



Corporate Law Reform Act 1994

No. 31 of 1994

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OPERATION OF CERTAIN PROVISIONS

Note: An index of the amendments of the Corporations Law made by Schedules 1 to 5 appears at the
end of this Act



Corporate Law Reform Act 1994

No. 31 of 1994

An Act to amend the Corporations Law and the *Australian Securities Commission Act 1989*

[Assented to 4 March 1994]

The Parliament of Australia enacts:

PART 1—PRELIMINARY

Short title

1. This Act may be cited as the *Corporate Law Reform Act 1994*.

Commencement

2.(1) Parts 1, 2 and 3 and Schedule 5 commence on the day on which this Act receives the Royal Assent.

Note: Part 2 refers to Schedules 1 to 6. Schedule 5 commences under this subsection. The amendments made by the other Schedules commence under subsections (2) and (3).

(2) Subject to subsection (3), the items, and paragraphs of items, of Schedules 1, 2, 3, 4 and 6 commence on a day or days to be fixed by Proclamation.

(3) If an item, or a paragraph of an item, does not commence under subsection (2) within the period of 6 months beginning on the day on which this Act receives the Royal Assent, it commences on the first day after the end of that period.

PART 2—AMENDMENTS OF THE CORPORATIONS LAW

Corporations Law

3. In this Part:

“**Corporations Law**” means the Corporations Law set out in section 82 of the *Corporations Act 1989*¹.

Schedule 1—amendments relating to enhanced disclosure

4. Schedule 1 amends the Corporations Law to:

- (a) enhance the level of information available about certain securities; and
- (b) in relation to certain quoted securities, provide for less comprehensive prospectus requirements than apply in relation to other securities; and
- (c) make consequential changes.

Schedule 2—amendments relating to fundraising

5. Schedule 2 amends the Corporations Law to:

- (a) change the requirements for secondary trading in securities by removing the requirement for a prospectus and replacing it with a requirement for a notice; and
- (b) change the law about supplementary prospectuses and provide for replacement prospectuses; and
- (c) change the law about incorporating documents by reference in prospectuses; and
- (d) make consequential or miscellaneous changes to the law relating to fundraising.

Note: Schedule 1 also includes amendments of some fundraising provisions—see items 93 and 94 of that Schedule.

Schedule 3—amendments relating to indemnifying or insuring an officer or auditor of a company

6. Schedule 3 amends the Corporations Law to change the law about indemnifying or insuring an officer or auditor of a company, in particular, by expanding the circumstances in which indemnification or insurance is allowed.

Schedule 4—amendment relating to use, in court proceedings, of information from Commission’s national database

7. Schedule 4 amends the Corporations Law to facilitate the use, as evidence in court proceedings, of information in the national companies database kept by the Australian Securities Commission.

Schedule 5—amendment relating to application of changes made by this Act

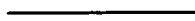
8. Schedule 5 amends the Corporations Law to deal with the application of the other amendments of the Corporations Law made by this Act.

PART 3—AMENDMENTS OF THE AUSTRALIAN SECURITIES COMMISSION ACT 1989

Schedule 6—amendments relating to disclosure of information and advice about operation of certain provisions

9. Schedule 6 amends the *Australian Securities Commission Act 1989*² to:

- (a) provide for the disclosure of information, by the Australian Securities Commission, to bodies that conduct stock markets, futures markets or clearing houses; and
- (b) require the Minister to request the advice of the Companies and Securities Advisory Committee about how effectively certain provisions are operating.



SCHEDULE 1

Section 4

**AMENDMENTS OF THE CORPORATIONS LAW RELATING TO
ENHANCED DISCLOSURE**

PART 1—GENERAL

- 1. Section 9 (definition of “board”):**
Omit “body corporate” (wherever occurring), substitute “body”.
- 2. Section 9 (paragraph (b) of the definition of “class”):**
Insert “or prescribed interests” after “shares”.
- 3. Section 9 (paragraph (a) of the definition of “company”):**
Omit “the definition of ‘financial year’ and sections”, substitute “sections 70A,”.
- 4. Section 9 (definition of “consolidated accounts”):**
Omit “company” (wherever occurring), substitute “body”.
- 5. Section 9 (definition of “debenture”):**
Omit “body corporate” (wherever occurring), substitute “body”.
- 6. Section 9 (definition of “financial statements”):**
Omit “body corporate” (wherever occurring), substitute “body”.
- 7. Section 9 (definition of “profit and loss account”):**
 - (a) Omit “or body” (first occurring), substitute “, a body, or an undertaking to which prescribed interests relate,”.
 - (b) Omit “or body” (second occurring), substitute “, body or undertaking”.
- 8. Section 9 (definition of “share”):**
Omit “body corporate”, substitute “body”.
- 9. Section 9 (definitions of “accounts”, “applicable accounting standard”, “body”, “deadline” and “financial year”):**
Omit the definitions, substitute:
“‘accounts’:
 - (a) in relation to an entity within the meaning of Parts 3.6 and 3.7, means, in this Part and those Parts:
 - (i) a profit and loss account of the entity for a period; and
 - (ii) a balance-sheet of the entity as at the end of that period; and

SCHEDULE 1—continued

- (iii) statements, reports and notes, other than a directors' report or an auditor's report, attached to, or intended to be read with, that profit and loss account or balance-sheet; or
- (b) in relation to an undertaking to which prescribed interests relate, means, in this Part and Division 11 of Part 3.6:
 - (i) a profit and loss account of the undertaking for a period; and
 - (ii) a balance-sheet of the undertaking as at the end of that period; and
 - (iii) statements, reports and notes, other than a trustee's report or an auditor's report, attached to, or intended to be read with, that profit and loss account or balance-sheet;

'applicable accounting standard':

- (a) in relation to, or in relation to accounts or consolidated accounts forming part of, a body's financial statements for an accounting period, means an accounting standard that, when the financial statements are made out:
 - (i) applies to that accounting period; and
 - (ii) is relevant to the accounts; or
- (b) in relation to accounts, for an accounting period, of an undertaking to which prescribed interests relate, means an accounting standard that, when the accounts are made out:
 - (i) applies to that accounting period; and
 - (ii) is relevant to the accounts;

'body' means a body corporate or an unincorporated body and includes, for example, a society or association;

'deadline', in relation to an accounting period of a body or an undertaking to which prescribed interests relate, has the meaning given by section 58C;

'financial year' has the meaning given by section 70A;”.

10. Section 9:

Insert:

“ **'accounting period'** has the meaning given by subsections 50A(1), (2), (3) and (4);

'audited or reviewed in accordance with this Law', in relation to accounts or financial statements, has the meaning given by section 53AAA;

'disclosing entity' has the meaning given by section 111AC;

'ED securities' has the meaning given by section 111AD;

'half-year' has the meaning given by subsection 50A(5);

'listed disclosing entity' has the meaning given by subsection 111AL(1);

SCHEDULE 1—continued

‘quoted ED securities’ has the meaning given by section 111AM;

‘undertaking’ means:

- (a) when used in relation to a prescribed interest—the undertaking, scheme, enterprise, contract or arrangement to which the prescribed interest relates; and
- (b) when used in Division 1 of Part 3.6—an undertaking, scheme, enterprise, contract or arrangement to which prescribed interests relate;

‘unlisted disclosing entity’ has the meaning given by subsection 111AL(2);”.

11. After section 50:

Insert in Division 7 of Part 1.2:

Accounting periods and half-years

“50A.(1) A financial year of a company is an **accounting period** of the company.

“(2) The first 6 months of a financial year of a company is an **accounting period** of the company if the company is a disclosing entity at the end of those 6 months. However, if at the end of 75 days after those 6 months, the company is no longer a disclosing entity, those 6 months are taken not to be, and never to have been, an accounting period of the company.

“(3) A financial year of a body that is not a company, or of an undertaking to which prescribed interests relate, is an **accounting period** of the body or undertaking if the body or undertaking is a disclosing entity at the end of the financial year. However, if at the end of 90 days after the financial year, the body or undertaking is no longer a disclosing entity, the financial year is taken not to be, and never to have been, an accounting period of the body or undertaking.

“(4) The first 6 months of a financial year of a body that is not a company, or of an undertaking to which prescribed interests relate, is an **accounting period** of the body or undertaking if the body or undertaking is a disclosing entity at the end of those 6 months. However, if at the end of 75 days after those 6 months, the body or undertaking is no longer a disclosing entity, those 6 months are taken not to be, and never to have been, an accounting period of the body or undertaking.

“(5) An accounting period of the kind referred to in subsection (2) or (4) is a **half-year**.”.

12. After section 53:

Insert:

SCHEDULE 1—continued

Audited or reviewed in accordance with this Law

“53AAA. Accounts or financial statements are taken to be audited or reviewed in accordance with this Law if the requirements of Division 2 of Part 3.7 are complied with in relation to the accounts or financial statements.”.

13. Section 57:

Add at the end:

“(2) If the prescribed interests to which an undertaking relates are not divided into 2 or more classes, they constitute a class.”.

14. After section 58B:

Insert:

Deadline after an accounting period

“58C.(1) This section defines the **deadline** after an accounting period of a body or an undertaking to which prescribed interests relate.

“(2) If the accounting period is a financial year of a company that is not a disclosing entity at the end of the financial year, then, subject to subsection (3), the **deadline** after the accounting period is the end of the 14th day before the last day of the period (the ‘**meeting period**’) within which section 245 requires the company to hold an annual general meeting in relation to the financial year.

“(3) If:

- (a) before the end of the meeting period, the company holds an annual general meeting in relation to the financial year; and
- (b) notice of the meeting was sent, at least 14 days before the last day of the meeting period, to persons entitled to receive notice of general meetings of the company;

the **deadline** after the accounting period is:

- (c) if notice of the meeting was so sent at least 14 days before the day of the meeting—the end of the 14th day before that day; or
- (d) otherwise—the time when notice of the meeting was so sent.

“(4) If the accounting period is an accounting period of a body or undertaking that is a disclosing entity at the end of the period, the **deadline** after the accounting period is:

- (a) if the accounting period is a financial year—the end of 90 days after the accounting period; or
- (b) if the accounting period is a half-year—the end of 75 days after the accounting period.”.

SCHEDULE 1—continued

15. Subsection 60(1):

Omit “body corporate” (wherever occurring), substitute “body”.

16. Paragraph 60(1)(c):

After “incorporated” insert “or formed”.

17. Subparagraph 60(1)(c)(iii):

Omit “act; and”, substitute “act.”.

18. Paragraph 60(1)(d):

Omit the paragraph.

19. Paragraph 60(2)(a):

Omit “body corporate’s”, substitute “body’s”.

20. Paragraph 60(2)(b):

(a) Omit “body corporate”, substitute “body”.

(b) After “incorporated” insert “or formed”.

21. Section 60:

Add at the end:

“(3) For the purposes of subsection (1), if there are no positions of director (by whatever name called) in relation to a body, the reference in paragraph (1)(a) to a position of director of the body is a reference to a position the holder of which has control, or shares control, over the general conduct of the affairs of the body.”.

22. After section 70:

Insert:

Financial years of bodies, other entities and prescribed interest undertakings

“70A.(1) A **financial year** of a body is any of the following periods, whether ending before, at or after the commencement of this section:

(a) if the body is a company—a period of 12 months, or such other period of not more than 18 months as the directors resolve, beginning:

(i) if there has been no previous financial year of the body—on the day of the body’s incorporation; or

(ii) otherwise—at the end of the previous financial year;

(b) if the body has been, but is no longer, a company—a period that:

SCHEDULE 1—continued

- (i) ended at a time when the body was a company; and
- (ii) was a financial year of the body for the purposes of this Law as in force at that time;
- (c) in any case—a period that:
 - (i) ended at a time when the body was not a company but was a company for the purposes of a corresponding previous law; and
 - (ii) was a financial year of the body for the purposes of that law as in force at that time;
- (d) in any case—a period that:
 - (i) ended at a time when the body was neither a company, nor a company for the purposes of a corresponding previous law; and
 - (ii) in respect of which a profit and loss account was made out or was required by the law of the body's incorporation or formation as at that time to be made out.

Notes relating to paragraph (a):

1. Another period, as resolved by the directors, may be longer or shorter than 12 months (but not longer than 18 months).
2. The power of the directors to resolve another period is subject to the requirements of section 245 as to the holding of annual general meetings of the body.
3. The directors' resolution counts even if it is made when the body is not a company.

“(2) A **financial year** of an entity, within the meaning of Parts 3.6 and 3.7, that is not a body is a period, whether ending before, at or after the commencement of this section, in respect of which:

- (a) a profit and loss account of the entity was made out; or
- (b) a law of the Commonwealth or of a State or Territory required a profit and loss account of the entity to be made out.

“(3) A **financial year** of an undertaking to which prescribed interests relate is a period of 12 months that ends, whether before, at or after the commencement of this section, on:

- (a) 30 June; or
- (b) if there is a deed in relation to the prescribed interests and the deed specifies another day instead of 30 June—the day so specified.

“(4) In this section, a reference to a profit and loss account does not include a reference to a profit and loss account for a half-year of a disclosing entity.”.

23. Subsection 83(2):

Add at the end:

“; or (c) subsection 317A(1).”.

