



**ASIC**  
Australian Securities &  
Investments Commission

CONSULTATION PAPER 377

# Guidance for reporting by external administrators and controllers: Updates to RG 16

April 2024

## About this paper

This consultation paper seeks feedback from liquidators, voluntary administrators and receivers and managing controllers (collectively referred to as 'external administrators and controllers'), professional bodies, and other interested parties.

It sets out our proposals to update our guidance on their reporting obligations under s422, 438D, 500AE, and 533 of the *Corporations Act 2001* (Corporations Act) and Reg 5.5.05 of the *Corporations Regulations 2001* (Corporations Regulations).

Note: The draft updated Regulatory Guide 16 *External administrators and controllers: Reporting of possible offences and misconduct* (RG 16) is available on our [Consultation papers webpage](#) under CP 377.

### About ASIC regulatory documents

In administering legislation ASIC issues the following types of regulatory documents.

**Consultation papers:** seek feedback from stakeholders on matters ASIC is considering, such as proposed relief or proposed regulatory guidance.

**Regulatory guides:** give guidance to regulated entities by:

- explaining when and how ASIC will exercise specific powers under legislation (primarily the Corporations Act)
- explaining how ASIC interprets the law
- describing the principles underlying ASIC's approach
- giving practical guidance (e.g. describing the steps of a process such as applying for a licence or giving practical examples of how regulated entities may decide to meet their obligations).

**Information sheets:** provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

**Reports:** describe ASIC compliance or relief activity or the results of a research project.

### Document history

This paper was issued on 11 April 2024 and is based on the legislation as at the date of issue.

### Disclaimer

The proposals, explanations and examples in this paper do not constitute legal advice. They are also at a preliminary stage only. Our conclusions and views may change as a result of the comments we receive or as other circumstances change.

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## The consultation process

You are invited to comment on the proposals in this paper, which are only an indication of the approach we may take and are not our final policy.

As well as responding to the specific proposals and questions, we also ask you to describe any alternative approaches you think would achieve our objectives.

We are keen to fully understand and assess the financial and other impacts of our proposals and any alternative approaches. Therefore, we ask you to comment on:

- the likely compliance costs;
- the likely effect on competition; and
- other impacts, costs and benefits.

Where possible, we are seeking both quantitative and qualitative information. We are also keen to hear from you on any other issues you consider important.

Your comments will help us develop our policy on providing guidance for the reporting of possible offences and misconduct by external administrators and controllers. In particular, any information about compliance costs, impacts on competition and other impacts, costs and benefits will be taken into account if we prepare a Regulation Impact Statement: see Section C, 'Regulatory and financial impact'.

### Making a submission

You may choose to remain anonymous or use an alias when making a submission. However, if you remain anonymous we will not be able to contact you to discuss your submission should we need to.

Please note we will not treat your submission as confidential unless you specifically request that we treat the whole or part of it (such as any personal or financial information) as confidential.

Please refer to our privacy policy at [www.asic.gov.au/privacy](http://www.asic.gov.au/privacy) for more information on how we handle personal information, your rights to seek access to and correct personal information, and your right to complain about breaches of privacy by ASIC.

Comments should be sent by 6 June 2024 to:

RG 16 Consultation Feedback  
Companies and Small Business  
Australian Securities and Investments Commission  
GPO Box 9827  
Melbourne VIC 3001  
Email: [RG16.Feedback@asic.gov.au](mailto:RG16.Feedback@asic.gov.au)

## What will happen next?

<b>Stage 1</b>	11 April 2024	ASIC consultation paper released
<b>Stage 2</b>	6 June 2024	Comments due on the consultation paper
<b>Stage 3</b>	Q4 2024	Regulatory guide released

## A Background to the proposals

### Key points

Regulatory Guide 16 *External administrators: Reporting and lodging* (RG 16) was issued in July 2008. RG 16 has not been substantially updated since that date.

