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From: Shabnam Amirbeaggi <shabnam@crouch.com.au>
Sent: Friday, 11 September 2015 7:52 AM
To: ASIC Funding
Subject: Submission to the 'Proposed industry funding model for the Australian Securities and Investments Commission' consultation

Dear Sir/Madam,

It seems inappropriate to impose a levy on practitioners purely to pay for regulation of practitioners. Not only do the smaller practitioners suffer, particularly those that do smaller jobs wherein the realisations are nominal, but also creditors will be paying by way of reduced dividends.

It might be better received if the levy is also used to fund the 'no funds' liquidations, like the current AFSA model. That may encourage registered liquidators to reconsider the number of jobs they take on in the first instance. It will also provide for a closure of all the registered companies that have no prospect of recovery, that are currently waiting for the likes of the ATO to incur the cost of winding them up.

If there is to be a levy imposed, then the current AFSA model, based on a percentage of realisations made, is the easiest to monitor the fairest across the industry. Practitioners with high volume and low return matters are not necessarily always the ones requiring regulation. This has been evidenced in the recent cases against larger firms.

Perhaps a requirement to complete an Annual Estate Return as is required by AFSA should be implemented. The information contained in that document is largely the same as that required in the Form 524, and provides the stats ASIC seeks in monitoring registered liquidators. Information provides includes:

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- 1) Realisations made in every estate,
- 2) Fees paid to trustee,
- 3) Disbursements incurred and paid,
- 4) Dividends paid to secured creditors and unsecured creditors, and
- 5) Amounts returned to bankrupt, amongst other features.

A review of that singular document will enable ASIC regulators to monitor practitioners in various areas of practice.

Regards,

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