

Inquiry	Parliamentary Joint Committee on Corporations and Financial Services, Oversight of the Australian Securities and Investments Commission, the Takeovers Panel and the Corporations Legislation No. 1 of the 46th Parliament
Agency	Australian Securities and Investments Commission
Question No.	009
Reference	Spoken, 18 June 2021, Hansard page reference 39
Committee member	Senator O'Neill

Question

Senator O'NEILL: Mr Kouts says here:

As predicted, a complaint in relation to NUIX.

Why would Mr Kouts say 'as predicted'?

Mr Longo: I'd have to take that on notice.

Senator O'NEILL: What did that mean? Was there already some concern that there would be advice that was negative about Nuix?

Mr Longo: I'm taking that question on notice.

Answer

By the time the first letter from Aperion Law was received by ASIC at 2.10pm on Monday 23 November 2020, the Nuix prospectus had been reviewed in detail by Terence Kouts and a junior staff member and discussions between them had occurred. It was noted during the course of discussions, that prominent litigation disclosures were made in the prospectus. In the team's experience, we do receive reports of misconduct from time to time where a company undergoing an IPO is involved in litigation. We were therefore not surprised to have received a report of misconduct (although the source is anonymous). This was why there was a reference to a prediction in the email referred to above.

Irrespective of the source, we highly value these reports, and review them objectively to determine whether they identify potentially misleading statements or material omissions.