### General need for updates to RG 16

- 1 RG 16 provides guidance to external administrators and controllers on complying with the obligation to report to ASIC. It specifically addresses the obligation to report possible offences and misconduct under s422, 438D, 500AE and 533 of the Corporations Act (the reporting obligations). The reporting obligations require external administrators and controllers to lodge with ASIC:
  - (a) an initial statutory report, after forming a view that possible offences or misconduct occurred. A liquidator must also lodge an initial statutory report after forming a view that the company may be unable to pay its unsecured creditors more than 50 cents in the dollar; and
  - (b) a supplementary statutory report with greater detail of possible offences and misconduct, where, in the opinion of the external administrator or controller, it is desirable to bring a matter to the notice of ASIC.
- 2 ASIC receives a large number of initial statutory reports and supplementary statutory reports. For the year ended 30 June 2023, we received 5,775 initial statutory reports. Based on ASIC data sources, more than 90% of insolvent liquidations disclose dividends to unsecured creditors of 50 cents in the dollar or less. We requested supplementary statutory reports in 778 cases.
- 3 RG 16 has not been substantially updated since 2008. Accordingly, we consider it is important to review and update the content given the number of reports we receive and stakeholders that may rely on the guidance.
- 4 Significantly, we consider there is a need for RG 16 to include greater clarity on ASIC's expectations for an external administrator and controller's compliance with the reporting obligations and our approach to the reports we receive.
- 5 Based on our regulatory experience, we have observed that in some cases external administrators are:

- (a) undertaking extensive investigations and incurring significant costs in completing the initial statutory report, well beyond that required to meet their obligations; and
- (b) preparing a supplementary statutory report in circumstances where we do not consider this further work is required and ASIC is unable to take further action based on the information in the report.

6 We have also identified that updates to RG 16 are required to correct outdated references, including changes to legislative requirements and the need to lodge reports with ASIC through the ASIC Regulatory Portal.

## Case law on the reporting obligations

7 Since the release of RG 16, a body of case law has developed on the obligation to prepare and lodge the initial statutory report with ASIC. This includes the recent decision in *Australian Securities and Investments Commission v Bettles* [2023] FCA 975 in relation to the obligation of a liquidator to prepare the initial statutory report under s533 of the Corporations Act.

8 The current guidance in RG 16 appears to be out of step with the case law. In particular, we are concerned that the guidance can be interpreted as setting a higher bar for external administrators and controllers to conduct investigations prior to completing the initial statutory report, than the courts have concluded is required.

9 Our review and updates to RG 16 seek to align the guidance with case law and to include commentary as appropriate from the relevant cases.

## Inquiry into corporate insolvency in Australia

10 On 28 September 2022, the Parliamentary Joint Committee on Corporations and Financial Services (the committee) announced it had commenced an inquiry into the effectiveness of Australia's corporate insolvency laws in protecting and maximising value for the benefit of all interested parties and the economy (Inquiry into Corporate Insolvency in Australia).

11 The committee released its [final report](#) on 12 July 2023. The committee recommended (at Recommendation 19), that there should be a comprehensive review of whether the current statutory reporting obligations for insolvency practitioners are best serving the integrity, efficiency, and efficacy of the Australian corporate insolvency framework, including (but not limited to) the ability of ASIC to appropriately process, utilise and respond to initial statutory reports within our current resources. In the

interim the committee also recommended that ASIC consider whether any timely changes can be made to the regulations on reporting thresholds and ASIC's response to insolvency practitioner reports.

- 12 The Government has not yet responded to the recommendations however in updating RG 16, ASIC is also seeking to address the committee's recommendations.



## B Proposed updates to RG 16

### Key points

We are proposing to update RG 16 to:

- make general updates to correct outdated references, reflect current legislative obligations and focus our guidance on the reporting obligations that are not covered in other ASIC content; see proposal B1.
- set out our expectations that an administrator or controller is not required to undertake extensive investigations or incur significant costs in completing the initial statutory report: see proposals B2 and B3.
- set out our expectations that we do not generally expect that it will be necessary for external administrators and controllers to lodge a supplementary statutory report with ASIC. The exceptions are—if the court directs lodgement of a report, or the external administrator or controller considers this is necessary to meet their reporting obligations: see proposal B4.
- set out our expected timeframe for lodging the initial statutory report and supplementary statutory report with ASIC: see proposal B5.

## Overview of the updates to RG 16

### Proposal

**B1** We propose to make general updates to RG 16 to:

- rename and focus the guidance on the obligation of an external administrator and controller to comply with the statutory obligation to lodge reports of possible offences and misconduct. References to reporting requirements that are covered in detail in other ASIC resources will be removed;
- include references to the reporting obligations of a liquidator in a simplified liquidation process;
- reflect that the initial statutory report and supplementary statutory report must be lodged through the ASIC Regulatory Portal;
- provide more detailed information on how ASIC uses the information we receive in the statutory reports; and
- remove the superseded Schedules to the RG.

### Your feedback

**B1Q1** Is any further guidance required in RG 16 to assist external administrators to meet their reporting obligations? If so, what additional guidance should we provide?

