

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates 30 May – 1 June 2006

**Question: bet 109 (ASIC)**

**Topic: Allstate group complaints**

**Hansard Page: E103**

**Senator WONG asked:**

Has ASIC received any complaints in relation to the administrator of the Allstate group?

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

**Senator WONG**—Is it the case that ASIC received complaints regarding the conduct of the administrator some time ago?

**Mr Lucy**—Again, I would have to take that on notice. We have certainly received complaints in respect of Allstate. But as to whether or not it was particularly to do with the administrator, my expectation is that it was. That is my recollection, but I would need to be sure of that.

**Answer:**

Between July 2002 and December 2003, ASIC received complaints about the conduct of the deed administrators of Allstate Explorations NL (Subject to Deed of Company Arrangement) ("**ALX**") and its subsidiaries from ALX shareholders. The complainants raised a number of concerns, however the primary concerns centred on:

- A variation to the deed of company arrangement ("**DOCA**") in March 2002, whereby ALX assigned the balance of intercompany loans owed to it by the subsidiaries, to a secured creditor, Macquarie Bank Limited.
- The information given to creditors by the deed administrators in a report dated 5 March 2002 in relation to the proposed variation to the DOCA.

As a result of those complaints, ASIC commenced an investigation in November 2002.