

Inquiry	Parliamentary Joint Committee on Corporations and Financial Services, Oversight of the Australian Securities and Investments Commission, the Takeovers Panel and the Corporations Legislation No. 1 of the 46th Parliament
Agency	Australian Securities and Investments Commission
Question No.	005
Reference	Spoken, 18 June 2021, Hansard page reference 37
Committee member	Senator O'Neill

Question

CHAIR: You've asked him a question about whether it's tick and flick, and he's trying to answer you.

Mr Longo: I wouldn't characterise it as tick and flick. I think that's going to the other extreme. It's a review exercise that looks at the face of the prospectus, and we try to satisfy ourselves of accounting principles. If the approach taken seems appropriate, reasonable and regular and is based on the information we have, including, in this case, information that was brought to our attention by a third party, that's the system we have. It's not a complete vetting, where we will test and prod what's in their prospectus and test the business model and all that. We don't do that in Australia, nor do we just tick and flick. We're—I hesitate to put it this way—somewhere in the middle. I'm happy to take it on notice. We do have a lot of regulatory guidance on this. There's a lot of information and knowledge in the market about how we deal with prospectuses, so I don't think investors would be surprised by the approach we took here.

Answer

Please see response to Question No 004.