## Rationale

13 As previously outlined, the last substantive review of RG 16 was undertaken in 2008. We consider there is a need for general updates to RG 16 to reflect the following:

- (a) that ASIC Information Sheet 29 *External administration, controller appointments and schemes of arrangement: Most commonly lodged forms* ([INFO 29](#)) now sets out comprehensive and current information on general obligations for external administrators and controllers, so duplicative content can be removed. Based on our regulatory experience, the information that RG 16 needs to provide is predominantly guidance on preparing and lodging the initial statutory report and supplementary statutory report;
- (b) that Regulatory Guide 258 *Registered liquidators: Registration, disciplinary actions and insurance requirements* ([RG 258](#)) contains guidance on the disciplinary and other actions a registered liquidator may be subject to, so duplicative content can be removed;  
 Note: On 7 March 2024, ASIC released Consultation Paper 376 *Registered liquidators: Registration, ongoing obligations, disciplinary actions and insurance—Updates to RG 258 and supporting documents and templates* ([CP 376](#)). Feedback is due by 2 May 2024.
- (c) the introduction of reporting obligations that apply to a liquidator of a company that is subject to the simplified liquidation process under reg 5.5.05 of the Corporations Regulations. These obligations were introduced by the *Corporations Amendment (Corporate Insolvency Reforms) Regulations 2020*;
- (d) since 30 March 2020, external administrators and controllers have been required to lodge the initial statutory report and supplementary statutory report through the [ASIC Regulatory Portal](#);
- (e) that ASIC uses the information in the reports in various ways, including assessing whether to take further action, and for statistical purposes. This information is now centralised in in Section E of draft updated RG 16; and
- (f) that each of the Schedules to RG 16 are now superseded. The key supporting document still relevant to RG 16 is the [Allegations of possible misconduct—Substantiation guide](#) to provide further information on potential breaches and supporting evidence (particularly, for the preparation of reports funded by the Assetless Administration Fund). This guide is already available on ASIC’s website and will be cross-referenced in RG 16 where appropriate.

## Guidance on preparing the initial statutory report

### Proposal

- B2** We propose to set out our expectations that:
- (a) An external administrator or controller is not required to carry out extensive investigations or incur significant costs in completing the initial statutory report. It is also not necessary to have completed all inquiries or to have formed definitive views.
  - (b) The external administrator or controller should, nonetheless, at a minimum, complete the following steps:
    - (i) exercise their professional judgment in deciding what investigations to undertake, taking into account available information on the size and nature of the company's business and the extent of company property;
    - (ii) seek access to the books and records of the company;
    - (iii) interview the director(s) if within jurisdiction and maintain a written record of the information obtained; and
    - (iv) consider whether any offences or misconduct have occurred and whether evidence exists, or is likely to be obtained, to support further action by ASIC.

#### Your feedback

B2Q1 Is the proposed guidance in Section B of the draft updated RG 16 helpful? If not, explain how we could improve the guidance.

B2Q2 Is any further guidance required to assist the preparation of the initial statutory report? If so, what further guidance should we provide?

### Proposal

- B3** We also propose to include commentary on relevant case law on the reporting obligations, including:
- (a) It is not necessary for a liquidator to form a concrete opinion before reporting—only to report if it appears certain things may have occurred. Nor is the liquidator required to have reasonable grounds for holding the opinions or views. However, a liquidator is obliged to act bona fide and must not express views which are not genuinely held (see *Murdaca v Australian Securities and Investments Commission* (2009) 178 FCR 119 at 100 to 106).
  - (b) A liquidator may form a view before they obtain all the books and records of the company. The liquidator is required to investigate the affairs of the company in liquidation, but the extent of investigation undertaken will be constrained by the available resources (see *Australian Securities and Investments Commission v Bettles* [2023] FCA 975 at 745 to 746).
  - (c) A liquidator is not required to incur significant expense in getting in the books for the purpose of preparing a report (see the authorities

cited in *Australian Securities and Investments Commission v Wily & Hurst* [2019] NSWSC 521 at 83 to 87).

#### Your feedback

B3Q1 Is the proposed guidance on relevant case law in Section B of the draft updated RG 16 helpful? If not, explain how we could improve the guidance.

