

# **ASIC CLASS ORDER (CO 07/570)**

## **EXPLANATORY STATEMENT**

Prepared by the Australian Securities and Investments Commission

*Corporations Act 2001*

The Australian Securities and Investments Commission (ASIC) makes Class Order (CO 07/570) *Revocation of Class Order (CO 98/55)* under s601QA(1)(a) of the *Corporations Act 2001* (the Act).

Subsection 601QA(1) provides that ASIC may exempt a person from a provision of Chapter 5C or declare that Chapter 5C applies to a person as if specified provisions were omitted, modified or varied as specified in the declaration.

### **1. Background**

The *Corporations Legislation Amendment (Simpler Regulatory System) Act 2007* (SRS Act) introduced a number of amendments to the Act. In particular, the SRS Act repealed s601FC(4) of the Act with effect from 28 June 2007.

Before its repeal by the SRS Act, s601FC(4) of the Act provided that a responsible entity could only invest scheme property, or keep scheme property invested, in another managed investment scheme, if that other scheme was registered.

Class Order (CO 98/55) *Investments in unregistered schemes* was first issued on 13 July 1998. It exempted certain persons, as listed in Schedule A to the instrument, in certain cases, as set out in Schedule B to the instrument, from s601FC(4) of the *Corporations Law*, and subsequently, s601FC(4) of the Act.

### **2. Purpose of the class order**

The purpose of CO 07/570 is to revoke CO 98/55.

Now that the SRS Act has repealed s601FC(4) of the Act, CO 98/55 can have no further operation, and is no longer necessary.

### **3. Operation of the class order**

CO 07/570 revokes CO 98/55.

### **4. Consultation**

ASIC did not undertake any specific consultation with other stakeholders before CO 07/570 was made, as it is of a minor and machinery nature.