



2017–18 ASIC business plan summary Illegal Phoenix Activity (IPA)

Key projects	Project status	Focus
Stakeholder engagement		
Engage with industry stakeholders to better understand the environment	Ongoing	Engaging with stakeholders, including meeting with individual firms, industry bodies (such as the Australian Restructuring Insolvency and Turnaround Association) and building and construction entities.
Engage with other government agencies to identify, deter and prosecute IPA cases and the IPA facilitators	Ongoing	<ul style="list-style-type: none"> ◆ Engaging with other government agencies such as the Australian Taxation Office (ATO) and Department of Employment to share information and identify and respond to IPA ◆ Participating in and contributing to the ATO led Phoenix Taskforce and the Australian Federal Police led Serious Financial Crime Taskforce.
Education		
Educate directors and the public about IPA	Ongoing	<ul style="list-style-type: none"> ◆ Contributing to a report on the impact IPA has on the Australian economy ◆ Communicating with stakeholders (e.g. through media releases, presentations, journal articles, ad-hoc bulletins, regular newsletters), including in relation to surveillance outcomes, to reinforce and articulate standards and expectations.
Guidance		
Information for small business, registered liquidators and other stakeholders	New project	◆ Issuing regulatory guidance about director and company obligations
	Ongoing	◆ Improving the information provided in the Report as to Affairs so that Registered Liquidators have better information about alleged IPA to conduct investigations and report to ASIC.
Surveillance		
Surveillance of high-risk companies	Ongoing	Directors of companies in financial distress with a history of involvement in failed companies where allegations of IPA exist.
Surveillance of facilitators (pre-insolvency advisors and registered liquidators)	Ongoing	Disrupting the facilitation of IPA through collusion between advisers, directors and registered liquidators.
Transactional reviews	Ongoing	<ul style="list-style-type: none"> ◆ Reviews to better understand referral relationships between advisers and directors and registered liquidators ◆ Reviews of registered liquidators' declaration of independence, relevant relationships and indemnities to identify: <ul style="list-style-type: none"> – inappropriate relationships between registered liquidators and pre-



Key projects	Project status	Focus
		insolvency advisers <ul style="list-style-type: none">- inadequate declarations of relevant relationships.
Joint operational matters with other government agencies	Ongoing	<ul style="list-style-type: none">◆ Joint operational matters to assist other government agencies with their programs aimed at IPA, including prosecuting facilitators of IPA and challenging and removing the appointed registered liquidator◆ Use other agencies' intelligence, including data analytics and risk profiling to better understand the market and identify issues and manage risks.
Fund registered liquidator action through the Assetless Administration Fund	Ongoing	Fund the investigation of failed companies with few or no assets that raise concerns about IPA.
Enforcement		
Investigate and initiating administrative or court action	Ongoing	<ul style="list-style-type: none">◆ Investigating and taking enforcement action where appropriate for misconduct by directors and IPA facilitators (including pre-insolvency advisers and registered liquidators)◆ Taking administrative action to disqualify directors with two or more failed entities from managing companies when warranted.
Administer our Liquidator Assistance Program	Ongoing	Investigate and take action against directors who fail to provide books and records and a Report as to Affairs to enable registered liquidators to investigate IPA.
Policy advice		
Support development and implementation of key Government law reforms and other initiatives	New project	<ul style="list-style-type: none">◆ Contributing to the development of Government law reform to combat IPA
	Ongoing	<ul style="list-style-type: none">◆ Submissions to Government inquiries involving IPA◆ Participating in inter-government agency Phoenix Taskforce.