SCHEDULE 1—continued

24. Paragraph 92(1)(b):

Omit “body corporate or an unincorporated body”, substitute “body”.

25. Subsection 92(2):

Omit “body corporate”, substitute “body”.

26. After Part 1.2:

Insert:

“PART 1.2A—DISCLOSING ENTITIES

“Division 1—Object of Part

Object of Part

“111AA. The object of this Part is:

- (a) to define ‘disclosing entity’ and other key terms relevant to disclosing entities (this is done in Division 2); and
- (b) to outline the significance for this Law of being a disclosing entity (this is done in Division 3); and
- (c) to provide for exemptions from, and modifications of, the special requirements imposed by this Law in relation to disclosing entities (this is done in Division 4).

“Division 2—Definitions

Terms defined in Division

“111AB. This Division contains definitions of the following terms:

- (a) disclosing entity (section 111AC);
- (b) ED securities (section 111AD);
- (c) ED securities of a disclosing entity (section 111AK);
- (d) listed disclosing entity (subsection 111AL(1));
- (e) quoted ED securities (section 111AM);
- (f) unlisted disclosing entity (subsection 111AL(2)).

Disclosing entity

“111AC.(1) If any securities of a body (except prescribed interests and units of prescribed interests) are ED securities, the body is a **disclosing entity** for the purposes of this Law.

“(2) If any prescribed interests or units of prescribed interests are ED securities, the undertaking to which the interests relate is a **disclosing entity** for the purposes of this Law.

SCHEDULE 1—continued

ED securities

“111AD.(1) Securities of a body are **ED securities** (short for ‘enhanced disclosure securities’) for the purposes of this Law if, and only if:

- (a) they are ED securities under section 111AE, 111AF, 111AG or 111AI; and
- (b) they are not declared under section 111AJ not to be ED securities.

“(2) For the purposes of sections 111AE, 111AF, 111AG and 111AI, a class of shares, debentures or prescribed interests is taken to include units of shares, debentures or prescribed interests in that class.

Securities quoted on a stock market

“111AE.(1) Securities in a class of securities of a body are **ED securities** if securities in that class are quoted on a stock market of a securities exchange.

“(2) Subsection (1) does not apply to securities of a body if:

- (a) the body is a public authority of the Commonwealth or an instrumentality or agency of the Crown in right of the Commonwealth; and
- (b) the only securities of the body that are quoted as mentioned in subsection (1) are debentures; and
- (c) both the repayment of principal, and the payment of interest, in respect of those debentures is guaranteed by the Commonwealth.

“(3) Subsection (1) does not apply to securities of a body that is:

- (a) a public authority of a State or Territory; or
- (b) an instrumentality or agency of the Crown in right of a State or Territory.

Securities to which lodged or deemed prospectus relates

“111AF.(1) Securities (except debentures) in a class of securities of a body are **ED securities** if:

- (a) either:
 - (i) a prospectus in relation to securities in that class has been lodged under Part 7.12 or a corresponding previous law; or
 - (ii) a document relating to securities in that class has been taken to be a prospectus because of section 1030 or a corresponding previous law; and
- (b) securities in that class have been issued pursuant to the prospectus; and
- (c) after an issue of securities in that class pursuant to the prospectus, 100 or more persons held securities in that class; and

SCHEDULE 1—continued

- (d) securities in that class have been held by 100 or more persons at all times since the issue of securities referred to in paragraph (c).

“(2) In this section:

‘**corresponding previous law**’ does not include a law, or part of a law, in force before 1 July 1982 (which is when the *Companies Act 1981* commenced).

Securities issued as consideration for an acquisition under a takeover scheme or Part 5.1 compromise or arrangement

“111AG.(1) Securities (except debentures) in a class of securities of a body are **ED securities** if:

- (a) securities in that class have been issued by the body as consideration for the acquisition of shares pursuant to a takeover scheme as defined in section 603 or a corresponding previous law; and
- (b) after an issue of securities in that class pursuant to the takeover scheme, 100 or more persons held securities in that class; and
- (c) securities in that class have been held by 100 or more persons at all times since the issue of securities referred to in paragraph (b).

“(2) Securities in a class of securities of a body are **ED securities** if:

- (a) securities in that class have been issued as consideration for the acquisition or cancellation of securities of another body pursuant to a compromise or arrangement under Part 5.1 or a corresponding previous law; and
- (b) securities in that class, or those or any other securities of the other body, were ED securities immediately before securities in that class were first issued pursuant to the compromise or arrangement; and
- (c) after an issue of securities in that class pursuant to the compromise or arrangement, 100 or more persons held securities in that class; and
- (d) securities in that class have been held by 100 or more persons at all times since the issue of securities referred to in paragraph (c).

“(3) In this section:

‘**corresponding previous law**’:

- (a) when used in subsection (1), does not include a law, or part of a law, in force before 1 July 1981 (which is when the *Companies (Acquisition of Shares) Act 1980* commenced); and
- (b) when used in subsection (2), does not include a law, or part of a law, in force before 1 July 1982 (which is when the *Companies Act 1981* commenced).

SCHEDULE 1—continued

When a person holds securities for the purposes of sections 111AF and 111AG

“111AH.(1) For the purposes of sections 111AF and 111AG, a person holds securities if, and only if:

- (a) the person is registered as the holder of the securities in a register under section 209, 215, 1047 or 1070; or
- (b) the person is entitled to be so registered.

“(2) For the purposes of sections 111AF and 111AG, joint holders of securities count as one person.

Debentures in relation to which section 1052 requires a trustee

“111AI. Debentures of a borrowing corporation are **ED securities** if:

- (a) a trustee for the holders of the debentures has been appointed as required by section 1052; or
- (b) that section requires such a trustee to be appointed.

Regulations may declare securities not to be ED securities

“111AJ.(1) The regulations may declare specified securities of bodies not to be ED securities.

“(2) Regulations in force for the purposes of subsection (1) have effect accordingly, despite anything else in this Division.

ED securities of a disclosing entity

“111AK. For the purposes of this Law, ED securities because of which (having regard to section 111AC) a disclosing entity is such an entity are ED securities of the entity.

Listed or unlisted disclosing entity

“111AL.(1) For the purposes of this Law, a disclosing entity is a **listed disclosing entity** if all or any ED securities of the entity are quoted ED securities.

“(2) For the purposes of this Law, a disclosing entity that is not a listed disclosing entity is an **unlisted disclosing entity**.

Quoted ED securities

“111AM. For the purposes of this Law, ED securities are **quoted ED securities** if they are ED securities because of section 111AE.

“Division 3—Significance of being a disclosing entity

Division contains outline of significance of being a disclosing entity

“111AN. This Division outlines the significance for this Law of being a disclosing entity.

SCHEDULE 1—continued

Accounting requirements

“111AO.(1) A disclosing entity has both half-year and full-year accounting periods (see section 50A).

“(2) The accounting and other associated requirements to be complied with in relation to an accounting period of a disclosing entity are set out in:

- (a) if the entity is a company—Part 3.6 (other than Divisions 10 and 11);
and
- (b) if the entity is a body that is not a company—Division 10 of Part 3.6;
and
- (c) if the entity is an undertaking to which prescribed interests relate—Division 11 of Part 3.6.

Note relating to paragraph (a): Part 3.6 (other than Divisions 10 and 11) also applies to companies that are not disclosing entities. However, these companies have only full-year accounting periods.

Continuous disclosure requirements

“111AP.(1) A disclosing entity is subject to the continuous disclosure requirements of sections 1001A and 1001B.

“(2) Section 1001A applies to listed disclosing entities and requires them to comply with certain obligations in the listing rules of a securities exchange requiring the notification of information.

“(3) Section 1001B applies to unlisted disclosing entities and requires them to lodge documents containing information.

Prospectus relief

“111AQ. Section 1022AA applies (subject to certain qualifications) to prospectuses for quoted ED securities of disclosing entities. The section’s requirements for the content of prospectuses are less comprehensive than those that apply to other prospectuses under section 1022.

“Division 4—Exemptions and modifications

Meaning of “disclosing entity provisions”

“111AR.(1) For the purposes of this Division, the **disclosing entity provisions** are the provisions of the following:

- (a) Parts 3.6 and 3.7 as they apply in relation to companies that are disclosing entities;
- (b) Parts 3.6 and 3.7 and section 287 as they apply because of section 323A;
- (c) Division 11 of Part 3.6;
- (d) sections 1001A and 1001B;

SCHEDULE 1—continued

(e) paragraphs 1069(1)(ea) and (f) as they apply to deeds relating to prescribed interests that are ED securities.

“(2) A reference in subsection (1) to a Part, Division or section includes a reference to regulations in force for the purposes of the Part, Division or section.

Exemptions by regulations

“111AS.(1) The regulations may exempt specified persons from all or specified disclosing entity provisions:

- (a) either generally or as otherwise specified; and
- (b) either unconditionally or subject to specified conditions.

“(2) Without limiting subsection (1), an exemption may relate to specified securities.

Exemptions by the Commission

“111AT.(1) The Commission may, by writing, exempt specified persons from all or specified disclosing entity provisions:

- (a) either generally or as otherwise specified; and
- (b) either unconditionally or subject to specified conditions.

“(2) Without limiting subsection (1), an exemption may relate to specified securities.

“(3) The Commission must cause a copy of an exemption to be published in the *Gazette*.

Enforcing conditions of exemptions

“111AU.(1) A person must not intentionally or recklessly contravene a condition to which an exemption under section 111AS or 111AT is subject.

“(2) If a person contravenes such a condition, the Court may, on the application of the Commission, order the person to comply with the condition.

Modifications by regulations

“111AV.(1) The regulations may make modifications of all or specified disclosing entity provisions.

“(2) Without limiting subsection (1), a modification may relate to specified securities.

Exemptions and modifications have effect

“111AW. Exemptions and modifications under this Division have effect accordingly.

SCHEDULE 1—continued

Effect of Division

“111AX. Nothing in this Division limits, or is limited by, any other exemption or modification power (for example, section 313 or 1084).”.

27. Subsection 284(1):

Omit the subsection.

28. Subsection 284(3):

Omit the subsection, substitute:

“(3) Without limiting the generality of subsection (2), an accounting standard’s application may be limited to specified bodies or undertakings.”.

29. Paragraph 285(1)(a):

Omit “financial year of a body corporate”, substitute “accounting period of a body or undertaking”.

30. Paragraph 285(1)(b):

Omit the paragraph, substitute:

“(b) later accounting periods of the body or undertaking.”.

31. Subsection 285(2):

Omit “a financial year of a body corporate”, substitute “an accounting period of a body or undertaking”.

32. Subsection 285(3):

(a) Omit “A company’s directors”, substitute “A body or undertaking”.

(b) Omit “financial year of the company shall apply to that financial year”, substitute “accounting period of the body or undertaking is to apply to that accounting period”.

33. After subsection 285(3):

Insert:

“(3A) An election under subsection (3) is to be made:

(a) in relation to a body—by the directors of the body; or

(b) in relation to an undertaking—by the trustee or representative.”.

34. After section 285:

Insert:

Accounting standards to be made for the purposes of this Part and Part 3.7

“285A. Nothing in this Division is to be taken to allow the making of accounting standards otherwise than for the purposes of this Part and Part 3.7.”.

SCHEDULE 1—continued

35. Subparagraph 289(1)(b)(ii):

Insert “or reviewed” after “audited”.

36. Section 292:

Omit “A”, substitute “Subject to section 293A, a”.

37. Section 293:

Omit “A”, substitute “Subject to section 293A, a”.

38. After section 293:

Insert:

Sections 292 and 293 do not apply to half-year of chief entity

“293A.(1) Sections 292 and 293 do not apply to a half-year of a company if the company is a chief entity in relation to that half-year.

“(2) However, subsections 294(2), (3) and (4) apply to that half-year:

(a) as if the reference in subsection 294(1) to a company’s accounts being made out under sections 292 and 293 in relation to an accounting period were instead a reference to the company’s directors causing to be made out a consolidated profit and loss account and consolidated balance-sheet under sections 295A and 295B in relation to that half-year; and

(b) subject to such modifications (if any) as are prescribed.”.

39. Subsections 294A(1) and 294B(1):

Omit “financial years”, substitute “accounting periods”.

40. Section 295B:

Omit “year’s” (wherever occurring), substitute “period’s”.

41. Subsection 296(1):

Omit “as required by this Part”, substitute “or reviewed in accordance with this Law”.

42. Subsection 296(2):

Add at the end “or (3)”.

43. Paragraph 300(1)(a):

Omit “current year amount”, substitute “**current period amount**”.

44. Paragraph 300(1)(b):

Omit the paragraph, substitute:

SCHEDULE 1—continued

“(b) that section required the company’s financial statements for a previous accounting period to specify an amount that, within the meaning of an applicable accounting standard, is a corresponding amount in relation to the current period amount;”.

45. Paragraphs 300(1)(c) and (d):

Omit “year”, substitute “period”.

46. Subsection 300(2):

Omit “or a corresponding previous law”.

47. Paragraph 300(2)(b):

Omit “or corresponding previous law”.

48. Before subsection 301(1):

Insert:

“(1A) This section applies to a company and an accounting period unless the accounting period is a half-year in relation to which the company is a chief entity.”.

