

# MANAGED INVESTMENTS IN AUSTRALIA

Australia, Brisbane, Melbourne, Perth, Sydney  
Legal Briefings

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The Financial System Inquiry will take account of the regulation of the general operation of companies and trusts to the extent this impinges on the efficiency and effective allocation of capital within the financial system.

Concerns in relation to the operational efficiency and international competitiveness of Australian managed investment schemes (**MIS**) influenced our submission to CAMAC in relation to the single legal entity proposal (**SLE Proposal**), which CAMAC adopted with approval in its August 2012 report on managed investment schemes. The SLE Proposal would improve the position of MIS creditors and simplify MIS transactions where counterparties currently must accept and be subject to limitation of liability provisions.

We anticipate that Australian MISs will be increasingly challenged by international competition, including from offshore funds using the 'funds passport' and that this is a timely opportunity to review the regulation of Australian MIS to ensure that they are as competitive as possible, both domestically and internationally. There are a number of areas in which the FSI has the opportunity to improve the competitiveness of Australia's MIS sector including:

- Revisiting the SLE Proposal, to put MISs on a more level playing field with international funds and with companies;
- Facilitating the use of technology in the operation and distribution of MISs;
- Potentially simplifying the disclosure requirements in the Corporations Act for MISs and harmonising product disclosure statement and prospectus disclosure to retail investors.





## KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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