

**[PS 40]**  
**Policy Statement 40**  
**Registration of liquidators – experience**  
**criteria**

Chapter 9 – Miscellaneous (Part 9.2)

*Issued 14/12/1992*

*Updated 13/12/1993*

*Reissued 10/12/1997*

**Headnotes**

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*Exercise of power to register an applicant as a liquidator under s1282; experience criteria required under s1282(2)(b).*

**Purpose**

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**[PS 40.1]** In this Policy Statement, the ASC sets out the experience criteria required of an applicant seeking registration as a liquidator.

**Background**

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**[PS 40.2]** Before granting an applicant registration as a liquidator, the ASC is required under s1282(2)(b) of the Corporations Law to be satisfied that the applicant has experience in connection with winding up bodies corporate. The applicant must demonstrate to the ASC relevant experience in various types of external corporate administration. A person applying for registration as a liquidator must satisfy the criteria below.

**Experience criteria**

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**[PS 40.3]** An applicant must:

- (a) have had at least five years in public practice;
- (b) have obtained a wide range of experience in external corporate administrations under the direction of an official liquidator for a continuous period of not less than three years, including windings up, receiverships, reconstructions and voluntary administrations; and

- (c) have supervised external corporate administrations on a full-time basis for at least two consecutive years during the five years immediately before the date of the application.

This experience will be taken into account whether under the Corporations Law or the previous law and whether or not those periods were overlapping or concurrent.

**[PS 40.4]** The ASC will also accept experience which is equivalent to the experience specified in [PS 40.3]. In particular, where an applicant has previously been registered as a liquidator, the ASC will take into account the applicant's previous experience in external administrations prior to the five-year period immediately preceding the application. However, this is not to say that equal weight will be given to experience gained in that prior period.

**[PS 40.5]** The ASC will not adopt a lesser standard for applicants wishing to restrict their practice to a particular geographical location, for instance, conducting a provincial rather than a capital city practice. As s1282 does not give the ASC power to impose conditions on approval, such as restricting the applicant's practice to particular areas, a registered liquidator is entitled to practise anywhere in Australia. Accordingly, the ASC will not apply less stringent experience criteria notwithstanding the applicant's stated intention to conduct a provincial practice only.

## **Applications**

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**[PS 40.6]** An application for registration as a liquidator may be lodged at any ASC regional office. All applications must be accompanied by the appropriate fee.