49. Subsection 301(1):

(a) Omit “A”, substitute “The”.

(b) Omit “a financial year”, substitute “the accounting period”.

50. Paragraph 301(9)(c):

Insert “or reviewed” after “audited”.

51. Subsection 303(1):

Insert “section 302,” after “section 301,”.

52. Subsection 304(1):

Omit the subsection, substitute:

“(1) The directors of a company that is not a chief entity in relation to an accounting period must cause to be made out a report complying with this Division, other than section 305.

“(1A) If the accounting period is a financial year of a company:

(a) that was not a disclosing entity at the end of that financial year; and

(b) that was, at the end of that financial year, an exempt proprietary company or a wholly-owned subsidiary of another company or of a recognised company;

the report need not comply with subsections (3A), (3B), (10) and (11).”.

SCHEDULE 1—continued

53. After subsection 304(3):

Insert:

“(3A) The report must contain a review of the company’s operations during the accounting period and of the results of those operations.

“(3B) The report must give particulars of any significant change in the company’s state of affairs that occurred during that accounting period.

“(3C) If the accounting period is a financial year, the report must also comply with subsections (4), (5), (6), (7), (10) and (11).”.

54. Subsections 304(4), (5), (6), (7), (10) and (11):

Omit “The report shall”, substitute “If subsection (3C) applies, the report must”.

55. Subsections 304(8) and (9):

Omit the subsections.

56. Subsection 305(1):

Omit the subsection, substitute:

“(1) The directors of a company that is a chief entity in relation to an accounting period must cause to be made out a report complying with this Division, other than section 304.

“(1A) If the accounting period is a financial year of a company:

- (a) that was not a disclosing entity at the end of that financial year; and
- (b) that was an exempt proprietary company at the end of that financial year;

the report need not comply with subsections (3A), (3B), (10) and (11).”.

57. After subsection 305(3):

Insert:

“(3A) The report must contain a review of:

- (a) the operations, during the accounting period, of the economic entity constituted by the company and the entities it controlled from time to time during the accounting period (even if the company did not control the same entities throughout the accounting period); and
- (b) the results of those operations.

“(3B) The report must give particulars of any significant change in the state of affairs of the economic entity referred to in paragraph (3A)(a) that occurred during the accounting period.

SCHEDULE 1—continued

“(3C) If the accounting period is a financial year, the report must also comply with subsections (4), (5), (6), (7), (10) and (11).”.

58. Subsections 305(4) and (5):

Omit “The”, substitute “If subsection (3C) applies, the”.

59. Subsections 305(6) and (7):

Omit “The report shall”, substitute “If subsection (3C) applies, the report must”.

60. Subsections 305(8), (9) and (9A):

Omit the subsections.

61. Subsections 305(10) and (11):

Omit “The”, substitute “If subsection (3C) applies, the”.

62. Section 305:

Add at the end:

“(12) If the company controlled a particular entity throughout some, but not all, of the accounting period, the report need not relate to the entity’s activities, operations or state of affairs during a period throughout which the company did not control it, or to the results of such operations.”.

63. Section 306:

Omit all the words from and including “If” to and including “included:”, substitute “If the directors believe, on reasonable grounds, that to include in the report particular information that subsection 304(11) or 305(11) requires would be likely to result in unreasonable prejudice to the company:”.

64. Paragraph 306(a):

Omit “first-mentioned”.

65. Subsection 308(1):

Omit the subsection, substitute:

“(1) If:

(a) the accounting period is a financial year; and

(b) subsection 304(1) applies;

this section applies in relation to the company.”.

66. Subsection 308(2):

Omit all the words from and including “If” to and including “that:”, substitute:

SCHEDULE 1—continued

“If:

(aa) the accounting period is a financial year; and

(ab) subsection 305(1) applies;

this section applies in relation to each body corporate that:”.

67. Subsection 309(1):

Omit “other financial year”, substitute “other accounting period”.

68. Subsections 312(1) and (2):

Omit “particular financial year”, substitute “particular accounting period”.

69. Subsection 313(1):

After “audit” insert “or review”.

70. Subsection 317(1) (definition of “financial year”):

Omit “under this Part”, substitute “or reviewed in accordance with this Law”.

71. After section 317:

Insert:

Lodgment of accounts etc. by companies that are disclosing entities

“317A.(1) A company that was a disclosing entity at the end of an accounting period must lodge copies of the following documents before the deadline after the accounting period:

(a) the company’s financial statements for the accounting period;

(b) the statement or statements that Division 5 requires in relation to the accounting period;

(c) the report that Division 6 requires in relation to the accounting period;

(d) the report about the financial statements that section 331A requires from the company’s auditor.

“(2) If the company was a borrowing corporation at the end of the accounting period, copies of the documents referred to in subsection (1) must also be given to the trustee (if any) for the holders of the debentures before the deadline after the accounting period.”.

72. After Division 9 of Part 3.6:

Insert in Part 3.6:

SCHEDULE 1—continued

“Division 10—Accounts of certain non-companies

Application of provisions to disclosing entities that are not companies or undertakings

“323A.(1) In this section:

‘applied provisions’ means:

- (a) the provisions of Divisions 3 to 7 (inclusive) of this Part; and
- (b) the provisions of Part 3.7 and section 287; and
- (c) the provisions of the regulations made for the purposes of any of the provisions referred to in paragraphs (a) and (b).

“(2) The applied provisions apply in relation to a disclosing entity that is a body (other than a company) incorporated or formed in this jurisdiction:

- (a) with prescribed modifications (if any); and
- (b) as if references in the provisions to a company included references to such a disclosing entity.

“(3) Except where the contrary intention appears, or the context otherwise requires:

- (a) a reference in this Law to an applied provision includes a reference to that provision as it applies because of this section; and
- (b) for the purposes of a reference in this Law to a Chapter, Part, Division or other group of provisions of this Law that includes some of the applied provisions, the Chapter, Part, Division or other group is taken to include those applied provisions as they apply because of this section.

“Division 11—Accounts in relation to disclosing entities that are prescribed interest undertakings

Introduction

“323B.(1) This Division deals with various accounting and reporting requirements to be complied with in relation to a disclosing entity that is an undertaking to which prescribed interests relate.

“(2) In this Division:

- (a) the trustee or representative in relation to the prescribed interests is referred to as the **trustee**; and
- (b) the management company in relation to the prescribed interests is referred to as the **manager**.

SCHEDULE 1—continued

Profit and loss account

“323C. Before the deadline after the accounting period, the trustee must prepare, or cause to be prepared, a profit and loss account for that period that gives a true and fair view of the profit or loss for that period resulting from the operations of the undertaking.

Balance-sheet

“323D. Before the deadline after the accounting period, the trustee must prepare, or cause to be prepared, a balance-sheet as at the end of that period that gives a true and fair view of the state of affairs of the undertaking as at the end of that period.

Accounts to comply with regulations

“323E. The trustee must ensure that the accounts comply with such of the prescribed requirements as are relevant to the accounts.

Accounts to comply with applicable accounting standards

“323F. Subject to section 323E, the trustee must ensure that the accounts are prepared in accordance with applicable accounting standards.

Additional information to give a true and fair view

“323G. If the accounts, as prepared in accordance with sections 323E and 323F, would not otherwise give a true and fair view of the matters with which this Division requires them to deal, the trustee must add, or cause to be added, such information and explanations as will give a true and fair view of those matters.

Audit or review of accounts

“323H.(1) The trustee must take reasonable steps to ensure that, before the deadline after the accounting period, a registered company auditor gives to the trustee a written report:

- (a) stating that the accounts have been audited; and
- (b) stating whether or not, as a result of that audit, in the auditor’s opinion, the accounts are properly drawn up:
 - (i) so as to give a true and fair view of the matters with which this Division requires them to deal; and
 - (ii) in accordance with this Law; and
 - (iii) in accordance with applicable accounting standards; and
- (c) if the auditor is of the opinion that the accounts are not so drawn up—stating the auditor’s reasons for that opinion; and

SCHEDULE 1—continued

(d) if the auditor is of the opinion that the accounts are not drawn up in accordance with a particular applicable accounting standard—giving particulars of the quantified financial effect on the accounts of failing to draw them up in accordance with that accounting standard.

“(2) If the accounting period is a half-year, the report may instead:

- (a) state whether, as a result of a review of the accounts, any matter has come to the auditor’s attention that causes the auditor to believe that they are not drawn up as mentioned in subsection (1); and
- (b) if a matter or matters have so come to the auditor’s attention that cause the auditor so to believe—include a description of the matter or matters and a statement of the auditor’s reasons for that belief.

“(3) The trustee must cause the auditor’s report to be attached to, or endorsed on, the accounts.

Trustee’s report for accounting period

“323J. The trustee must prepare, or cause to be prepared, a report:

- (a) containing a review of the operations of the undertaking during the accounting period and of the results of those operations; and
- (b) giving particulars of any significant change in the state of affairs of the undertaking that occurred during the accounting period.

Lodging accounts etc.

“323K.(1) The manager must lodge a copy of each of the following:

- (a) the accounts that sections 323C and 323D require;
- (b) the auditor’s report on those accounts given under section 323H;
- (c) the report that section 323J requires.

“(2) If the accounting period is a financial year, the manager must lodge the copies together with the return that section 1071 requires in relation to that financial year.

“(3) Otherwise, the manager must lodge the copies before the deadline after the accounting period.

Regulations may make additional provision

“323L.(1) The regulations may make provision, in relation to:

- (a) prescribed interests that are ED securities; or
- (b) without limiting paragraph (a), accounting periods of undertakings to which prescribed interests relate;

for matters of a kind dealt with in any of the provisions of section 287, Divisions 2 to 8 (inclusive) of this Part and Part 3.7.

SCHEDULE 1—continued

“(2) The regulations may also make provision for lodging, or for sending to the holders of prescribed interests, documents prepared under regulations in force for the purposes of subsection (1).”.

73. Subsection 331A(1):

Omit “to the company’s members”.

74. Paragraph 331A(1)(a):

Omit the paragraph, substitute:

“(a) the company’s financial statements for an accounting period; and”.

75. After subsection 331A(1):

Insert:

“(1A) If the accounting period is a financial year, the report is to be a report to the company’s members.”.

76. Subsection 331A(2):

Omit “The”, substitute “If the accounting period is a financial year at the end of which the company was not a disclosing entity, the”.

77. Section 331A:

Add at the end:

“(3) If the company was a disclosing entity at the end of the accounting period, the auditor must give the report to the company’s directors soon enough for them to comply with section 317A.”.

78. After section 331A:

Insert:

Requirements for auditor’s report

“331AA.(1) Subject to this section, sections 331B, 331C, 331D and 331E must be complied with in relation to the report.

“(2) If the accounting period is a half-year, the report may instead:

- (a) state whether, as a result of a review of the financial statements, any matter has come to the auditor’s attention that causes the auditor to believe that they are not drawn up as mentioned in subsection 331B(1); and
- (b) if a matter or matters have so come to the auditor’s attention that cause the auditor so to believe—include a description of the matter or matters and a statement of the auditor’s reasons for that belief.

SCHEDULE 1—continued

“(3) If the report complies with subsection (2), sections 331B, 331C, 331D and 331E do not apply to the report.”.

79. Subsection 332(9):

Insert “or reviewed in accordance with this Law” after “audited”.

80. After section 408B:

Insert:

Application of provisions applied by section 323A—certain disclosing entities that are prescribed corporations

“408C.(1) In this section:

‘**section 323A provisions**’ means the applied provisions, within the meaning of section 323A, as they apply because of that section.

“(2) The section 323A provisions apply in relation to a prescribed corporation that is a disclosing entity to which section 323A applies.

“(3) For the purposes of the section 323A provisions, as they apply in relation to such a disclosing entity (including one that is a prescribed corporation) and an accounting period of the disclosing entity, a reference to an entity includes a reference to an entity that is a prescribed corporation.

“(4) The application that the section 323A provisions have because of subsections (2) and (3) is subject to this Part.”.

81. Subsection 409(3):

- (a) Insert “annual” before “accounts” (second occurring).
- (b) Add at the end “for financial years”.

82. Paragraph 409(5)(a):

Insert “, or are lodged in relation to a financial year of the corporation,” after “corporation”.

83. Paragraph 409(5)(b):

- (a) Insert “or are lodged in relation to a financial year of the corporation,” after “corporation,”.
- (b) Add at the end “, or is not lodged, as the case requires”.

84. Subsection 409A(1):

- (a) Omit “of companies”.
- (b) Omit “corresponding financial year”, substitute “corresponding accounting period”.

SCHEDULE 1—continued

85. Subparagraph 409A(1)(b)(iii):

Omit “annual”.

86. Section 409A:

Add at the end:

“(5) In this section:

‘company’ includes a disclosing entity to which section 323A applies.”.

87. After subsection 776(2):

Insert:

“(2A) A securities exchange that believes a person has committed, is committing or is about to commit, a serious contravention of the securities exchange’s business rules or listing rules, or the Corporations Law of this or any other jurisdiction, must, as soon as practicable, lodge a statement setting out:

- (a) particulars of the contravention that it believes the person has committed, is committing or is about to commit; and
- (b) its reasons for that belief.