## Rationale

### Work required to complete the initial statutory report

- 14 Based on our regulatory experience, we have observed that some external administrators and controllers are undertaking extensive investigations and incurring significant costs in completing the initial statutory report. We consider this to generally be unnecessary and that available funds could be applied in other ways (including as distributions to creditors and members).
- 15 There are some minimum steps that we consider should generally be undertaken, such as obtaining the books and records and interviewing the directors. These steps should typically not involve significant costs.
- 16 ASIC cannot act on every report of possible offences or potential misconduct. In completing the initial statutory report, an external administrator or controller should use their reasonably formed professional judgment on determining the level of inquiries to undertake and the information to report, including whether evidence exists or is likely to be obtained.

### Commentary on relevant case law

- 17 As previously outlined, the current guidance in RG 16 no longer reflects the case law that has developed on the reporting obligations. The case law now provides useful insights on what level of investigation and work is required for liquidators and by analogy the obligations that apply to other external administrators and controllers.
- 18 The case law affirms that while a liquidator must express views that are genuinely held, it is not necessary to have formed concrete opinions prior to reporting. Further, the level of inquiries required to be undertaken and the costs required to be incurred should not be excessive and should reflect the available funds.

## Guidance on preparing the supplementary statutory report

### Proposal

- B4** We propose to set out that:
- (a) We do not generally expect that it will be necessary for external administrators and controllers to lodge a supplementary statutory report with ASIC.
  - (b) The two clear exceptions are if the court directs lodgement of a report, or if an external administrator or controller considers that lodging the supplementary statutory report is required to meet their reporting obligations, i.e. they have formed an opinion that there are other matters that it is desirable to bring to the attention of ASIC (which may be informed by ASIC requesting that such a report is lodged).
  - (c) The supplementary statutory report should focus on providing additional information on possible offences and misconduct that may support ASIC taking further action.
  - (d) If an external administrator and controller has been requested to lodge a supplementary statutory report by ASIC and they do not consider that the report should be prepared in the circumstances, they should notify ASIC.

#### *Your feedback*

- B4Q1 Is the proposed guidance in Section C of the draft updated RG 16 helpful? If not, explain how we could improve the guidance.
- B4Q2 Is any further guidance required to assist the preparation of the supplementary statutory report? If so, what further guidance should we provide?

### Rationale

- 19 We are seeking to provide clarity that based on our regulatory experience in most cases, the effort and costs associated with undertaking further investigations and preparing a supplementary statutory report is not required.
- 20 There are exceptions. The court may direct lodgement of a report, or the external administrator or controller considers there are additional matters that in their opinion are desirable to bring to ASIC's attention. ASIC assesses initial statutory reports lodged and in some cases requests further information in the form of a supplementary statutory report. This request may also inform the decision of an external administrator or controller to lodge a report.
- 21 We do not expect that extensive time and costs should be incurred in preparing the report, if it is required. The report should be focused on any additional information of possible offences or misconduct and supporting evidence. ASIC cannot act on every report of possible offences or potential

misconduct and a concise report that focuses on information that is likely to support the existence of a breach will assist ASIC's ability to take further action.

- 22 ASIC uses an automated process to assess the initial statutory report and request that a supplementary statutory report be lodged. We recognise that, in some cases, an external administrator or controller may not agree with the request to prepare a supplementary statutory report. For example, there may not be any additional information to report or there may not be sufficient funds available to prepare the report. In those cases, an external administrator or controller should submit a [Notice of intention not to lodge a supplementary report](#) transaction through the [ASIC Regulatory Portal](#) as soon as practicable or consider applying for funding from the [Assetless Administration Fund](#), as appropriate.

## Timing for lodgement of the initial statutory report and supplementary statutory report with ASIC

### Proposal

- B5** We propose to:
- (a) request external administrators and controllers to lodge the initial statutory report within four months of their appointment; and
  - (b) request external administrators and controllers lodge the supplementary statutory report within three months of lodging the initial statutory report.

#### *Your feedback*

**B5Q1** Is the proposed guidance in Section D of the draft updated RG 16 helpful? If not, explain how we could improve the guidance.

**B5Q2** Do you think the four-month timeframe for lodgement of the initial statutory report is appropriate? If not, what alternative timeframe do you think should be adopted and why?

**B5Q3** Do you think the three-month timeframe for lodgement of the supplementary statutory report is appropriate? If not, what alternative timeframe do you think should be adopted and why?

### Rationale

#### Initial statutory report

- 23 Under the Corporations Act, the timeframe for lodging the initial statutory report with ASIC is as soon as practicable after forming an opinion that a possible offence or misconduct has occurred (or for liquidators, in any

event within six months of forming the opinion that a possible offence or misconduct has occurred or it appears that the company may be unable to pay its unsecured creditors more than 50 cents in the dollar).

