



Monday, 30 June 2008

Primebroker Securities Limited – Panel Receives Application

The Panel has received an application from Primebroker Securities Limited to review a decision of the Australian Securities and Investments Commission under s656A of the Corporations Act.

The application relates to a declaration made by the ASIC on 2 February 2001, which modified Chapters 6 and 6C of the Corporations Act so that certain securities finance transactions entered into by Primebroker were exempt from ss606 and 671B of the Corporations Act. The effect of the declaration was that Primebroker would not acquire a relevant interest in securities and therefore would not be required to lodge a substantial holding notice or be in breach of s606 in circumstances where it held 20% or more of the securities in a listed company, where the holding arose as a result of a prescribed securities finance transaction.

On 18 June 2008, ASIC made a decision to revoke the ASIC declaration. ASIC has indicated that the revocation of the instrument takes effect on 2 July 2008.

Primebroker seeks:

- (a) a review of the decision of ASIC to revoke the declaration and
- (b) an order staying the operation of ASIC's revocation decision.

The application only relates to the revocation decision, insofar as it concerns Chapter 6 of the Corporations Act.

A sitting Panel has not been appointed at this stage and no decision has been made as to whether to conduct proceedings. The Panel makes no comment on the merits of the application.

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