“(2B) Subject to subsection (2C), a securities exchange that makes information about a listed disclosing entity available to a stock market conducted by the securities exchange must, as soon as practicable, give the Commission a document that contains the information.

“(2C) The regulations may provide that subsection (2B) does not apply to information of a specified kind.”.

88. Subsection 777(1):

Omit all the words after “directions”, substitute:

“concerning compliance with, or enforcement of, those business rules or listing rules to:

- (a) that last-mentioned person; and
- (b) if that person is a body corporate—the directors of that body corporate.”.

89. Section 777:

Add at the end:

“(3) For the purposes of subsection (1), if a disclosing entity that is an undertaking to which prescribed interests relate is, with the management company’s agreement, consent or acquiescence, included in the official list of a securities exchange, the management company, or an associate of the

SCHEDULE 1—continued

management company, is taken to be under an obligation to comply with the listing rules of that securities exchange to the extent to which those rules purport to apply to the management company or associate.

“(4) For the purposes of subsection (1), if a body corporate fails to comply with or enforce provisions of the business rules or listing rules of a securities exchange, a person who holds securities of the body corporate that are quoted on a stock market of the securities exchange is taken to be a person aggrieved by the failure.

“(5) Subsection (4) does not limit the circumstances in which a person may be aggrieved by a failure for the purposes of subsection (1).”.

90. Subsection 779(1):

Insert:

“‘**delisting or suspension decision**’ means a decision by a securities exchange:

- (a) whether or not to remove an entity from an official list of the exchange; or
- (b) whether or not to stop or suspend quotation of securities on a stock market of the exchange;

‘**information**’ means information given orally, in a document or otherwise; ‘**listed entity**’, in relation to a securities exchange, means an entity included in an official list of the exchange;

‘**rules**’, in relation to a securities exchange, means the exchange’s business rules or listing rules.”.

91. Section 779:

Add at the end:

“(5) A securities exchange has qualified privilege in respect of the publication of information, or a document, given to the exchange by a listed entity under a provision of this Law or of the exchange’s rules.

“(6) Subsection (5) does not apply if:

- (a) this Law, or the exchange’s rules, as the case may be, expressly or impliedly authorised the entity to limit the purposes for which it gave the information or document to the exchange; and
- (b) when giving the information or document, the entity limited those purposes as so authorised; and
- (c) the publication is not solely for one or more of the limited purposes.

“(7) A securities exchange has qualified privilege in respect of the publication of:

SCHEDULE 1—continued

- (a) information about a request by the exchange to a listed entity for information in relation to compliance by the entity with, or a contravention by the entity of, this Law or the exchange's rules; or
- (b) information, or a document, given to the exchange by a listed entity in response to such a request.

“(8) A securities exchange has qualified privilege in respect of the publication of:

- (a) an oral or written statement describing a delisting or suspension decision or the reasons for, or action taken because of, such a decision; or
- (b) an oral or written statement to the effect that the exchange is considering whether to make such a decision; or
- (c) information given, or a document prepared, given or produced, by a person (whether an officer of the exchange or not) in the course of, for the purposes of, or otherwise in connection with, the exchange making such a decision.

“(9) An officer of a securities exchange has qualified privilege in respect of an act:

- (a) that is done in the course of performing functions or exercising powers as an officer of the exchange; and
- (b) in respect of which the exchange would have qualified privilege under subsection (5), (7) or (8) if it had done the act.

“(10) Nothing in this section limits the generality of anything else in it.”.

92. After section 1001:

Insert in Division 2 of Part 7.11:

Continuous disclosure—listed disclosing entities

“1001A.(1) This section applies to a listed disclosing entity if provisions of the listing rules of a securities exchange:

- (a) apply to the entity; and
- (b) require the entity to notify the securities exchange of information about specified events or matters as they arise for the purpose of the securities exchange making that information available to a stock market conducted by the securities exchange.

“(2) The disclosing entity must not contravene those provisions by intentionally, recklessly or negligently failing to notify the securities exchange of information:

- (a) that is not generally available; and

SCHEDULE 1—continued

- (b) that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of ED securities of the entity.

“(3) A contravention of subsection (2) is only an offence if the failure concerned is intentional or reckless.

“(4) For the purposes of the application of this section to a listed disclosing entity that is an undertaking to which prescribed interests relate, the obligation of the entity not to contravene provisions as mentioned in subsection (2) is an obligation of the management company.

Continuous disclosure—unlisted disclosing entities

“1001B.(1) If:

- (a) an unlisted disclosing entity becomes aware of information:

- (i) that is not generally available; and
- (ii) that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of ED securities of the entity; and

- (b) the information is not required to be included in a supplementary prospectus or a replacement prospectus in relation to the entity; the entity must, as soon as practicable, lodge a document containing the information.

“(2) An unlisted disclosing entity does not contravene subsection (1) except by an intentional, reckless or negligent act or omission.

“(3) A contravention of subsection (1) is only an offence if the failure concerned is intentional or reckless.

“(4) For the purposes of the application of this section to an unlisted disclosing entity that is an undertaking to which prescribed interests relate:

- (a) the entity is aware of information if, and only if, the management company is aware of the information; and
- (b) the obligation of the entity to lodge a document under subsection (1) is an obligation of the management company; and
- (c) subsection (2) applies as if the reference in it to an unlisted disclosing entity were instead a reference to the management company.

Sections 1001A and 1001B—when information is generally available

“1001C.(1) This section has effect for the purposes of sections 1001A and 1001B.

“(2) Information is generally available if:

SCHEDULE 1—continued

- (a) it consists of readily observable matter; or
- (b) without limiting the generality of paragraph (a), both the following subparagraphs apply:
 - (i) it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in securities of a kind whose price or value might be affected by the information; and
 - (ii) since it was so made known, a reasonable period for it to be disseminated among such persons has elapsed.

“(3) Information is also generally available if it consists of deductions, conclusions or inferences made or drawn from either or both of the following:

- (a) information referred to in paragraph (2)(a);
- (b) information made known as mentioned in subparagraph (2)(b)(i).

Sections 1001A and 1001B—material effect on price or value

“1001D. For the purposes of sections 1001A and 1001B, a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the first-mentioned securities.”

93. Subsection 1022(1):

Insert “other than a prospectus to which section 1022AA applies,” after “a corporation,”.

94. After section 1022:

Insert:

General provisions applicable to certain prospectuses for quoted ED securities

“1022AA.(1) This section applies to a prospectus in relation to ED securities of a disclosing entity if:

- (a) the securities are quoted ED securities; and
- (b) the securities are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of the prospectus; and
- (c) none of the following applied in relation to the entity at any time in that 12 months:
 - (i) an exemption under section 111AS or 111AT, or a modification under section 111AV;

SCHEDULE 1—continued

- (ii) an exemption under subsection 1084(2), or a declaration under subsection 1084(6), relating to a provision that is a disclosing entity provision for the purposes of Division 4 of Part 1.2A;
- (iii) a subsection of section 409 or 409A; and
- (d) no instrument under subsection (8) is in force that excludes the disclosing entity from this section.

“(2) In addition to the information required by section 1021 to be included in the prospectus, the prospectus must:

- (a) set out the terms and conditions of the offer or invitation contained in the prospectus; and
- (b) contain all such information as investors and their professional advisers would reasonably require, and reasonably expect to find in the prospectus, for the purpose of making an informed assessment of:
 - (i) the effect of the offer or invitation on the disclosing entity; and
 - (ii) the rights attaching to the securities; and
- (c) contain a statement that:
 - (i) explains that the disclosing entity, as such an entity, is subject to regular reporting and disclosure obligations; and
 - (ii) advises that copies of documents lodged in relation to the entity may be obtained from, or inspected at, an office of the Commission.

“(3) The prospectus must:

- (a) subject to paragraph (b)—in relation to each document referred to in subsection (4), include a statement to the effect that the issuer of the prospectus will provide a copy of the document, free of charge, to a person who asks for it in the application period in relation to the prospectus; or
- (b) if a statement under paragraph (a) is not so included in relation to a document referred to in subsection (4)—include, or have attached to it, a copy of the document.

“(4) These are the documents to which subsection (3) applies:

- (a) the last financial statements for a financial year to be lodged in relation to the disclosing entity before the issue of the prospectus; and
- (b) any other financial statements, and any documents under section 1001B, lodged in relation to the disclosing entity in the period starting after lodgment of the financial statements referred to in paragraph (a) and ending before the issue of the prospectus; and

SCHEDULE 1—continued

- (c) any documents used to notify a securities exchange of information relating to the disclosing entity during that period under provisions of the securities exchange's listing rules referred to in subsection 1001A(1).

“(5) If the prospectus includes a statement under paragraph (3)(a), the issuer of the prospectus must comply with the statement.

“(6) If:

- (a) there is information relating to the disclosing entity that has not, because of its confidential or prejudicial nature:
 - (i) been notified to a securities exchange under provisions of the securities exchange's listing rules referred to in subsection 1001A(1); or
 - (ii) been included in a document lodged under section 1001B; and
- (b) investors and their professional advisers would reasonably require the information, and would reasonably expect to find it in the prospectus, for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and prospects of the disclosing entity; and
 - (ii) the rights attaching to the securities;

the information must be included in the prospectus.

“(7) Paragraph (6)(a) does not create a right not to notify a securities exchange of information, or not to include information in a document, because of the confidential or prejudicial nature of the information.

“(8) The Commission may, by writing, exclude a disclosing entity from this section if the Commission is satisfied that, in the previous 12 months, any or all of the following provisions were contravened in relation to the disclosing entity:

- (a) the provisions of Part 3.6;
- (b) the provisions of Part 3.7;
- (c) section 1001A or 1001B;
- (d) section 1023B;
- (e) section 1024.

“(9) The Commission must cause a copy of an instrument under subsection (8) to be published in the *Gazette*.

“(10) For the purposes of this section, securities are not in different classes merely because:

- (a) of a temporary difference in the dividend or distribution rights attaching to the securities; or

SCHEDULE 1—continued

(b) different amounts have been paid up on the securities.”.

95. Subsections 1058(5) and (6):

Omit the subsections, substitute:

“(5) The directors of a relevant guarantor body that has guaranteed the repayment of money raised by the issue, by a borrowing corporation, of debentures (other than debentures of a kind that could be lawfully described under section 1045 as mortgage debentures or certificates of mortgage debenture stock) must:

- (a) within 90 days of the end of a financial year of the body, cause a profit and loss account for that financial year, and a balance-sheet as at the end of that financial year, to be made out and lodged with the Commission and with the trustee for the holders of the debentures (if any); and
- (b) within 75 days of the end of the first 6 months of a financial year of the body, cause a profit and loss account for that 6 months, and a balance-sheet as at the end of that 6 months, to be made out and lodged with the Commission and with the trustee for the holders of the debentures (if any).

“(6) The directors of a borrowing corporation that is a holding company must:

- (a) within 90 days of the end of a financial year of the corporation, cause a set of consolidated accounts for the corporation and each guarantor body that is a subsidiary of the corporation for that financial year to be made out and lodged with the Commission and with the trustee for the holders of the debentures (if any); and
- (b) within 75 days of the end of the first 6 months of a financial year of the corporation, cause a set of consolidated accounts for the corporation and each guarantor body that is a subsidiary of the corporation for that 6 months to be made out and lodged with the Commission and with the trustee for the holders of the debentures (if any).”.

96. Subsections 1058(12) and (13):

Omit the subsections.

97. Paragraph 1058(17)(b):

Omit all the words after “lodge”, substitute “documents with the trustee as required by subsections (5) to (15), inclusive, and subsection 317A(2);”.

98. Subsections 1058(18) and (19):

Omit the subsections.

SCHEDULE 1—continued

99. After paragraph 1069(1)(e):

Insert:

“(ea) a covenant binding the management company and the trustee or representative, respectively, to comply with Division 11 of Part 3.6, and with regulations in force for the purposes of section 323L, so far as applicable;”.

100. Paragraph 1069(1)(f):

Omit “2 months”, substitute “the prescribed period”.

101. Subparagraph 1069(1)(f)(i):

Omit the subparagraph, substitute:

“(ia) if relevant prescribed interests are ED securities at the end of the financial year—a copy of the accounts that sections 323C and 323D require, and a copy of the report that section 323J requires; and

(i) otherwise—a statement of the accounts for that financial year in relation to the relevant prescribed interests; and”.

102. After subsection 1069(8):

Insert:

“(8A) The covenant required by paragraph (1)(ea) is taken:

(a) to be contained in every approved deed in force at the commencement of this subsection; and

(b) in relation to a prescribed interest to which subsection (8) applies—to be given by a deed in force in relation to that interest.”.

103. Section 1069:

Add at the end:

“(15) In this section:

‘**financial year**’, in relation to a deed relating to prescribed interests, means a financial year of the undertaking to which the interests relate.”.

104. Paragraphs 1071(1)(a) and (b):

Omit “2 months”, substitute “the prescribed period”.

105. Subsection 1071(4):

Insert:

“ ‘**financial year**’, in relation to a deed relating to prescribed interests, means a financial year of the undertaking to which the interests relate;”.