24 Based on our regulatory experience, lodging the report within four months of appointment enables us to promptly receive information about possible offences and misconduct and, where appropriate, either request a supplementary statutory report be lodged, commence an investigation or take further action.

25 We also consider that timely lodgement will assist external administrators and controllers to manage the cost of investigation and reporting.

### **Supplementary statutory report**

26 There is no specific timeframe for lodgement of the supplementary statutory report with ASIC under the Corporations Act.

27 We recognise that the timing for preparing the report may vary based on the particular circumstances of the company and that in some cases it may be difficult to lodge within a particular timeframe.

28 However, for the reporting obligations to be effective, there should be no delay in preparing and lodging a report when it is required. Generally, we expect the report should be able to be prepared and lodged with ASIC within three months of lodging the initial statutory report, especially given the guidance proposed in Section C of RG 16 (see proposal B4).

29 In some instances, we have seen the supplementary statutory report lodged twelve months or longer after the initial statutory report (and significant time and costs have gone into preparing the report) and the age of the misconduct reported has influenced our decision not to take further action. We are seeking to avoid situations where ASIC's ability to undertake administrative or enforcement action is impeded because there is a delay in lodging the report and/or external administrators and controllers have incurred unnecessary time and costs in preparing the report.

## C Regulatory and financial impact

30 In developing the proposals in this paper, we have carefully considered their regulatory and financial impact. On the information currently available to us we think they will strike an appropriate balance between:

- (a) providing clarity to external administrators and controllers on the reporting obligations; and
- (b) ensuring that external administrators and controllers are not subject to undue work and excessive costs in meeting the reporting obligations.

31 Before settling on a final policy, we will comply with the Australian Government's Policy Impact Analysis (PIA) requirements by:

- (a) considering all feasible options, including examining the likely impacts of the range of alternative options that could meet our policy objectives;
- (b) if regulatory options are under consideration, notifying the Office of Impact Analysis (OIA); and
- (c) if our proposed option has more than a minor or machinery impact on business or on the not-for-profit sector, preparing an Impact Analysis (IA) or an IA equivalent (Independent Review).

32 All IAs are submitted to the OIA for approval before we make any final decision, or if an IA equivalent—to the OIA for agreement. Without an approved IA or agreed IA equivalent, ASIC is unable to give relief or make any other form of regulation, including issuing a regulatory guide that contains regulation.

33 To ensure that we are in a position to properly complete any required IA or IA equivalent, please give us as much information as you can about our proposals or any alternative approaches, including:

- (a) the likely compliance costs;
- (b) the likely effect on competition; and
- (c) other impacts, costs and benefits.

See 'The consultation process', p. 4.



## Key terms

Term	Meaning in this document
ASIC	Australian Securities and Investments Commission
controller	As defined in this guide, means a receiver or managing controller appointed in relation to property of a corporation
controller appointment	Where a receiver or managing controller has been appointed in relation to property of a corporation
Corporations Act	<i>Corporations Act 2001</i> , including regulations made for the purposes of the Corporations Act
external administration	As defined in this guide, a voluntary administration, and liquidation (but not including a provisional liquidation)
external administrator	A voluntary administrator and liquidator (but not including a provisional liquidator)
reg 5.5.01 (for example)	A provision of the <i>Corporations Regulations 2001</i> (in this example, number 5.5.01)
registered liquidator	A person registered by ASIC under Division 20 of Sch 2
RG 16 (for example)	A regulatory guide (in this example, numbered 16)
s422 (for example)	A provision of the Corporations Act, or if specifically stated, of Sch 2 (in this example, numbered 422)
Sch 2	Schedule 2 of the Corporations Act
voluntary administrator	An administrator of a company but not of a deed of company arrangement

## List of proposals and questions

Proposal	Your feedback
<p>B1 We propose to make general updates to RG 16 to:</p> <ul style="list-style-type: none"> <li>(a) rename and focus the guidance on the obligation of an external administrator and controller to comply with the statutory obligation to lodge reports of possible offences and misconduct. References to reporting requirements that are covered in detail in other ASIC resources will be removed;</li> <li>(b) include references to the reporting obligations of a liquidator in a simplified liquidation process;</li> <li>(c) reflect that the initial statutory report and supplementary statutory report must be lodged through the ASIC Regulatory Portal;</li> <li>(d) provide more detailed information on how ASIC uses the information we receive in the statutory reports; and</li> <li>(e) remove the superseded Schedules to the RG.</li> </ul>	<p>B1Q1 Is any further guidance required in RG 16 to assist external administrators to meet their reporting obligations? If so, what additional guidance should we provide?</p>

