

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates 30 May – 1 June 2006

**Question: bet 103 (ASIC)**

**Topic: Parker Simmonds Securities and Sovereign Capital**

**Hansard Page: E81-82**

**Senator SHERRY asked:**

I can name a particular individual investor, because he has asked me to do so. It is a Mr Parker Simmonds. When did ASIC first receive a complaint in respect to Mr Parker Simmonds of Parker Simmonds Securities?

**Mr Lucy**—We would have to take that on notice.

**Senator SHERRY**—Apparently after three years of operation Parker Simmonds Securities changed its name to Sovereign Capital. Is it correct that Parker Simmonds Securities had action taken against it by ASIC prior to the change to Sovereign Capital?

**Mr Lucy**—Again, we would have to take that on notice.

**Senator SHERRY**—That is apparently relating to misleading information in the prospectus. Was ASIC aware that the directors of Parker Simmonds Securities started up the new company, Sovereign Capital?

**Mr Lucy**—Another one on notice.

**Senator SHERRY**—Can you tell me when Sovereign Capital commenced as a company?

**Mr Lucy**—Again on notice.

**Answer:**

ASIC received a complaint about Parker Simmonds Securities Limited in July 2001.

In 2000, ASIC imposed a condition on the licence of Parker Simmonds Securities Limited requiring it to appoint a compliance consultant. After reviewing the compliance consultant's report, ASIC took no further action.

In 2001, an interim stop order was issued in respect of a prospectus for a Parker Simmonds Securities Limited scheme.

ASIC received notification on 22 May 2003 of a resolution made on 14 April 2003 to change the company's name from Parker Simmonds Securities Limited to Sovereign Capital Limited.

Sovereign Capital Limited was registered as a company on 11 January 1999.