SCHEDULE 1—continued

106. After paragraph 1114(1)(ba):

Insert:

“or (bb) on the application of a person claiming to be aggrieved by an alleged contravention by another person of the business rules or listing rules of a securities exchange, it appears to the Court that:

- (i) the other person did contravene those rules; and
- (ii) the applicant is aggrieved by the contravention;”.

107. After paragraph 1114(1)(c):

Insert:

“(ca) in the case of a contravention by a person of the business rules or listing rules of a securities exchange:

- (i) an order giving directions concerning compliance with or enforcement of those rules to:
 - (A) the person; and
 - (B) if the person is a body corporate—the directors of the body corporate; and
- (ii) if the contravention relates to the disclosure or provision of information—an order of either or both of the following kinds:
 - (A) an order requiring the person, or a person involved in the contravention, to disclose to the public or to specified persons, in accordance with the order, specified information which the person to whom the order is directed possesses or to which that person has access;
 - (B) an order requiring the person, or a person involved in the contravention, to publish advertisements in accordance with the order at that person’s expense;”.

108. After subsection 1114(1):

Insert:

“(1A) For the purposes of paragraph (1)(bb), if a body corporate contravenes provisions of the business rules or listing rules of a securities exchange, a person who holds securities of the body corporate that are quoted on a stock market of the securities exchange is taken to be a person aggrieved by the contravention.

“(1B) Subsection (1A) does not limit the circumstances in which a person may be aggrieved by a contravention for the purposes of paragraph (1)(bb).”.

SCHEDULE 1—continued

109. Subsection 1114(3):

- (a) Insert “or the Exchange” after “Commission” (first occurring).
- (b) Omit “Commission” (second occurring), substitute “applicant”.

110. After subsection 1139(2):

Insert:

“(2A) A futures exchange, a clearing house for a futures exchange or a futures association that believes that a person has committed, is committing or is about to commit a serious contravention of its business rules, or the Corporations Law of this or any other jurisdiction, must, as soon as practicable, lodge a statement setting out:

- (a) particulars of the contravention that it believes the person has committed, is committing or is about to commit; and
- (b) its reasons for that belief.”.

111. Subparagraph 1274(2)(a)(ia):

Insert “subsection 776(2B), section 1001B or” after “other than”.

112. After subsection 1274(2):

Insert:

“(2A) For the purposes of subsection (2), a document given to the Commission under subsection 776(2B) is taken to be a document lodged with the Commission.”.

113. Schedule 3:

- (a) Insert before “**Section 126**”:

“**Section 111AU:**

Penalty: \$20,000 or imprisonment for 5 years, or both.”.

- (b) Insert before “**Section 1002G**”:

“**Subsection 1001A(2):**

Penalty: \$20,000 or imprisonment for 5 years, or both.

Subsection 1001B(1):

Penalty: \$20,000 or imprisonment for 5 years, or both.”.

SCHEDULE 1—continued

PART 2

CHANGING “A FINANCIAL YEAR” TO “AN ACCOUNTING PERIOD”

114. Section 9 (definitions of “consolidated accounts” and “financial statements”), sections 287, 292 and 293, subsections 294(1), 294A(3), 294B(3) and 295(1), sections 296, 297 and 298, subsections 299(1), 300(1), 300(2) and 302(1), section 303, subsections 304(2) and 305(2), section 310, subsections 313(4) and 332(6), section 332A and subsections 408B(2), 409A(1), 409A(3) and 409A(4):

Omit “a financial year” (wherever occurring), substitute “an accounting period”.

PART 3

CHANGING “THAT FINANCIAL YEAR” TO “THAT ACCOUNTING PERIOD”

115. Section 9 (definitions of “consolidated accounts” and “financial statements”), sections 292 and 293, subsections 294A(3), 294B(3), 295(1) and 295(2), sections 295A and 295B and subsections 296(1), 302(3), 332(6), 409A(1), 409A(3) and 409A(4):

Omit “that financial year” (wherever occurring), substitute “that accounting period”.

PART 4

CHANGING “THE FINANCIAL YEAR” TO “THE ACCOUNTING PERIOD”

116. Subsections 294(4), 300(2), 301(2), 301(3), 301(7), 301(9), 301(11), 302(6) and 302(9), section 303, subsections 304(2), 305(2), 307(1), 307(2), 309(1) and 309(3), section 310 and subsections 312(1), 331C(1), 331C(3) and 331E(2):

Omit “the financial year” (wherever occurring), substitute “the accounting period”.

SCHEDULE 2

Section 5

**AMENDMENTS OF THE CORPORATIONS LAW RELATING TO
FUNDRAISING**

PART 1—GENERAL

1. Section 9 (definition of “prospectus”):

Add at the end:

“Note 2: Some references to a prospectus include a supplementary prospectus (see subsection 1024A(4)) and an application form (see subsection 1024G(6)). A replacement prospectus is a prospectus in its own right (see subsection 1024D(3)).”.

2. Section 9 (definitions of “primary prospectus”, “secondary prospectus” and “seller”):

Omit the definitions.

3. Section 9:

Insert:

“‘**application period**’, in relation to a prospectus relating to securities of a corporation, means:

- (a) if, under the terms of the prospectus, applications for the issue of the securities must be made before a particular time (which may, for example, be a specified time or a time to be determined by the corporation, but which must not be more than 12 months after the issue of the prospectus)—the period starting when the prospectus is issued and ending at that time; or
- (b) in any other case—the period of 12 months starting when the prospectus is issued;

‘**replacement prospectus**’ has the meaning given by subsection 1024B(1); ‘**supplementary prospectus**’ has the meaning given by subsection 1024A(1);”.

4. Paragraph 66(2)(f):

Omit the paragraph, substitute:

“(f) the securities are issued or allotted by a listed corporation pursuant to the exercise of an option granted pursuant to a prospectus; or”.

5. Sub-subparagraph 66(2)(g)(i)(B):

Omit the sub-subparagraph, substitute:

“(B) in satisfaction in whole or in part of dividends payable by that corporation to the holders of existing shares that were issued pursuant to a prospectus; or”.

SCHEDULE 2—continued

6. Subparagraph 66(2)(m)(ii):

Omit the subparagraph, substitute:

“(ii) the existing interests were issued pursuant to a prospectus; or”.

7. Subsection 622(1):

Omit “or to sell”.

8. Subsection 622(3):

Omit “or to sell”.

9. After section 622:

Insert:

Acquisitions where a section 1043B notice has been lodged

“622A. Section 615 does not apply in relation to an acquisition of shares in a company by purchase pursuant to an invitation to buy the shares or an offer to sell the shares if:

- (a) the offer or invitation was issued or made to, or to persons including, all the members of the company; and
- (b) a notice in respect of the invitation or offer has been lodged under section 1043B; and
- (c) if section 1043C applies to the notice and, because of regulations under that section, the notice is required to be registered by the Commission—the notice has been so registered.”.

10. Paragraph 994(a):

Omit “, or is issued with,”.

11. After paragraph 994(a):

Insert:

“(aa) contained in a report or memorandum that is issued with the prospectus with the consent or knowledge of a person who authorised or caused the issue of the prospectus; or”.

12. Section 994:

Add at the end:

“Note: Because of subsection 1024C(2), 1024F(1) or 1024G(3), a prospectus may be taken to include information in another document. Paragraph (b) of this section is not however limited to the situations covered by those subsections.”.

13. Subsections 996(1) and (1A):

Omit the subsections, substitute:

SCHEDULE 2—continued

“(1) A person must not authorise or cause the issue of a prospectus in relation to securities of a corporation if:

- (a) the prospectus has been, or is required to be, lodged under Part 7.12; and
- (b) either:
 - (i) a material statement in the prospectus is false or misleading; or
 - (ii) there is a material omission from the prospectus.”.

14. Before paragraph 999(a):

Insert:

“(aa) is likely to induce other persons to subscribe for securities; or”.

15. Subsection 1006(2):

Omit “If the prospectus is a primary prospectus, the”, substitute “The”.

16. Subsection 1006(2A):

Omit the subsection.

17. Section 1007:

- (a) Omit “or (2A)”.
- (b) Omit “or bought”.

18. Subsection 1008(1):

Omit “or (2A)(b)”.

19. Subsection 1008A(1):

Omit “or (2A)(b)”.

20. Subsection 1009(2):

Omit “or (2A)(c), (e) or (f)”.

21. Paragraph 1009(2)(ba):

- (a) Omit “or (2A)(c)” (first occurring).
- (b) Omit “or (2A)(c), as the case may be”.

22. Paragraph 1009(2)(b):

- (a) Omit “or (2A)(e) or (f)” (first occurring).
- (b) Omit “or (2A)(e) or (f), as the case may be”.

23. Subsection 1009(3):

Omit “or (2A)(c)”.

SCHEDULE 2—continued

24. Subsection 1009(4):

Omit “or (2A)(e) or (f)” (first occurring).

25. Paragraph 1009(4)(c):

Omit “or (2A)(e) or (f), as the case may be”.

26. Subsections 1010(1) and (2):

Omit “or (2A)(d), (e) or (f)”.

27. Subsection 1011(1):

Omit “or (2A)(a) or (d)”.

28. Subsections 1018(2), (5), (6), (7), (7A), (7B), (7C) and (8):

Omit the subsections.

29. Section 1020:

(a) Omit “, or a form of offer to buy,”.

(b) Add at the end:

“Note: Because of subsection 1024C(3), a copy of a prospectus that is issued after the lodgment of a supplementary prospectus must be attached to, or accompanied by, a copy of the supplementary prospectus.”.

30. Subsection 1021(5):

Omit the subsection, substitute:

“(5) The prospectus must contain a statement that no securities will be allotted or issued on the basis of the prospectus later than 12 months after the date of issue of the prospectus.”.

31. Subsection 1021(6):

Omit “If the prospectus is a primary prospectus, it”, substitute “The prospectus”.

32. Paragraph 1021(6)(a):

Omit the paragraph, substitute:

“(a) the nature and extent of each interest:

- (i) that exists when the prospectus is lodged, or that existed within 2 years before the lodging of the prospectus; and
- (ii) that is, or was, an interest of:
 - (A) a director; or
 - (B) a proposed director; or
 - (C) an expert;

SCHEDULE 2—continued

in the promotion of the corporation or in property proposed to be acquired by the corporation in connection with its formation or promotion; or”.

33. Paragraph 1021(6)(b):

Insert “or consisted” after “consists”.

34. Subsection 1021(6A):

Omit the subsection.

35. Paragraphs 1021(8)(d) and (e):

Omit the paragraphs.

36. Subsection 1021(13):

Omit “If the prospectus is a primary prospectus, it”, substitute “The prospectus”.

37. Subsection 1021(13A):

Omit the subsection.

38. Subsection 1022(2):

Omit the subsection, substitute:

“(2) The information to be included because of this section is such of the information mentioned in subsection (1):

- (a) as is known to any person referred to in any of paragraphs 1006(2)(b) to (h) (inclusive) or any person who authorised or caused the issue of the prospectus; or
- (b) as it would be reasonable for such a person to obtain by making inquiries.”.

39. Paragraph 1022(3)(b):

Omit “or buying”.

40. Section 1022A:

Omit “, or buyer of,” (wherever occurring).

41. Section 1024:

Repeal the section, substitute:

Obligation to notify corporation of false or misleading statements, changes etc.

“1023A.(1) If:

SCHEDULE 2—continued

- (a) a prospectus relating to securities of a corporation has been lodged;
and
 - (b) a person (other than the corporation) who:
 - (i) is referred to in subsection 1006(2); or
 - (ii) authorised or caused the issue of the prospectus;becomes aware of a matter referred to in subsection (2) of this section during the application period in relation to the prospectus;
- the person must, as soon as practicable after becoming so aware, give the corporation written notice of the matter.

“(2) These are the matters:

- (a) there is a material statement in the prospectus that is false or misleading;
- (b) there is a material omission from the prospectus;
- (c) there has been a significant change affecting a matter included in the prospectus;
- (d) a significant new matter has arisen the inclusion in the prospectus of information about which would have been required by this Part if the matter had arisen when the prospectus was prepared.

Correction of false or misleading statements etc. in prospectus by a supplementary or replacement prospectus

“1023B.(1) This section applies if a prospectus relating to securities of a corporation has been lodged and the corporation becomes aware, during the application period in relation to the prospectus, that the prospectus is deficient because:

- (a) it contains a material statement that is false or misleading; or
- (b) there is a material omission from the prospectus.

Note: Because of subsections 1024C(2), 1024F(1) and 1024G(3), a prospectus may be taken to include information in another document. This should be taken into account when considering whether the prospectus is deficient.

“(2) As soon as practicable after becoming so aware, the corporation must lodge a supplementary prospectus or a replacement prospectus that corrects the deficiency and that complies with whichever of sections 1024A and 1024B applies.

Changes or new matters requiring the issue of a supplementary or replacement prospectus

“1024.(1) This section applies if a prospectus relating to securities of a corporation has been lodged and the corporation becomes aware, during the application period in relation to the prospectus, that:

SCHEDULE 2—continued

- (a) there has been a significant change affecting a matter included in the prospectus; or
- (b) a significant new matter has arisen the inclusion in the prospectus of information about which would have been required by this Part if the matter had arisen when the prospectus was prepared.

