

**QUESTION ON NOTICE**

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**Question:** 24QW  
**Member:** Thistlethwaite  
**Topic:** ASIC's role in crypto and initial coin offerings  
**Written**

**Question:**

Some other international authorities such as the People's Bank of China have said that ICOs are linked to illegal financial activities, does ASIC think ICOs could be linked to illegal financial activities?

**Answer:**

- Commissioner John Price has said that ASIC sees potential for ICOs to be an innovative funding mechanism. Consistent with this view, our engagement with industry is focused on consumer protection, while giving industry flexibility to continue to develop innovative product offerings and ICO structures that would best meet investor interests and the needs of the industry.
- There is a potential for financial products or services, or non-financial transactions, to be used for illegal financial activities. This potential also exists for ICOs.