New England Corporate Services Pty Ltd (ABN 31 166 787 480)

20 April 2026

Australian Securities and Investments Commission
GPO Box 9827
Melbourne VIC 301

Sent via email: rri.consultation@asic.gov.au

Dear Sir/Madam

Submission – CP 387 (Enhanced beneficial ownership disclosure)

This letter is to provide comments on several of the proposals in ASIC consultation paper CP 387.

- Proposals B1 to B13 – no comment

- Proposal B14 B14Q1 – agreed; B14Q2 – no

- Proposal B15 B15Q1 – agreed in part;
  B15Q2 – the 'member identifier' (section 26(5) of the Principal Instrument) is problematic and seems unnecessary. The key person for a Chapter 6C body, who would have to generate or determine the 'member identifier', may have difficulty reconciling the register of members with what is contained in the Part 6C.2 information received by the key person. While being able to 'determine to which holding the information contained in the register of relevant interests relates' is an admirable ambition, there is little apparent usefulness in ensuring there is strict cross-referencing available at all times as suggested in paragraph 62. In addition, paragraph 60 under 'Rationale' refers to ambitions to 'standardise the information included in a register' and to 'support the usability of registers of relevant interests'. Again, these are lofty ambitions, but what is driving these outcomes and do the ends justify the means?

  On a practical level, is the 'member identifier' intended to match existing HINs and SRNs on the register of members of a listed company or listed registered scheme? These are existing and well established identification features for members of listed entities and it does not seem necessary to create a new class of unique identifiers. Some professional custodians have multiple HINs for the same registered name on the CHESS subregister. See generally Part 7.11 of the Act, and applicable ASX Settlement Operating

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Rules and listing rules. Has there been consultation with ASX Settlement, and professional registries and custodians regarding this matter?

- Proposal B16 B16Q1 agreed in part;
  B16Q2 – the obligation to keep a register of relevant interests under subsection 672DA(3) should be relaxed somewhat by recognising that the register is only as good as the information the key person receives. It follows that the key person should not have unlimited responsibility, or be obliged to ask the disclosing party for further particulars, in order to meet all register maintenance obligations including additional ones as per the Principal Instrument. This 'information received' concept is partly recognised in the wording of sections 672DA and 672DB. It is noted that failure to comply with the subsection is an offence.

- Proposal B17 B17Q1 – not entirely. It is useful that there are 3 forms at present (Form 603, Form 604 and Form 605) and this mode of disclosure has been the case for many years. This enables Chapter 6C bodies, their advisers and other market participants to quickly and readily spot (by the Form number as revealed in company announcements) substantial holders coming into view (603), disappearing out of view (605), and making material moves (604). It would seem likely that this useful 'flagging' of disclosure would be lost if there is a single form adopted as a simplification measure.

  B17Q2 – the draft Substantial Holding Notice produced by ASIC (Attachment 2) is certainly useful and will hopefully improve the overall standard of disclosure. It is assumed that ASIC has done a comprehensive survey of numerous market disclosures to come up with the drop-down options for paragraphs 3 and 4. Detailed comments on and suggestions for the Notice follow:

  - as regards paragraph 4, the section 608(2) selection should be deleted as this subsection is only relevant to interpreting paragraphs 608(1)(b) and (c) and is not its own category of relevant interest.
  - as regards paragraph 4, common categories or selections might include being the investment manager of an investment fund or the responsible entity of an investment fund as these are very common ways in which relevant interests under paragraphs 608(1)(b) and (c) arise.
  - as regards paragraph 4, the section 608(9) selection should be deleted as this subsection only arises through (ie is a result of) the operation of the rest of section 608 and is not its own category of relevant interest.
  - as regards paragraph 4, the section 608(3)(b) category is very common for corporate groups and is currently worded in a convoluted, misleading or legalistic manner (ie 'held through bodies corporate or managed investment scheme that person controls'). This could be made more accessible by a describer such as 'holding company' or similar.
  - as regards paragraph 7 'Changes in association', with the possibly erroneous use of the word 'Changes' it is not clear whether this is to enable disclosure of the nature of the person's association with the associate as required by section 671BB(1)(d)(i) – this is to be compared with paragraph 6 of the Form 603. Also refer below concerning associates disclosure. Common commercial categories for 'nature of association' could be considered for drop down options (eg 'controlled body corporate', 'shared controlling entity', or 'acting in concert').