“(2) As soon as practicable after becoming so aware, the corporation must lodge a supplementary prospectus or a replacement prospectus that contains particulars of the change or new matter and that complies with whichever of sections 1024A and 1024B applies.

General provisions about supplementary prospectuses

“1024A.(1) A **supplementary prospectus** is a document the purpose of which is to do either or both of the following in relation to a prospectus (the ‘**original prospectus**’):

- (a) correct a deficiency in the prospectus;
- (b) provide particulars about something that has occurred since the prospectus was prepared.

Note 1: Because of subsections 1024C(2), 1024F(1) and 1024G(3), a prospectus may be taken to include information in another document. This should be taken into account when considering whether the prospectus contains a deficiency.

Note 2: The power to issue a supplementary prospectus is not limited to the situations dealt with in sections 1023B and 1024.

“(2) On each page of a supplementary prospectus there must be a clear statement in bold type that states that the document is a supplementary prospectus that is to be read in conjunction with:

- (a) the original prospectus; and
- (b) if other supplementary prospectuses have already been issued in relation to the original prospectus—those supplementary prospectuses.

“(3) The statement must clearly identify:

- (a) the original prospectus; and
- (b) if paragraph (2)(b) applies—the supplementary prospectuses to which that paragraph refers.

“(4) Unless the context otherwise requires, a reference to a prospectus in any of the provisions referred to in the following paragraphs includes a reference to a supplementary prospectus:

- (a) sections 994, 995 and 996;
- (b) sections 1006 to 1012, inclusive;
- (c) subsections 1021(2), (3), (4), (10), (13) and (14);
- (d) sections 1023A, 1024F, 1029, 1031, 1032 and 1033.

SCHEDULE 2—continued

- “(5) In this section:
‘deficiency’, in relation to a prospectus, includes, but is not limited to:
(a) a material statement in the prospectus that is false or misleading; or
(b) a material omission from the prospectus.

General provisions about replacement prospectuses

“1024B.(1) A **replacement prospectus** is a document the purpose of which is to replace a prospectus (the ‘**original prospectus**’) and which may also do either or both of the following:

- (a) correct a deficiency in the original prospectus;
(b) provide particulars about something that has occurred since the original prospectus was prepared.

Note 1: Because of subsections 1024C(2), 1024F(1) and 1024G(3), a prospectus may be taken to include information in another document. This should be taken into account when considering whether the prospectus contains a deficiency.

Note 2: The power to issue a replacement prospectus is not limited to the situations dealt with in sections 1023B and 1024.

“(2) On each page of a replacement prospectus there must be a clear statement in bold type that identifies the original prospectus and states that the document is a replacement prospectus that replaces the original prospectus.

“(3) Subject to subsection (2), a replacement prospectus must have the same wording as the original prospectus, except to the extent that it:

- (a) corrects a deficiency in the original prospectus; or
(b) provides particulars about something that has occurred since the original prospectus was issued.

- “(4) In this section:
‘deficiency’, in relation to a prospectus, includes, but is not limited to:
(a) a material statement in the prospectus that is false or misleading; or
(b) a material omission from the prospectus.

Consequences of lodging a supplementary prospectus

“1024C.(1) This section applies if a supplementary prospectus has been lodged.

“(2) Subject to subsection (4), for the purposes of this Law, the information in the supplementary prospectus is taken, except in relation to things that happened before it was lodged, to be included in the original prospectus.

Note: So, for example, a supplementary prospectus may be used to provide information that was required by section 1022 or 1022AA to be in the original prospectus.

SCHEDULE 2—continued

“(3) Every copy of the original prospectus issued after lodgment of the supplementary prospectus must be attached to, or accompanied by, a copy of the supplementary prospectus.

“(4) If subsection (3) is contravened in relation to a copy of the original prospectus, subsection (2) does not apply for the purposes of an action under section 1005 in relation to that copy.

“(5) In this section:

‘original prospectus’ means the prospectus identified in the supplementary prospectus as required by paragraph 1024A(3)(a).

Consequences of lodging a replacement prospectus

“1024D.(1) This section applies if a replacement prospectus has been lodged.

“(2) A copy of the original prospectus must not be issued after lodgment of the replacement prospectus.

“(3) The replacement prospectus is a prospectus in its own right for the purposes of this Law, but it is taken to have been issued when the original prospectus was issued.

“(4) The parts of the replacement prospectus that are the same as the original prospectus are taken to comply with the requirements of this Division, but only to the extent to which those parts of the original prospectus in fact complied with those requirements.

“(5) In this section:

‘original prospectus’ means the prospectus identified in the replacement prospectus as required by subsection 1024B(2).

Application made on out of date application form

“1024E.(1) For the purposes of this section, an application form is **current** unless:

- (a) since the form was issued, a supplementary prospectus or a replacement prospectus that relates to the prospectus to which the form relates has been issued; or
- (b) because of subsection 1024G(2), the form is no longer current for the purposes of section 1024G.

“(2) This section applies if:

- (a) a person applies for the issue of securities of a corporation pursuant to a prospectus (the **‘original prospectus’**) during the application period in relation to the prospectus; and

SCHEDULE 2—continued

- (b) the application form used to make the application is not current when it is received by the corporation.

“(3) As soon as practicable after receiving the application, the corporation must give the person a written notice:

- (a) that advises the person that the application form used was not current; and
- (b) that states which of options 1 and 2 specified in subsections (4) and (5) the corporation is going to follow, and explains that option; and
- (c) that is accompanied by:
 - (i) if a replacement prospectus has been issued—a copy of the most recently issued replacement prospectus, a copy of each issued supplementary prospectus (if any) that relates to it, and a current application form that relates to it; or
 - (ii) if subparagraph (i) does not apply—a copy of each supplementary prospectus (if any) that relates to the original prospectus and that was issued after the application form was issued, and a current application form that relates to the original prospectus.

“(4) Option 1 requires the corporation to:

- (a) treat the application as having been withdrawn; and
- (b) at the same time as it gives the person the notice, or as soon as practicable afterwards, pay to the person, in accordance with the requirements (if any) of the regulations:
 - (i) any money the person has paid to the corporation on account of the securities; and
 - (ii) any interest that has accrued in respect of that money.

“(5) Option 2 requires the corporation to:

- (a) at the same time as it gives the person the notice, or as soon as practicable afterwards, issue the securities to the person pursuant to the application; and
- (b) if, since the application form used to make the application was issued, a material adverse change (as defined in subsection (6)) has occurred in relation to the securities—give the person a reasonable opportunity to return the securities to the corporation and obtain a payment as mentioned in paragraph (c); and
- (c) if paragraph (b) applies and the person takes advantage of that opportunity and returns the securities—pay to the person, in accordance with the requirements (if any) of the regulations:

SCHEDULE 2—continued

- (i) any money the person has paid to the corporation on account of the securities; and
- (ii) any interest that has accrued in respect of that money.

“(6) For the purposes of subsection (5), a **material adverse change** occurs in relation to securities of a corporation if a change occurs, or a new matter arises, that is likely to have a material adverse effect on the value of the securities.

“(7) The corporation may cancel securities returned to it under subsection (5). If the securities are shares, their cancellation is not a reduction of share capital within the meaning of this Law.

“(8) The corporation must act in accordance with the option specified in the notice.

“(9) In this section:

‘**application form**’ means a form of application for the issue of securities; ‘**prospectus to which the form relates**’, in relation to an application form that has been issued, means the prospectus referred to in section 1020 in relation to the form.

Inclusion of documents in prospectus by reference

“1024F.(1) If a prospectus relating to securities of a corporation:

- (a) refers to a document lodged under this Law, under a corresponding law or under a corresponding previous law, being a document in existence at or before the lodgment of the prospectus; and
- (b) includes a summary of the document or of a part of it; and
- (c) includes a statement to the effect that the corporation will provide a copy of the document, or of the part, as the case may be, free of charge, to a person who asks for it during the application period in relation to the prospectus;

then, for the purposes of this Law, other than section 1021, the prospectus is taken to include the document, or the part of the document, as the case requires.

Note: So, for example, a document so referred to may be used to provide information that is required by section 1022 or 1022AA to be in the prospectus.

“(2) The corporation must comply with a statement included in the prospectus in accordance with paragraph (1)(c).

Prospectus referring to information set out in current form of application

“1024G.(1) This section applies if:

SCHEDULE 2—continued

- (a) a prospectus has been lodged; and
- (b) the prospectus states that specified information (the ‘**incorporated information**’) is to be set out in a form of application for the issue of securities to which the prospectus relates; and
- (c) a copy of such a form (the ‘**relevant form**’) has also been lodged.

“(2) For the purposes of this section, the relevant form is **current** from the time when the copy was lodged until the next time (if any) when a copy of a form of the kind referred to in paragraph (1)(b) is lodged.

“(3) Subject to subsection (5), for the purposes of this Law, the incorporated information, as set out in the relevant form, is taken to be included in the prospectus while the relevant form is current.

Note: So, for example, the relevant form may be used to provide information that is required by section 1022 or 1022AA to be in the prospectus.

“(4) Each copy of the prospectus that is issued while the relevant form is current must be accompanied by, or have attached to it, as the case requires, the relevant form or a copy of it.

“(5) If subsection (4) is contravened in relation to a copy of the prospectus, subsection (3) does not apply for the purposes of an action under section 1005 in relation to that copy.

“(6) Unless the context otherwise requires, a reference to a prospectus in any of the provisions referred to in the following paragraphs includes a reference to the relevant form while it is or was current:

- (a) sections 994, 995 and 996;
- (b) sections 1006 to 1012, inclusive;
- (c) subsections 1021(2), (3), (4) and (10);
- (d) sections 1023A, 1024F, 1029, 1032 and 1033.

“(7) The relevant form, or a copy of it, must not be issued when the relevant form is no longer current.”.

42. Section 1027A:

Repeal the section.

43. Section 1029:

Omit “6 months”, substitute “12 months”.

44. Section 1029A:

Repeal the section.

45. Subsection 1031(1):

- (a) Omit “, or any sale, whenever made, pursuant to the prospectus, as the case requires,”.
- (b) Omit “responsible person”, substitute “corporation”.

SCHEDULE 2—continued

- 46. Subsection 1031(2):**
Omit “a person”, substitute “a corporation”.
- 47. Paragraph 1031(2)(b):**
Omit “the person is a corporation and”.
- 48. Subsection 1031(3):**
- (a) Omit “responsible person in relation to the prospectus concerned”, substitute “corporation”.
 - (b) Omit “, or sold, as the case requires,”.
 - (c) Omit “, or the sale, as the case may be,”.
- 49. Subsection 1031(6):**
- (a) Omit “person who”, substitute “corporation that”.
 - (b) Omit “person is”, substitute “corporation is”.
- 50. Subsection 1031(7):**
Omit “referred to in subsection (1)”.
- 51. Subsection 1031(10):**
Omit “, or buyer of,”.
- 52. Subsection 1031(11) (definition of “responsible person”):**
Omit the definition.
- 53. Subsection 1033(1):**
Omit all the words after “direct”, substitute “that no further securities to which the prospectus relates be allotted or issued.”.
- 54. Paragraphs 1033(7)(b) and (c):**
Omit the paragraphs, substitute:
“(b) a person is not entitled to lodge a further prospectus in relation to the securities, other than a supplementary prospectus or a replacement prospectus.”.
- 55. Subsection 1033(8):**
Insert “or replacement prospectus” after “supplementary prospectus”.
- 56. Section 1039:**
Omit “, or buyer of,”.
- 57. Subsection 1040(1):**
Omit “6 months”, substitute “12 months”.

SCHEDULE 2—continued

58. Subsection 1040(3):

Omit the subsection.

59. Section 1041:

- (a) Omit “, issue or sale”, substitute “or issue”.
- (b) Omit “6 months”, substitute “12 months”.

60. After Division 3 of Part 7.12:

Insert:

“Division 3A—Secondary trading in unquoted securities

Exceptions

“1043A. This Division does not apply in relation to:

- (a) an excluded offer of securities for purchase; or
- (b) an excluded invitation to buy securities; or
- (c) an offer or invitation to which subsection 1030(1) applies.

Secondary trading in unquoted securities

“1043B.(1) A person (the ‘seller’) must not offer unquoted securities of a corporation for purchase, or invite offers to buy such securities, unless the person has lodged a notice that complies with whichever of sections 1043C and 1043D applies.

“(2) If the seller issues a document containing the offer or invitation, each copy of the document issued:

- (a) must be attached to, or accompanied by, a copy of the notice; or
- (b) must include a statement to the effect that the seller will provide a copy of the notice, free of charge, to a person who asks for it.

“(3) If the seller makes the offer or issues the invitation otherwise than by issuing a document (for example, by broadcasting or publishing an advertisement), the offer or invitation must include a statement to the effect that the seller will provide a copy of the notice, free of charge, to a person who asks for it.

“(4) In this section:

‘**unquoted securities**’ means securities that are not included in any class of securities that are quoted on a stock market of a securities exchange.

