



Mr Anthony Graham  
Senior Specialist  
Corporations  
Australian Securities and Investments Commission  
GPO Box 9827  
Melbourne Vic 3001

23 February 2010

## RE: ASIC CP 126 – ANZ RESPONSE

### 1. INTRODUCTORY COMMENTS

---

ANZ is pleased to provide feedback to ASIC on its Consultation Paper 126 titled “Facilitating debt raising”. We respond to you in two specific capacities as:

- > An arranger of wholesale and retail debt issues for corporate issuers; and
- > A distributor of financial products to retail investors.

ANZ does not respond in its capacity as an issuer of debt securities to retail investors because the Corporations Act 2001 already provides an exemption for authorised deposit-taking institutions (ADIs) from the need to lodge a prospectus in relation to issues of debentures.

#### **Strong support for ASIC’s proposal**

ANZ is a strong supporter of regulatory relief from ASIC to promote a retail bond market in Australia. This is in the interest of both investors and issuers, in particular:

- > Retail investors – in providing direct and transparent access to high quality debt investments, a critical asset class for an investor market that is aging and looking for lower risk, yield based assets; and
- > Issuers – in promoting an efficient and liquid domestic bond market that can provide a viable alternative source of debt capital for Australian corporates.

Based on the demand seen from ANZ’s retail client base, and interest expressed by our corporate client base, we believe there is strong interest and support for a vibrant retail bond market. However, we believe the current regulatory requirements for issuance makes this market more costly and onerous relative to other sources of debt capital, especially for “blue chip” issuers.

#### **Recommend some specific amendments**

For ASIC to materially reduce the cost and complexity of issuance, ANZ recommends a reduction in certain aspects of ASIC’s proposed prospectus requirements and the associated ongoing disclosure conditions. We believe that our specific amendments will not unduly impact on investor protections for retail investors, but will reduce the cost and complexity of issuance. These amendments are set out under 4. “Specific Comments” further below.

#### **Equity and Wealth Distribution**

8/100 Queen Street, Melbourne, Victoria, 3000  
Phone 03 9273 3880 | Fax, 03 9273 4523  
Email Adam.Vise@anz.com

#### **Client Solutions**

1/20 Martin Place, Sydney, New South Wales, 2000  
Phone 02 9227 1012 | Fax, 02 9226 4598  
Email John.Chauvel@anz.com

### Guiding principles and pathway for further reform

Our Specific Comments are based on three broad principles:

1. Equality of retail and wholesale markets;
2. Substantial disclosure relief, with increased reliance on continuous disclosure; and
3. Pragmatic application initially to the extent it encourages more substantial relief.

ANZ submits that further reform and relief consistent with these principles should be considered as a means to further advance ASIC's objectives.

## 2. BACKGROUND

---

ANZ has been cognisant of the non-existence of an Australian retail corporate bond market for the last 30 years. We speculate that this in part has been due to a highly competitive corporate banking market, which emerged in late 1980's following financial deregulation and the entry of foreign banks into Australia. In comparison to global markets, ample availability of debt to corporate borrowers from banks has likely stunted growth of a retail bond market and (to a lesser extent) a wholesale bond market in Australia.

This environment has not necessarily been detrimental to Australian corporate borrowers who, until the global financial crisis, had access to debt on terms that were highly competitive by global benchmarks. However, the freezing of global liquidity in September 2008 and the subsequent difficulty experienced by Australian corporates in refinancing debt (as noted in the overview to Consultation Paper 126) gives rise to questions about the depth of the domestic capital markets and in particular Australian corporates' dependence on foreign debt capital, provided either through the lending by foreign banks or direct access to foreign capital markets.

During the stress of the financial crisis we observed efficient and well functioning retail bond markets in the United States, United Kingdom, Europe<sup>1</sup> and New Zealand. US retail investors can invest modest amounts of money in individual company bonds or municipal securities. During the financial crisis this provided retail investors in the United States with an alternative to shares and bank deposits, while providing corporates with an alternative to bank debt. In the UK, strong demand from depositors in 2009 prompted the launch of a new trading platform on the London Stock Exchange for retail targeted corporate bonds, an initiative Treasury praised as a new way for private investors to save while supporting the capital raising needs of British companies. In New Zealand, corporates accessed the retail market in volume throughout 2009 with approximately 94%<sup>2</sup> of total corporate issuance (excluding Kauri and Bank issuance) in retail format. Notably, in February 2009, Fonterra Cooperative Group managed to raise NZ\$800 million in the New Zealand retail bond market.

