

## **ASIC response to questions from Four Corners**

Many of the matters you raise are subject to on-going enforcement action and ASIC is not able to discuss matters currently before the courts.

Registered liquidators are required by law to report suspected misconduct by a past or present officer or an employee of a company to ASIC as soon as practicable. ASIC receives up to 8,000 initial reports from liquidators in a typical year, including in relation to companies whose unsecured creditors may receive less than 50 cents in the dollar.

These reports are high-level, highlighting suspected misconduct, the extent of deficiency in funds available to creditors and the number of creditors affected. In about 15% of cases a supplementary report is sought from the liquidator. In many cases a number of reports are required to support action against an individual, or as useful intelligence to better inform future disruption and enforcement action.

It is important to note that maximum regulatory impact cannot be achieved by acting on a fixed quota of reports of alleged misconduct or undertaking a specific number of enforcement actions. It requires us to carefully assess available information and intelligence in order to make decisions—sometimes difficult decisions— about where, when and how to take regulatory action.