



ASIC
Australian Securities &
Investments Commission

Supplementary Explanatory Statement

ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and ASIC Corporations (Amendment and Repeal) Instrument 2019/548

This is the Supplementary Explanatory Statement for ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and ASIC Corporations (Amendment and Repeal Instrument) 2019/548.

The Supplementary Explanatory Statement is approved by the Australian Securities and Investments Commission (*ASIC*).

Purpose of the Supplementary Explanatory Statement

1. This Supplementary Explanatory Statement amends and supplements the initial explanatory statement (*explanatory statement*) for ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and ASIC Corporations (Amendment and Repeal Instrument 2019/548 (***Relevant Instruments***), in accordance with paragraph 15J(1)(c) of the *Legislation Act 2003* (Cth).
2. The purpose of this Supplementary Explanatory Statement is to set out details of the matters relevant to the exercise of ASIC's exemption powers in the Relevant Instruments.

Amendment to explanatory statement for the Relevant Instruments

3. In the section of the explanatory statement titled '*Legislative authority*':
 - (i) after paragraph numbered 26, insert new paragraphs 27 and 28 as follows:

“27. *As the predecessor purchase plan relief instrument ASIC Class Order [CO 09/425] was due to expire on 1 October 2019, ASIC considered the operation and effect of the relief contained in the predecessor instrument. ASIC determined that the relief is still necessary to promote the efficient operation of equity capital markets and is generally operating effectively. As such, ASIC has taken steps to remake the purchase plan relief to avoid any uncertainty that may arise as a result of allowing the relief to lapse or expire. As the subject matter of the Legislative Instrument is unlikely to change in the near future, ASIC considers it necessary and appropriate for the Legislative Instrument to be in force for the 10 year period allowed under the Legislation Act 2003.*

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28. *ASIC is of the view that a legislative instrument is the most appropriate vehicle to achieve the purposes set out in the section of this explanatory statement titled ‘Purpose of the Instruments’. ASIC considers that the exemptions provided for in the Legislative Instrument are not appropriate for enactment in the Act as they are highly specific and may import into an already complex statutory framework, a set of specific provisions that only apply to a particular group of issuers offering particular securities to particular persons in specific circumstances. In this context, amending the Act to provide for a disclosure exemption for share or interest purchase plans may introduce unnecessary complexity to the Act.”; and*
- (ii) renumber the paragraph previously numbered ‘27’ in the explanatory statement to number ‘29’.
4. In the section of the explanatory statement titled ‘*Statement of Compatibility with Human Rights*’, renumber the paragraph previously numbered ‘28’ to number ‘30’.