Over this period, the Australian corporate bond market was comparatively weaker with no senior debt issuance possible after October 2007<sup>3</sup>. The first "true" corporate bond issued in the Australian capital markets was Tabcorp Holdings Limited with an A\$284 million bond issue, which closed in April 2009. This bond (issued using a full prospectus under s710 of the Corporations Act) allowed for the participation of retail and institutional investors, but could not have been launched without the demand available from retail investors. Retail investors effectively kick-started the domestic wholesale market. However, few issuers since have been willing to incur the expense and effort of undertaking a prospectus based debt raising, particularly when wholesale debt raisings benefit from an exemption of the requirement to prepare a prospectus and its associated timeline and liability (including personal liability) consequences.

The financial crisis also exposed Australian retail investors to extreme volatility in their investment portfolios. The Australian equity market, as measured by the S&P / ASX200 fell by over 50% from its highs in November 2007 to its low on 6 March 2009. Further, some individual investments in "structured" yield products offering "investment grade" credit risk collapsed, while some "liquid" managed investments (including cash management funds) had redemptions suspended. ANZ believes Australian retail investors would have been well served by a retail bond market that offered senior debt investments in "blue chip" Australian corporates. These investments, by their

---

<sup>1</sup> See Economist article dated August 13, 2009 "European companies court individual bond investors"

<sup>2</sup> ANZ Markets, New Zealand

<sup>3</sup> Stockland Corporation Limited A\$175m medium term note issued October 2007

nature, would have offered investors a continuous and predictable income stream and consequently less volatility in the event of a forced liquidation. While banks offer a number of suitable investment products to retail investors ranging from interest bearing deposits to hybrid securities, the variety of fixed income investment options for Australian retail investors is remarkably limited by global standards.

### **3. PRINCIPLES FOR “FACILITATING DEBT RAISING” VIA ACCESSING RETAIL INVESTORS**

Our specific comments are based on the following broad principles. ANZ submits that further reform and relief consistent with these principles should be considered as a means to further advance ASIC’s objectives.

#### **1. EQUALITY OF RETAIL AND WHOLESALE MARKETS**

ANZ believes that market integrity, depth and liquidity will all be maximised by encouraging a single market, where retail investors can readily participate in transactions with institutional investors. To achieve this, undertaking an offer to retail investors cannot be substantially more onerous or more costly than, nor incompatible with, an offer to institutional investors.

Equality of access encourages market integrity as retail investors will benefit from the conventions developed by the wholesale medium term note (MTN) market in Australia. This provides a sophisticated level of diligence around the terms of issue and pricing that should ensure a more efficient and robust market. For example, institutional investors’ participation in the Tabcorp Bonds transaction was seen as a positive endorsement for many retail investors and their advisers.

A key feature from the MTN market that ought to be accommodated is the two-part offering documents involving a base disclosure document (“programme documents” in the MTN market) with key terms and disclosures, and a second part which relates to the terms of a particular offer (“term sheet” and “pricing supplement”). This approach delivers substantial economies of scale by facilitating the re-use of the base document over many years. Expanding this to the retail market will encourage issuers to establish one set of documents that can provide access to both markets.

Conversely, discrete retail and wholesale market conventions, if allowed to evolve, could increase risks to retail investors. These markets could generate bonds with differing terms and conditions (such as financial covenants, security and acceleration or priority provisions), such that retail investors may inadvertently miss out on the robust institutionalised practices of the wholesale market. Secondary market liquidity may also be affected if institutional investors are unable to trade retail bonds.

Recent changes in licensing of rating agencies have already created the potential need for a two-tier market. ANZ is eager to see a working solution that resolves the conflict regarding AFSL conditions for the recognised rating agencies and allows for a single rated bond issue that is accessible to both institutional and retail investors. Information Sheet 99 helpfully clarifies the position for an issuer in relation to the disclosure of a rating to a retail client. However, it does not address the resulting practice of the rating agencies that are requiring that any instrument they rate may not be sold to a retail investor. This totally undermines the ability of rated issuers to issue fungible securities to both retail and wholesale investors.

ASIC should consider providing relief to the rating agencies so they are able to publish ratings on securities to be sold to an institutional investor base irrespective of whether the same securities may be sold to retail investors. While retail will not benefit from the disclosure of a credit rating endorsement, they will indirectly benefit from the scrutiny of the terms undertaken by the rating agency.

