**EXPLANATORY STATEMENT for
ASIC CORPORATIONS (AMENDMENT) INSTRUMENT 2015/999**

Prepared by the Australian Securities and Investments Commission

*Corporations Act 2001*

The Australian Securities and Investments Commission (ASIC) makes *ASIC Corporations (Amendment) Instrument 2015/999* under subsections 283GA(1), 601QA(1), 741(1), 926A(2), 992B(1) and 1020F(1) and paragraph 911A(2)(l) of the *Corporations Act 2001.*

*ASIC Corporations (Amendment) Instrument 2015/999* amends ASIC Class Order [CO14/1001] *Employee incentive schemes: Unlisted bodies*. Under subsection 33(3) of the *Acts Interpretation Act* *1901* (as in force as at 1 January 2005 and as applicable to the relevant powers because of section 5C of the *Corporations Act 2001*), where an Act confers a power to make, grant or issue any instrument (including rules, regulations or by-laws), the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend, or vary any such instrument.

1. **Background**

In October 2015, ASIC made *ASIC Corporations (Amendment) Instrument 2015/943* which made minor amendments to [CO14/1001]. [CO14/1001] provides relief to unlisted bodies who operate an employee incentive scheme from the requirement to comply with a range of requirements and restrictions under the Corporations Act relating to disclosure, financial services licensing, managed investment schemes, advertising, hawking and on-sale of securities.

The explanatory statement to *ASIC Corporations (Amendment) Instrument 2015/943* released in October 2015 provides further detail on the operation of that instrument. This explanatory statement sets out the purpose and operation of this additional amending instrument.

1. **Purpose of the instrument**

The purpose of *ASIC Corporations (Amendment) Instrument 2015/999* is to remove a reference in [CO14/1001] to a listed company which was inadvertently inserted as a result of the operation of *ASIC Corporations (Amendment) Instrument 2015/943.* [CO14/1001] deals exclusively with unlisted companies and not listed companies.

1. **Operation of the instrument**

*ASIC Corporations (Amendment) Instrument 2015/999* amends paragraph 28 of [CO14/1001] to refer to an unlisted body instead of a listed body.

1. **Consultation**

Consultation was not conducted in relation to *ASIC Corporations (Amendment) Instrument 2015/999*, because the amendment is minor and machinery in nature.

**Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

*ASIC Corporations (Amendment) Instrument 2015/999*

*ASIC Corporations (Amendment) Instrument 2015/999* is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

**Overview**

*ASIC Corporations (Amendment) Instrument 2015/999* makes a minor and machinery amendment to ASIC Class Order [CO14/1001] *Employee incentive schemes: Unlisted bodies* to correct a typographical error. [CO14/1001] applies to employee incentive schemes of unlisted bodies, and gives relief from requirements in the *Corporations Act 2001* in relation to product disclosure, financial services licensing, hawking and advertising in connection with offers of financial products made under an employee incentive scheme.

**Human rights implications**

*ASIC Corporations (Amendment) Instrument 2015/999* does not engage any of the applicable rights or freedoms.

**Conclusion**

*ASIC Corporations (Amendment) Instrument 2015/999* is compatible with human rights as it does not raise any human rights issues.

**Australian Securities and Investments Commission**