- as regards paragraph 3, the use of 'on-market purchase' as a category is sensible but potentially problematic. Is this expression being used with its strict section 9 meaning (ie an on-market transaction effected on a declared financial market and meeting either of the two other aspects in that definition (eg ordinary course of trading)) or an on-market purchase in the commercial sense of a purchase or sale through a stockbroker or trading participant of any nature on (or reported to) a declared financial market (see also the wording of the exception in section 671BG(2))? Is an off-market transaction simply a sale or purchase by private treaty, requiring disclosure of a copy of the share sale agreement under section 671BF(1)? It is noted that section 671BB(2) uses the expression 'on-market transactions' to enable aggregation of transaction details.

More consideration should be given to Direction (1) in the form of Notice which is often relied on by many market participants. This is where there are a number of substantial holders with similar or related interests and the form suggests referring to a group of persons with essentially similar interests as a 'specifically named group'. The proposed Notice should cater for this more.

More consideration should be given to avoid the need for extensive lists of associates, where most of the associates are quite irrelevant to the disclosure, noting the wide capture of section 12(2)(a). The applies especially to foreign related bodies corporate unlikely to invest in Chapter 6C bodies and very extensive corporate groups. If simplification is an objective then this should be considered. It is noted that, similarly to existing section 671B(3)(d), section 671BB(1)(d) on close reading only requires the naming of each associate (of the person) who has a relevant interest (or deemed economic interest), not the naming of every associate (of the person). Of course, those associates are all persons who have a substantial holding (and must also make the disclosure as such), but only because one or perhaps a few of their associates (typically related bodies corporate likely to invest in listed entities/Chapter 6 bodies) have relevant interests). The Substantial Holding Notice produced by ASIC could explain this better as it is evident that this may or may not be readily understood by some market participants who, utilising Direction (1) in the Notice (where there are a number of substantial holders with similar or related interests, ie a 'specifically named group'), necessarily list all known associates. ASIC should consider exempting those 'deemed substantial holders' from being individually named in such extensive lists of what are essentially irrelevant associates.

More consideration should be given to ways to determine or ascertain the total votes attached to all securities in the Chapter 6C body to enable reporting of a holding percentage. It is not clear why this is a necessary additional particular added by ASIC (see section 29(b) of the Principal Instrument). Many Chapter 6C bodies have unquoted securities and quite often it is not easy to find a current figure for the voting securities on issue. Many Chapter 6C bodies regularly issue shares (eg on exercise of options) and the total votes figure can quickly become out of date. What is the best source of this information? It is submitted that persons preparing the disclosure forms should be given some form of safe harbour (beyond sections 671BC and 671C) regarding disclosure of the number of securities used to calculate percentages (refer paragraphs 79 and 80). The wording used in section 29(b) of the Principal Instrument could perhaps be qualified by reference to the knowledge of the person required to give the information.

B17Q3 – yes, as it is likely that most substantial holders will not have any interest in derivatives

B17Q4 – see above

- Proposal B18 generally. It would be of concern if the proposal was to favour the sophisticated and actively trading sectors of market participants. To whom would the holding information be submitted online? Will registration requirements make it harder to make disclosures? Will setting up a method of registering users or creating accounts lead to the development of a compliance tool or even an enforcement tool? Will law firms, accounting firms and stockbroking firms have access? What will a large corporate shareholder (eg with a holding percentage of 40%) that does not actively trade but monitors for 1% disclosable movements need to do?

- Proposal B19 – no comment

- Proposal B20 B20Q1 – yes, noting that no substantive additional information is intended to be prescribed for disclosure (para 78), in the interests of simplicity B20Q2 – no

- Proposal B21 – no comment

- Proposal B22 – no comment

- Proposals C1 to C3 – no comment

Thank you for the opportunity to provide a submission.

Yours faithfully
New England Corporate Services Pty Ltd

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Legal Practitioner Director

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