The equality principle should also extend between the Australian and New Zealand markets. ANZ recommends that ASIC should seek to ensure that an offer that benefits from relief also automatically benefits from the trans-Tasman mutual recognition regime.

## 2. SUBSTANTIAL DISCLOSURE RELIEF, WITH RELIANCE ON CONTINUOUS DISCLOSURE

ANZ believes that the disclosure cost of accessing other debt sources is relatively low, especially for the highest quality issuers. For such issuers to approach retail, the disclosure costs must be broadly equivalent.

ANZ recommends reduced prospectus requirements, with increased reliance on the continuous disclosure regime. We endorse the proposed process and recommendation 4.6 from the Australian Financial Centre Forum report, "Australia as a Financial Centre". We submit this approach is consistent with recent developments for the Australian equity market, and also accords with a strong and positive history of regulatory reliance on the continuous disclosure regime.

We believe that our specific amendments to the proposed relief will not unduly impact on investor protections for retail investors, but will reduce the cost and complexity of issuance. ANZ recommends that prospectuses (particularly the base prospectus for a two part prospectus) have a strong focus on retail friendly disclosure of terms, conditions and key risks.

We submit that ASIC should set minimal benchmarks in relation to terms of a "vanilla bond". This should focus on limited standards that can have global application, rather than being the subject of further case-by-case relief. The variety of issuer circumstances makes standard terms impracticable. However, we submit that substantial investor protection can be achieved from two core covenants:

1. mandatory cross acceleration with other debt of the issuer; and
2. "capital markets" negative pledge to prevent subordination "creep", unless that issuer has not previously provided such a pledge on existing capital markets instruments.

Finally, ANZ submits that ASIC can use disclosure to encourage conformity of terms by focusing its disclosure requirements on an exceptions basis, driving heightened disclosure of non-standard features of the instrument (and the resulting increased risks for investors).

## 3. PRAGMATIC APPLICATION INITIALLY TO ENCOURAGE SUBSTANTIAL RELIEF

While ANZ believes that any relief should be available broadly, we acknowledge that broad relief may not be practical and may result in ASIC seeking to restrict the nature and extent of the substantive nature of the relief. Where there may be a trade-off between extent of relief versus breadth of relief, we recommend maximising the extent of relief (as discussed above). In the short term, this ensures that the relief will be valuable and therefore utilised by the highest quality issuers. It also provides an opportunity for the market to establish more robust practices and for these practices to be tested. ASIC should look to review the availability of the relief in light of how market practice develops over the medium term.

### ***Proposed initial relief - Issuance by S&P/ASX200 corporates only***

Relief could be restricted to the most "visible" Australian corporates. We suggest this universe to include all S&P/ASX 200 index members. Inclusion in the S&P/ASX200 is primarily based on market capitalisation (adjusted for free-float) and liquidity. These features ensure that members of the index have a substantial market value of their equity, and their continuous disclosure practices are expected to be well tested by analysts, financial advisors and research houses. The index is also dynamic and updated regularly. If a corporate issuer is removed from the S&P/ASX 200 index it will no longer be entitled to issue bonds to retail investors with the benefit of the proposed relief.

In light of the narrow breadth of relief and the existing liability regime associated with a prospectus offer, we believe the market (being institutional investors, retail investors, research houses, the financial adviser community) and issuers with their advisers (arrangers and their legal advisors) will determine appropriate terms and disclosure in the offering material.

## 4. SPECIFIC COMMENTS

---

### 4.1 VANILLA BONDS PROSPECTUS RELIEF

---

**B1Q1** *Do you agree with our proposed relief allowing a vanilla bonds prospectus to be used for offers of corporate bonds? Why? If relief is given, would a class order or case-by-case relief be preferable?*

Yes, ANZ agrees with the objectives for the relief for retail bond issuances. We believe that these objectives can be further advanced, and encourage ASIC to explore further relief as proposed in this submission.

Amongst the points raised above, ANZ believes that a focused offer document with a retail “friendly” description of terms and risks and with greater reliance on the continuous disclosure regime will fulfil investor disclosure requirements.

ANZ considers that substantive class order relief as proposed in this submission will be more effective than case-by-case relief as it provides certainty to issuers and their advisers.

**B1Q2** *Would our proposed relief be of commercial benefit to issuers? Would the relief make it more likely that issuers would extend offers of quoted corporate bonds to retail investors?*

The proposed relief will have some commercial benefit to issuers.