Proposal	Your feedback
<p>B2 We propose to set out our expectations that:</p> <p>(a) An external administrator or controller is not required to carry out extensive investigations or incur significant costs in completing the initial statutory report. It is also not necessary to have completed all inquiries or to have formed definitive views.</p> <p>(b) The external administrator or controller should, nonetheless, at a minimum, complete the following steps:</p> <p>(i) exercise their professional judgment in deciding what investigations to undertake, taking into account available information on the size and nature of the company's business and the extent of company property;</p> <p>(ii) seek access to the books and records of the company;</p> <p>(iii) interview the director(s) if within jurisdiction and maintain a written record of the information obtained; and</p> <p>(iv) consider whether any offences or misconduct have occurred and whether evidence exists, or is likely to be obtained, to support further action by ASIC.</p>	<p>B2Q1 Is the proposed guidance in Section B of draft updated RG 16 helpful? If not, explain how we could improve the guidance.</p> <p>B2Q2 Is any further guidance required to assist the preparation of the initial statutory report? If so, what further guidance should we provide?</p>

Proposal	Your feedback
<p>B3 We also propose to include commentary on relevant case law on the reporting obligations, including:</p> <ul style="list-style-type: none"> <li>(a) It is not necessary for a liquidator to form a concrete opinion before reporting—only to report if it appears certain things may have occurred. Nor is the liquidator required to have reasonable grounds for holding the opinions or views. However, a liquidator is obliged to act bona fide and must not express views which are not genuinely held (see <i>Murdaca v Australian Securities and Investments Commission</i> (2009) 178 FCR 119 at 100 to 106).</li> <li>(b) A liquidator may form a view before they obtain all the books and records of the company. The liquidator is required to investigate the affairs of the company in liquidation, but the extent of investigation undertaken will be constrained by the available resources (see <i>Australian Securities and Investments Commission v Bettles</i> [2023] FCA 975 at 745 to 746).</li> <li>(c) A liquidator is not required to incur significant expense in getting in the books for the purpose of preparing a report (see the authorities cited in <i>Australian Securities and Investments Commission v Wily &amp; Hurst</i> [2019] NSWSC 521 at 83 to 87).</li> </ul>	<p>B3Q1 Is the proposed guidance on relevant case law in Section B of the draft updated RG 16 helpful? If not, explain how we could improve the guidance.</p>

Proposal	Your feedback
<p>B4 We propose to set out that:</p> <ul style="list-style-type: none"> <li>(a) We do not generally expect that it will be necessary for external administrators and controllers to lodge a supplementary statutory report with ASIC.</li> <li>(b) The clear exceptions are, if the court directs lodgement of a report or an external administrator or controller considers that lodging the supplementary statutory report is required to meet their reporting obligations (i.e. they have formed an opinion that there are other matters that it is desirable to bring to the attention of ASIC (which may be informed by ASIC requesting that such a report is lodged).</li> <li>(c) The supplementary statutory report should focus on providing additional information on possible offences and misconduct that may support ASIC taking further action.</li> <li>(d) If an external administrator and controller has been requested to lodge a supplementary statutory report by ASIC and they do not consider that the report should be prepared in the circumstances, they should notify ASIC.</li> </ul>	<p>B4Q1 Is the proposed guidance in Section C of draft updated RG 16 helpful? If not, explain how we could improve the guidance.</p> <p>B4Q2 Is any further guidance required to assist the preparation of the supplementary statutory report? If so, what further guidance should we provide?</p>
<p>B5 We propose to:</p> <ul style="list-style-type: none"> <li>(a) request external administrators and controllers to lodge the initial statutory report within four months of their appointment; and</li> <li>(b) request that the supplementary statutory report be lodged within three months of lodging the initial statutory report.</li> </ul>	<p>B5Q1 Is the proposed guidance in Section D of draft updated RG 16 helpful? If not, explain how we could improve the guidance.</p> <p>B5Q2 Do you think the four-month timeframe for lodgement of the initial statutory report is appropriate? If not, what alternative timeframe do you think should be adopted and why?</p> <p>B5Q3 Do you think the three-month timeframe for lodgement of the supplementary statutory report is appropriate? If not, what alternative timeframe do you think should be adopted and why?</p>