Notice required by subsection 1043B(1)—sale of 30% of voting shares in a company

“1043C.(1) This section sets out the requirements for a notice under subsection 1043B(1) if:

SCHEDULE 2—continued

- (a) the offer or invitation relates to shares in a company; and
- (b) the shares to which the offer or invitation relates constitute at least 30% of:
 - (i) in any case—the voting shares in the company; or
 - (ii) if the voting shares in the company are divided into classes—the shares in one of those classes; and
- (c) the seller is, for the purposes of Chapter 6, entitled to those shares.

Note: Section 609 defines when a person is entitled to shares for the purposes of Chapter 6.

“(2) Subject to subsection (3), the notice must contain such information as investors and their professional advisers would reasonably require, and reasonably expect to find in the notice, for the purposes of making an informed assessment of:

- (a) the assets and liabilities, financial position, profits and losses, and prospects of the company; and
- (b) the rights attaching to the shares.

“(3) The regulations may limit the information required by subsection (2) to be in the notice.

“(4) The notice must be:

- (a) printed in type of a size not less than the type known as eight point Times unless the Commission, before the issuing of the notice, certifies in writing that the type and size of letter are legible and satisfactory; and
- (b) signed by the seller; and
- (c) dated.

“(5) The regulations may apply, with or without modifications, the provisions mentioned in subsection (6) to:

- (a) the notice, as if it were a prospectus; and
- (b) the offer or invitation, as if it were an offer or invitation in relation to which section 1018 required a prospectus to be lodged.

“(6) The regulations may apply the following provisions (the ‘**applicable provisions**’):

- (a) the provisions of Part 7.11;
- (b) the provisions of Divisions 2 and 3 of this Part;
- (c) the provisions of the regulations made for the purposes of any of the provisions referred to in paragraphs (a) and (b).

“(7) Except where the contrary intention appears, or the context otherwise requires:

SCHEDULE 2—continued

- (a) a reference in this Law to an applicable provision includes a reference to that provision as it applies because of regulations under subsection (5); and
- (b) for the purposes of a reference in this Law to a Chapter, Part, Division or other group of provisions of this Law that includes some or all of the applicable provisions, the Chapter, Part, Division or other group is taken to include those applicable provisions as they apply because of regulations under subsection (5).

Notice required by subsection 1043B(1)—other sales

“1043D.(1) This section sets out the requirements for a notice under subsection 1043B(1) if section 1043C does not apply.

“(2) The notice must contain the information that the regulations require about:

- (a) the securities to which the offer or invitation relates; and
- (b) the seller; and
- (c) the corporation; and
- (d) the directors of the corporation; and
- (e) if the securities concerned are prescribed interests—the undertaking to which the prescribed interests relate and the trustee or representative in relation to the interests.

“(3) The notice must be:

- (a) printed in type of a size not less than the type known as eight point Times unless the Commission, before the issuing of the notice, certifies in writing that the type and size of letter are legible and satisfactory; and
- (b) signed by the seller; and
- (c) dated.”.

61. Subsection 1060(1):

Omit “or to buy”.

62. After subsection 1078(3):

Insert:

“(3A) The holder (the ‘dealer’) of a dealers licence does not contravene subsection (1) by issuing or making an invitation or offer to a person in relation to whom, or to a number of persons in relation to each of whom, at least one of the following conditions is satisfied:

- (a) the person has acquired or sold securities through the dealer in the 12 months before the issuing or making of the invitation or offer; or

SCHEDULE 2—continued

- (b) when the invitation or offer is issued or made, a written agreement is in force under which the dealer is to, or may, whether subject to conditions or otherwise:
- (i) act on the person's behalf in connection with the acquisition or sale of securities by the person; or
 - (ii) advise the person about the acquisition or sale of securities by the person."

63. Subsection 1084(1):

Insert "3A," after "3,".

64. Schedule 3:

(a) Omit:

"Subsection 1024(1):

Penalty: \$20,000 or imprisonment for 5 years, or both.

Subsection 1024(4):

Penalty: \$5,000 or imprisonment for 1 year, or both.",
substitute:

"Subsection 1023A(1):

Penalty: \$5,000 or imprisonment for 1 year, or both.

Subsection 1023B(2):

Penalty: \$20,000 or imprisonment for 5 years, or both.

Subsection 1024(2):

Penalty: \$20,000 or imprisonment for 5 years, or both.

Subsection 1024C(3):

Penalty: \$20,000 or imprisonment for 5 years, or both.

Subsection 1024D(2):

Penalty: \$20,000 or imprisonment for 5 years, or both.

Subsection 1024E(8):

Penalty: \$2,500 or imprisonment for 6 months, or both.

Subsection 1024G(4) or (7):

Penalty: \$20,000 or imprisonment for 5 years, or both."

(b) Insert before "**Section 1052**":

SCHEDULE 2—continued

“Section 1043B:

Penalty: \$2,500 or imprisonment for 6 months, or both.”.

PART 2

OMITTING “OR BUY”

65. Section 9 (definition of “prospectus”), subsection 622(1), section 1017, subsection 1018(1) and section 1019:

Omit “or buy”.

PART 3

OMITTING “OR PURCHASE”

66. Section 9 (definition of “prospectus”), subsections 622(1) and 622(3), section 1017, subsection 1018(1), section 1019 and subsection 1060(1):

Omit “or purchase” (wherever occurring).

PART 4

OMITTING “, ISSUE OR SALE” AND SUBSTITUTING “OR ISSUE”

67. Subsection 1008(4), paragraph 1008A(2)(d), subsection 1008A(4) and paragraphs 1009(3)(b) and (c) and (4)(a), (b) and (c):

Omit “, issue or sale”, substitute “or issue”.

PART 5

OMITTING “PRIMARY”

68. Section 9 (definition of “excluded prospectus”), paragraph 244(1)(a), subsections 1023(1) and (2), paragraph 1025(3)(c), subsection 1026(3), section 1029, paragraph 1030(1)(a), section 1038 and subsection 1040(1):

Omit “primary” (wherever occurring).

SCHEDULE 3

**AMENDMENTS OF THE CORPORATIONS LAW RELATING TO
INDEMNIFYING OR INSURING AN OFFICER OR AUDITOR OF A
COMPANY**

1. After subsection 232A(2):

Insert:

“(2A) For the purposes of subsection (1), a director does not have an interest in a matter relating to an existing or proposed contract of insurance merely because the contract insures, or would insure, the director against a liability incurred by the director as an officer of the company or of a related body corporate. This subsection does not apply if the company is the insurer.”.

2. Subsections 241(1), (2) and (3):

Omit the subsections, substitute:

“(1) A company or a related body corporate must not:

- (a) indemnify a person who is or has been an officer or auditor of the company against a liability incurred by the person as such an officer or auditor; or
- (b) exempt such a person from such a liability.

“(1A) A memorandum, articles, or any other instrument, or an agreement or arrangement, is void in so far as it provides for a body corporate to do something that subsection (1) prohibits.

“(2) Subsection (1) does not prevent a person from being indemnified against a liability to another person (other than the company or a related body corporate) unless the liability arises out of conduct involving a lack of good faith.

“(3) Subsection (1) does not prevent a person from being indemnified against a liability for costs and expenses incurred by the person:

- (a) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted; or
- (b) in connection with an application, in relation to such proceedings, in which the Court grants relief to the person under this Law.”.

3. Subsection 241(4) (paragraph (a) of the definition of “officer”):

Omit “, executive officer or employee”, substitute “or executive officer”.

4. Subsection 241(4):

Insert:

SCHEDULE 3—continued

“**‘indemnify’** includes indemnify indirectly through one or more interposed entities;”.

5. After section 241:

Insert:

Company not to pay insurance premiums in respect of certain liabilities of officer or auditor

“241A.(1) A company or a related body corporate must not pay, or agree to pay, a premium in respect of a contract insuring a person who is or has been an officer or auditor of the company against a liability:

- (a) incurred by the person as such an officer or auditor; and
- (b) arising out of conduct involving:
 - (i) a wilful breach of duty in relation to the company; or
 - (ii) without limiting subparagraph (i), a contravention of subsection 232(5) or (6).

“(2) If subsection (1) is contravened, the contract is void in so far as it insures the person against such a liability.

“(3) Subsections (1) and (2) do not apply to a liability for costs and expenses incurred by a person in defending proceedings, whether civil or criminal and whatever their outcome.

“(4) In this section:

‘officer’ has the same meaning as in section 241;

‘pay’ includes pay indirectly through one or more interposed entities.”.

6. After subsection 243K(7):

Insert:

“(7A) A financial benefit given by a body corporate to a person who is an officer of the body by way of indemnifying the person against a liability incurred by the person as such an officer, or as an officer of a related body corporate, is remuneration paid or provided by the first-mentioned body to the person in a capacity as an officer of that body.

“(7B) A premium paid by a body corporate in respect of a contract insuring a person who is an officer of the body against a liability incurred by the person as such an officer, or as an officer of a related body corporate, is remuneration paid or provided by the first-mentioned body to the person in a capacity as an officer of that body.”.

7. Subsection 243K(8):

Omit “, (5), (6) and (7)” (first occurring), substitute “to (7B), inclusive.”.

SCHEDULE 3—continued

8. Paragraph 243K(8)(b):

Omit “, (5), (6) and (7)”, substitute “to (7B), inclusive”.

9. After section 309:

Insert:

Indemnifying officer or auditor

“309A.(1) If:

- (a) during or since the financial year, the company has indemnified against a liability a person who is or has been an officer or auditor of the company or of a related body corporate; and
- (b) but for subsection 241(2) or (3), subsection 241(1) would have prohibited the company from indemnifying the person against that liability;

the report must set out:

- (c) the person’s name; and
- (d) the nature of the liability; and
- (e) how much the company paid, and what else the company did, by way of indemnifying the person against the liability.

“(2) If:

- (a) during or since the financial year, the company has made a relevant agreement (as defined in section 9) for indemnifying against a liability a person who is or has been an officer or auditor of the company or of a related body corporate; and
- (b) but for subsection 241(2) or (3), subsection 241(1) would prohibit the company from indemnifying the person against that liability;

the report must set out particulars of the relevant agreement, including:

- (c) the person’s name; and
- (d) the nature of the liability; and
- (e) how much the relevant agreement provides for the company to pay, and what else it provides for the company to do, by way of indemnifying the person against the liability.

“(3) If:

- (a) during or since the financial year, the company has paid, or agreed to pay, a premium in respect of a contract insuring against a liability a person who is or has been an officer or auditor of the company or of a related body corporate; and
- (b) but for subsection 241A(3), subsection 241A(1) would have prohibited the company from paying, or agreeing to pay, the premium;

SCHEDULE 3—continued

the report must:

- (c) name the person and state that the company has paid, or agreed to pay, a premium in respect of a contract insuring the person against a liability; and
- (d) set out, except so far as prohibited by the contract itself, the nature of the liability and the amount of the premium.

“(4) Nothing in this section limits the generality of section 309.

“(5) In this section:

‘officer’ has the same meaning as in section 241.”.

SCHEDULE 4

Section 7

**AMENDMENT OF THE CORPORATIONS LAW RELATING TO USE,
IN COURT PROCEEDINGS, OF INFORMATION FROM
COMMISSION'S NATIONAL DATABASE**

1. After section 1274A:

Insert:

Use, in court proceedings, of information from Commission's national database

“1274B.(1) In this section:

‘data processor’ means a mechanical, electronic or other device for processing data;

‘national database’ means so much of the national companies database kept by the Commission as consists of:

- (a) some or all of a register kept by the Commission under this Law; or
- (b) information set out in a document lodged under this Law;

but does not include the Commission's document imaging system.

“(2) In a proceeding in a court, a writing that purports to have been prepared by the Commission is admissible as *prima facie* evidence of the matters stated in so much of the writing as sets out what purports to be information obtained by the Commission, by using a data processor, from the national database. In other words, the writing is proof of such a matter in the absence of evidence to the contrary.

“(3) A writing need not bear a certificate or signature in order to be taken to purport to have been prepared by the Commission.

“(4) Nothing in this section limits, or is limited by, section 1274 or 1274A.”.

SCHEDULE 5

Section 8

**AMENDMENT OF THE CORPORATIONS LAW RELATING TO
APPLICATION OF CHANGES MADE BY THIS ACT**

1. After Division 5 of Part 9.11:

Insert:

***“Division 6—Changes resulting from the Corporate Law
Reform Act 1994***

Meaning of “Amending Act”

“1390. In this Division:

‘Amending Act’ means the *Corporate Law Reform Act 1994*.

Application of changes to section 241

“1391.(1) Section 241, as in force after the commencement of item 2 of Schedule 3 to the Amending Act, applies in relation to a liability incurred at or after that commencement.

“(2) Section 241, as in force before that commencement, continues to apply in relation to a liability incurred before that commencement, but not in relation to a contract of insurance made at or after that commencement.

Application of section 241A

“1392. Section 241A applies:

- (a) in relation to a contract of insurance made at or after the commencement of item 5 of Schedule 3 to the Amending Act; and
- (b) in relation to a liability, whether incurred before, at or after that commencement.

Application of changes to Parts 3.6 and 3.7

“1393.(1) Parts 3.6 and 3.7, as in force after the commencement of item 114 of Schedule 1 to the Amending Act, apply in relation to a body or an undertaking to which prescribed interests relate and:

- (a) the first half-year (if any) of the body or undertaking that begins on or after the commencement of that item; and
- (b) the first accounting period of the body or undertaking that is a financial year and begins on or after the commencement of that item; and
- (c) each later accounting period of the body or undertaking.