However, in light of the number of competitive sources of debt funds, relief may need to be more substantial to drive significant utilisation from the leading and highest quality issuers.

A reduced prospectus requirement (to the extent that it moves towards a section 708AA style rights offering for retail) will see a substantial improvement in the commercial benefit to issuers and see greater alignment to existing wholesale market practices.

**B1Q3** *What are the risks and benefits of our proposed relief for investors?*

ANZ does not believe that the reduced content requirements of a vanilla bonds prospectus would result in any additional risks to investors over and above the risks that are inherent in any investment in corporate bonds.

Key benefit is for retail investors who gain direct and transparent access to a major and critical asset class that provides access to liquidity, capital stability and reliable investment returns with relatively lower risk compared to equity investments.

**B1Q4** *Do you agree with our proposal not to provide relief from the exposure period required under s727(3)? Why?*

Yes.

However, if ASIC provides relief on rolling bond issues (Two-Part Prospectus Relief), then ANZ supports relief of the exposure period on the second-part prospectus.

**B1Q5** *Do you agree with our proposal not to provide relief from the requirement to appoint a debenture trustee for offers of vanilla bonds? Why?*

Yes.

ANZ agrees that the requirement to appoint a debenture trustee should continue to apply as it helps to protect the interests of investors and is not an unreasonable compliance burden for issuers.

## 4.2 CONDITIONS APPLYING TO THE ISSUER

---

**B2Q1** *Do you agree with the proposed conditions that must be satisfied in relation to the issuer and its existing continuously quoted securities? Are there any additional conditions that should be required?*

Yes. We note our comments above regarding potential restriction of relief to members of the S&P/ASX200 index if this encourages ASIC to provide more substantial relief.

**B2Q2** *Should we require the bond issuer to satisfy a minimum level of net tangible assets? If so, what is an appropriate minimum?*

No, ANZ does not believe that a NTA criteria is relevant given that NTA alone is not a reliable determinant of the credit quality of the issuer.

We note our comments above regarding the potential restriction of relief to members of the S&P/ASX200 index. Such membership includes consideration of the market value of the issuer's equity.

**B2Q3** *Should we also require the issuer to satisfy minimum conditions based on key financial metrics (e.g. gearing ratio, interest cover and working capital ratio)? If so, what conditions should be applied?*

No.

The relevant key metrics to a particular issuer may not be as relevant to an issuer in another market segment.

ANZ does not believe that broadly defined key financial metrics can always be a reliable measure of the credit quality of an issuer.

**B2Q4** *Should relief extend to foreign issuers that are listed on an approved foreign market and that are proposing to issue vanilla bonds that will be quoted on the approved foreign market or on a prescribed financial market?*

Yes, conceptually relief should be extended, especially for New Zealand listed entities in light of existing trans-Tasman regime.

Initially, however, ANZ suggests that potential foreign issuers listed on an approved financial market could be assessed on a case-by-case basis.

## 4.3 CONDITIONS APPLYING TO THE CORPORATE BONDS

---

**B3Q1** *Do you agree that relief should be limited to offers of 'vanilla' bonds? Do you agree with our proposed conditions for vanilla bonds? Are there any other conditions that should be satisfied?*

Initially, ANZ recommends that relief be limited to bonds of a vanilla nature, but ASIC should be open to the opportunity to review this as the market develops.

However, the proposed conditions to determine which instruments can be considered to be vanilla bonds should not be overly restrictive so that the market can be allowed to drive the terms of issue.

In particular, concession should be made for the following:

- i) Fixed term may need to be flexible – ANZ recommends a fixed term of up to 20 years given the strong demand from Australian corporates to lengthen their maturity profiles and mitigate short term liquidity risks in the event of another financial crisis;
- ii) Interest rate should not be restricted to fixed or floating benchmark rate. It should accommodate features such as CPI rate for inflation indexed bonds or step-up rates as penalty interest. Additional risk disclosure will be required to adequately explain any non-standard features;
- iii) Subordination should not prevent a vanilla bonds classification provided it is adequately disclosed;
- iv) Conversion into any other security that would be eligible for relief under the vanilla bonds prospectus or existing equity relief should not prevent a vanilla bond classification provided it is adequately disclosed;
- v) Issuance to investors does not need to be all at the same price provided it is adequately disclosed - this can allow for flexibility in relation to mechanisms that have worked effectively in the wholesale market, such as corner-stoning and underwriting incentives; and
- vi) Minimum issuance size (if one is prescribed) should be reduced to \$50 million. This is sufficient for liquidity purposes while also allowing flexibility for issuers who have recently indicated a preference to average in their debt programs at various sizes and pricing points.

