be able to obtain licences through transfers or changes in control rather than applying through ASIC. The committee is of the view that all high-risk licence transfers should be assessed by ASIC. This report makes four recommendations that seek to place on the public record how prevalent this practice is and understand and mitigate the extent of the risk posed by it.

The committee looks forward to receiving ASIC and the government's responses to its recommendations.

Media inquiries

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For more information about this committee, you can visit its website: https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services. On the site, you can, read submissions, find details of upcoming public hearings, and subscribe to receive email updates by clicking on the blue 'Track this Committee' button on the right-hand side of the page.