“(2) Without limiting subsection (1), section 317A also applies in relation to a company and the first financial year of the company that ends on or after the commencement of that item.

SCHEDULE 5—continued

“(3) Parts 3.6 and 3.7, as in force before the commencement of that item, continue to apply in relation to a company and a financial year of the company that began before that commencement.

Application of changes to Part 4.5

“1394.(1) Part 4.5, as in force after the commencement of item 80 of Schedule 1 to the Amending Act, applies in relation to a prescribed corporation and each financial year of the corporation that begins on or after the commencement of that item.

“(2) Part 4.5, as in force before the commencement of that item, continues to apply in relation to a prescribed corporation and a financial year of the corporation that began before that commencement.

Application of changes to section 779

“1395.(1) Subsections 779(5) to (9), inclusive, apply to a publication, after the commencement of item 91 of Schedule 1 to the Amending Act, of information given, a document prepared, given or produced, or a statement made, whether before, at or after that commencement.

“(2) The definition of ‘delisting or suspension decision’ in subsection 779(1) applies to a decision made before, at or after that commencement.

Application of changes to section 1058

“1396.(1) Section 1058, as in force after the commencement of item 95 of Schedule 1 to the Amending Act, applies in relation to a relevant guarantor body and each financial year of the body that begins on or after the commencement of that item.

“(2) Section 1058, as in force before the commencement of that item, continues to apply in relation to a borrowing corporation or a relevant guarantor body and a financial year of the corporation or body that began before that commencement.

Application of change to subsection 1071(1)

“1397.(1) Subsection 1071(1), as in force after the commencement of item 104 of Schedule 1 to the Amending Act, applies in relation to a deed and each financial year of the deed that begins on or after the commencement of that item.

“(2) Subsection 1071(1), as in force before the commencement of that item, continues to apply in relation to a deed and a financial year of the deed that began before that commencement.

SCHEDULE 5—continued

Application of certain prospectus-related changes

“1398.(1) In relation to a prospectus, within the meaning of this Law as in force before the commencement of item 65 of Schedule 2 to the Amending Act, issued before that commencement:

(a) the following provisions of this Law, as in force after that commencement, do not apply:

- (i) the definitions of ‘excluded prospectus’ and ‘prospectus’ in section 9;
- (ii) section 994;
- (iii) sections 1006 to 1011 (inclusive);
- (iv) sections 1021, 1022 and 1022A;
- (v) sections 1023A to 1024G (inclusive);
- (vi) section 1031;
- (vii) sections 1039, 1040 and 1041;
- (viii) section 1060;
- (ix) Schedule 3, so far as it relates to any subsection of sections 1023A to 1024G (inclusive) as then in force; and

(b) the following provisions of this Law, as in force before that commencement, continue to apply:

- (i) the definitions of ‘excluded prospectus’, ‘primary prospectus’, ‘prospectus’, ‘secondary prospectus’ and ‘seller’ in section 9;
- (ii) section 994;
- (iii) sections 1006 to 1011 (inclusive);
- (iv) sections 1021, 1022 and 1022A;
- (v) section 1024;
- (vi) section 1031;
- (vii) sections 1039, 1040 and 1041;
- (viii) section 1060;
- (ix) Schedule 3, so far as it relates to subsections 1024(1) and (4) as then in force.

“(2) In relation to a prospectus, within the meaning of this Law as in force before the commencement of item 65 of Schedule 2 to the Amending Act, lodged before that commencement:

(a) the following provisions of this Law, as in force after that commencement, do not apply:

- (i) section 622;
- (ii) section 1029;
- (iii) section 1033; and

SCHEDULE 5—continued

- (b) the following provisions of this Law, as in force before that commencement, continue to apply:
- (i) section 622;
 - (ii) sections 1029 and 1029A;
 - (iii) section 1033.”.
-

SCHEDULE 6

Section 9

**AMENDMENTS OF THE AUSTRALIAN SECURITIES
COMMISSION ACT RELATING TO DISCLOSURE OF
INFORMATION AND ADVICE ABOUT OPERATION OF CERTAIN
PROVISIONS**

1. After subsection 127(4):

Insert:

“(4A) The Chairperson may impose conditions to be complied with in relation to information disclosed under subsection (4).

“(4B) The disclosure of information to a body corporate specified in regulations under subsection (4C) is authorised use and disclosure of the information if:

- (a) the Chairperson is satisfied that the information will enable or assist the body corporate to monitor compliance with, enforce, or perform functions or exercise powers under:
 - (i) the Corporations Law of a State or internal Territory; or
 - (ii) the business rules, or the listing rules (if any), of the body corporate; and
- (b) the disclosure is by a person authorised by the Chairperson for the purpose.

“(4C) The regulations may specify a body corporate for the purposes of subsection (4B) if, and only if, the body corporate:

- (a) conducts a stock market or a futures market; or
- (b) is the securities clearing house or a clearing house for a futures exchange.

“(4D) The Chairperson may impose conditions to be complied with by a body corporate and its officers, employees and agents in relation to information disclosed to the body corporate under subsection (4B).

“(4E) A person must comply with a condition imposed under subsection (4D).

Penalty: \$10,000 or imprisonment for 2 years, or both.

“(4F) If information is disclosed to a body corporate under subsection (4B), the body corporate, or an officer, employee or agent of the body corporate, must not, without the written consent of the Chairperson:

- (a) disclose the information to a person who is not an officer, employee or agent of the body corporate; or
- (b) use the information otherwise than for the purpose of monitoring compliance with, enforcing, or performing functions or exercising powers under:

SCHEDULE 6—continued

- (i) the Corporations Law of a State or internal Territory; or
- (ii) the business rules, or the listing rules (if any), of the body corporate.

Penalty: \$10,000 or imprisonment for 2 years, or both.”.

2. Subsection 127(5):

Insert “, (4A), (4B), (4D) or (4F)” after “subsection (4)”.

3. Subsection 127(6):

Omit “and (4)”, substitute “, (4) and (4B)”.

4. After section 148:

Insert:

Minister to ask Advisory Committee to advise on operation of continuous disclosure provisions etc.

“148A.(1) Subject to this section, the Minister must, under section 148, request the Advisory Committee to advise the Minister about how effectively the following provisions are operating:

- (a) sections 1001A and 1001B of the Corporations Law of the Capital Territory;
- (b) sections 776, 777 and 779 of the Corporations Law of the Capital Territory;
- (c) section 127 of this Act.

“(2) The Minister must make the request at, or as soon as practicable after, the end of 18 months after the day on which item 92 of Schedule 1 to the *Corporate Law Reform Act 1994* commences.

“(3) The Advisory Committee must provide its advice within 6 months of the request being made.”.

Corporate Law Reform No. 31, 1994

NOTES

1. No. 109, 1989, as amended. For previous amendments, see No. 110, 1990; Nos. 110, 200 and 201, 1991; and Nos. 27 and 210, 1992.
2. No. 90, 1989, as amended. For previous amendments, see Nos. 41 and 110, 1990; Nos. 110, 122 and 188, 1991; and Nos. 27, 94 and 210, 1992.

NOTE ABOUT SECTION HEADINGS

1. The following table changes some section headings in the Corporations Law and sets out when the changes commence.

Item	Heading to	Change	Commencement
1	Section 57	Add at the end: “or prescribed interests”.	Same as item 13 of Schedule 1 to this Act.
2	Section 241	Omit the heading, substitute: “ Company not to indemnify officer or auditor ”.	Same as item 2 of Schedule 3 to this Act.
3	Section 285	Omit “ financial years ”, substitute “ accounting periods ”.	Same as item 29 of Schedule 1 to this Act.
4	Section 408B	Omit the heading, substitute: “ Application of Parts 3.6 and 3.7—companies that are prescribed corporations ”.	Same as item 80 of Schedule 1 to this Act.
5	Section 779	Omit “ in respect of disciplinary proceedings ”.	Same as item 90 of Schedule 1 to this Act.
6	Section 996	Omit the heading, substitute: “ Misstatement in, or omission from, lodged prospectus ”.	Same as item 13 of Schedule 2 to this Act.
7	Section 1022	Add at the end: “ other than prospectuses to which section 1022AA applies ”.	Same as item 93 of Schedule 1 to this Act.
8	Section 1023	Omit “ primary ”.	Same as item 68 of Schedule 2 to this Act.
9	Section 1029	Omit the heading, substitute: “ Documents to be kept ”.	Same as item 68 of Schedule 2 to this Act.
10	Section 1040	Omit the heading, substitute: “ Securities not to be allotted or issued more than 12 months after issue of prospectus ”.	Same as item 57 of Schedule 2 to this Act.
11	Section 1041	Omit “ allotment, issue or sale ”, substitute “ allotment or issue ”.	Same as item 59 of Schedule 2 to this Act.

INDEX OF CORPORATIONS LAW AMENDMENTS MADE BY THIS ACT

Schedules 1 to 5 to this Act amend the Corporations Law. This index lists the Schedule items that amend existing sections of the Corporations Law and that insert new sections into the Corporations Law. New sections are marked with an asterisk. A brief description of the subject matter dealt with in the items is also included.

Corporations Law section	Amended/inserted by	Subject matter
9	Items 1 to 10, 114 and 115 of Schedule 1 and items 1, 2, 3, 65, 66 and 68 of Schedule 2	Definitions of "accounting period", "accounts", "applicable accounting standard", "application period", "audited or reviewed in accordance with this Law", "board", "body", "class", "company", "consolidated accounts", "deadline", "debenture", "disclosing entity", "ED securities", "excluded prospectus", "financial statements", "financial year", "half-year", "listed disclosing entity", "primary prospectus", "profit and loss account", "prospectus", "quoted ED securities", "replacement prospectus", "secondary prospectus", "seller", "share", "supplementary prospectus", "undertaking", "unlisted disclosing entity"
*50A	Item 11 of Schedule 1	Accounting periods and half-years (definition)
*53AAA	Item 12 of Schedule 1	Audited or reviewed in accordance with this Law (definition)
57	Item 13 of Schedule 1	Classes of shares or prescribed interests (definition)
*58C	Item 14 of Schedule 1	Deadline after an accounting period (definition)
60	Items 15 to 21 of Schedule 1	Directors (definition)
66	Items 4 to 6 of Schedule 2	Excluded issues, offers and invitations (definition)
*70A	Item 22 of Schedule 1	Financial years (definition)
83	Item 23 of Schedule 1	Officers, and other persons, in default (definition)
92	Items 24 and 25 of Schedule 1	Securities (definition)
*111AA to 111AX	Item 26 of Schedule 1	Disclosing entities (definitions, significance and exemptions and modifications)
232A	Item 1 of Schedule 3	Directors' interests in contracts of insurance
241	Items 2 to 4 of Schedule 3	Indemnification of officers or auditors
*241A	Item 5 of Schedule 3	Insurance of officers or auditors
243K	Items 6 to 8 of Schedule 3	Remunerating officers
244	Item 68 of Schedule 2	Secondary trading
284	Items 27 and 28 of Schedule 1	Accounts and audit

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285	Items 29 to 33 of Schedule 1	Accounts and audit
*285A	Item 34 of Schedule 1	Accounts and audit
287	Item 114 of Schedule 1	Accounts and audit
289	Item 35 of Schedule 1	Accounts and audit
292	Items 36, 114 and 115 of Schedule 1	Accounts and audit
293	Items 37, 114 and 115 of Schedule 1	Accounts and audit
*293A	Item 38 of Schedule 1	Accounts and audit
294	Items 114 and 116 of Schedule 1	Accounts and audit
294A	Items 39, 114 and 115 of Schedule 1	Accounts and audit
294B	Items 39, 114 and 115 of Schedule 1	Accounts and audit
295	Items 114 and 115 of Schedule 1	Accounts and audit
295A	Item 115 of Schedule 1	Accounts and audit
295B	Items 40 and 115 of Schedule 1	Accounts and audit
296	Items 41, 42, 114 and 115 of Schedule 1	Accounts and audit
297	Item 114 of Schedule 1	Accounts and audit
298	Item 114 of Schedule 1	Accounts and audit
299	Item 114 of Schedule 1	Accounts and audit
300	Items 43 to 47, 114 and 116 of Schedule 1	Accounts and audit
301	Items 48 to 50 and 116 of Schedule 1	Accounts and audit
302	Items 114 to 116 of Schedule 1	Accounts and audit
303	Items 51, 114 and 116 of Schedule 1	Accounts and audit
304	Items 52 to 55, 114 and 116 of Schedule 1	Accounts and audit
305	Items 56 to 62, 114 and 116 of Schedule 1	Accounts and audit
306	Items 63 and 64 of Schedule 1	Accounts and audit
307	Item 116 of Schedule 1	Accounts and audit
308	Items 65 and 66 of Schedule 1	Accounts and audit

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309	Items 67 and 116 of Schedule 1	Accounts and audit
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310	Items 114 and 116 of Schedule 1	Accounts and audit
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*[Minister's second reading speech made in—
House of Representatives on 15 December 1993
Senate on 2 February 1994]*