In the long term, the overriding principal should be to accommodate program based issuance, similar to that in the wholesale debt market. Also, continued application of the clear, concise and effective requirement will help ensure a natural limit for instrument complexity.

**B3Q2** *Should Australian Prudential Regulation Authority (APRA) regulated entities that are issuing bonds for regulatory capital be exempt from the requirement for bonds to be vanilla bonds? For example, should we permit APRA regulated entities to raise regulatory capital by issuing subordinated debt under a vanilla bonds prospectus?*

The proposed relief is not required for authorised deposit-taking institutions (ADIs), which do not need to lodge prospectuses in relation to issues of their debentures (section 708(19)).

**B3Q3** *Do you agree with the requirement for the issue to be a minimum subscription size? If so, is \$100 million an appropriate minimum amount?*

No, ANZ does not believe that a minimum subscription size will need to be prescribed given that S&P/ASX 200 issuers are unlikely to come to the market for insignificant volumes.

However, if an amount is to be prescribed, ANZ considers A\$50 million will be a more appropriate level and any amount below that level should be considered on a case-by-case basis.

**B3Q4** *Should we require that, on issue, there is no secured debt that ranks ahead of the corporate bonds? Alternatively, should any additional conditions apply if the issuer has existing secured debt that ranks ahead of the bonds? If so, what conditions should apply (e.g. conditions restricting the level of secured debt that can be on issue)?*

No, the secured debt ranking issue should not be a prescribed requirement, but one that can be addressed with adequate disclosure.

As set out above, ANZ submits that ASIC can encourage conformity of terms by focusing its disclosure requirements on an exceptions basis, driving heightened disclosure of non-standard features of the instrument (and resulting risks of failure of investor protections) and otherwise having limited mandatory terms such as mandatory cross acceleration and negative pledge.

**B3Q5** *Should we prohibit the issuer from issuing any new debt that would rank ahead of the corporate bonds? Should we also prohibit the issuer from providing any further security that would cause existing debt to rank ahead of the corporate bonds?*

No, please see the comments on negative pledge in Principle 2 stated in section 3 above.

**B3Q6** *Are there any circumstances in which the terms of issue of vanilla bonds should permit interest to be deferred? Please provide details.*

No.

**B3Q7** *Are there any circumstances in which the terms of issue of vanilla bonds should permit early redemption? Please provide details.*

Yes, provided that it is adequately disclosed. This is in line with current wholesale market practice and may be in favour of:

- > The issuer – for events such as an adverse tax event or where the outstanding principal reaches a de minimus amount such as 10% of the original issue amount; or
- > The investor – for events such as change of control or where the bonds or issuer cease to be quoted.

Ultimately, ANZ recommends that the market be allowed to drive the terms of issue and that an early redemption feature does not complicate the vanilla nature of the bond.

#### 4.4 DISCLOSURE CONDITIONS

---

**B4Q1** *Do you agree that our relief should be conditional on point-of-sale disclosure of the key matters identified in Appendix 1? Are there any other key matters for which disclosure should be required?*

Yes. However, for ASIC to materially reduce the cost and complexity of issuance, ANZ recommends a reduction in certain aspects of ASIC's proposed prospectus requirements and ongoing disclosure requirements. We believe that the following specific amendments will not unduly impact on investor protections for retail investors, but will reduce the cost and complexity of issuance;

- > Removal of item 2(c) - ANZ considers the requirement for issuers to provide quarterly reports on the items listed to be beyond the reasonable requirements of bond investors. Investors can rely on the continuous disclosure regime for timely disclosure of material factors that may affect bond holders;
- > Removal of item 3 - ANZ considers the mandatory requirement for issuers to provide ongoing email notification to investors for new ongoing information to be excessive, potentially requiring large infrastructure investment for issuers to comply. If new information is disclosed via an ASX announcement, bond investors have access via various channels, including the ASX website. We note that many ASX200 corporations offer some degree of email on an opt-in basis;
- > Removal of item 5(d) - ANZ is not opposed to a stated minimum subscription amount, however the statement that money will be refunded if not met is a duplication of information to be provided under item 9 and need not be legislated;



- > Removal of item 5(l) - ANZ considers the requirement to disclose the amount of other debt that needs to be paid in priority on liquidation creates a costly and difficult analysis. If applied, it should be of a general nature and needs to be based on most recently disclosed accounting statements;
- > Change of wording for item 8(a) - ANZ recommends the issuer provide a 'brief outline' of their business rather than 'brief details' of the business. ANZ believes that such summaries are not relied upon by investors, and therefore ASIC should actively encourage brevity;
- > Deletion of second component of item 8(b) - ANZ believes that the requirement to set out "the effect of the issue on the issuer" where it relates to a refinancing of existing debt (expected to be the vast majority of issuers) is unnecessary as it has no impact on the balance sheet of the issuer. Mandating for the production of even a simple adjusted balance sheet in such circumstances creates additional costs without any information benefit to investors.
- > Removal of item 8(d),(e) and (f) - ANZ addresses this further in B4Q3, but ultimately recommends that the issuer determine what suitable financial metrics, if any, be disclosed to investors rather than a legislated "one-size-fits-all" approach; and
- > Removal of item 10 - ANZ considers the requirement for this statement to be too broad an obligation for issuers, requiring a comprehensive due diligence exercise be undertaken with respect to the company's entire operations. ANZ recommends that per item 2(a), investors instead be directed to the ASX and issuer's website for information and material announcements under the continuous disclosure regime.

**B4Q2** *Should we require the key matters in Appendix 1 to be disclosed in a particular order to assist investors in comparing different offer documents?*

No.

The issuer (with its advisers) should decide the order of presenting the information as they can better determine an approach that is most relevant to investors, while also seeking to be consistent with past offers and raisings and taking into account the particular circumstances of each issuer.

**B4Q3** *Do you agree with our proposals in relation to disclosure of the gearing ratio, interest cover and working capital ratio, as outlined in Appendix 2? Are there any other financial metrics that should be included for use by either retail or institutional investors? If so, what are they and why are they needed? Are there any entities for which disclosure of these metrics may not assist retail investors (e.g. APRA regulated entities)?*

No.

This should be determined by the issuer in light of their particular circumstances and their expectations of what their investors would reasonably require. Financial metrics can often be misleading and deceiving if constructed purely to fit a prescribed model.

**B4Q4** *Do you agree that our relief should be conditional on the ongoing quarterly disclosure of key financial information and the quarterly reports required under s283BF? Are there any other matters for which ongoing disclosure should be required?*

No.

The legislative requirements of section 283BF and the continuous disclosure framework are comprehensive and sufficient.

#### **4.5 TWO-PART PROSPECTUS RELIEF**

---

ANZ agrees with the principles behind the two-part prospectus relief for retail bond issues based on our key principle of promoting “equality of retail and wholesale markets” as set out in the “Principles” section above.

However, we encourage ASIC to go beyond just the extension on [CO 00/173] and allow a pricing supplement for facilitating rolling bond issues similar to that used in existing MTN programmes.

Further, it is generally our view that the base offer document should be valid for as long as it does not undermine clear, concise and effective principles. Programme documents in the MTN market can be used indefinitely. If a time limit is required, ANZ supports a long tenure to enable issuers to realise economies of multiple use. For example, ASIC could consider a 5 year backstop time limit where that limit is subject to other tests around ensuring it remains up to date. These might include limits where material changes in the issuer, terms or risks, or where the two documents cease to become clear, concise and effective due to material “amendments” having to be undertaken in the supplement.

#### **4.6 DISCLOSURE RELIEF FOR OFFERS OF CONVERTIBLE NOTES TO INSTITUTIONAL INVESTORS**

---

ANZ is supportive of proposed relief for convertible note issues to institutional investors and believes it is best achieved on a case-by-case basis.

#### **4.7 REVIEW OF ANNUAL REPORTING DISCLOSURE**

---

ANZ submits that should ASIC seek to make changes to the level of ongoing reporting and disclosure by corporates, it requires analysis and consideration of broader issues that need to be considered comprehensively, and then applied systematically across all classes of securities.

#### **4.8 REGULATORY AND FINANCIAL IMPACT**

---

ANZ would be delighted to discuss with ASIC the regulatory and financial impact of the proposed relief.

#### **5. CONCLUDING REMARKS**

---

ANZ appreciates the opportunity to comment on the Consultation Paper. If you have any questions, please do not hesitate to contact either Adam Vise on (03) 9273 3880 or John Chauvel on (02) 92271012.

Yours sincerely



Adam Vise  
Head of Structuring and Execution  
Equity and Wealth Distribution



John Chauvel  
Head of Client Solutions  
Relationship Banking