

9 September 2021

Email: businesscomms@treasury.gov.au

The Manager
Market Conduct Division
The Treasury
Langton Crescent
PARKES ACT 2600

Dear Sir/Madam

TREASURY LAWS AMENDMENT (MEASURES FOR A LATER SITTING) BILL 2021: USE OF TECHNOLOGY FOR MEETINGS AND RELATED AMENDMENTS

The Stockbrokers and Financial Advisers Association (SAFAA) is the professional body for the stockbroking and investment advice industry. Our members are Market Participants and Advisory firms that provide securities and investment advice, execution services and equity capital-raising for Australian investors, both retail and wholesale, and for businesses. Practitioner Members are suitably qualified professionals who are employed in the securities and derivatives industry.

Thank you for the opportunity to provide feedback on the *Treasury Laws Amendment (Measures for a Later Sitting) Bill 2021: Use of technology for meetings and related amendments* (the Bill) .

SAFAA previously provided feedback on the exposure draft bill on 7 July 2021.

SAFAA supports amendments to the Corporations Act that provide for companies to execute company documents, including deeds, electronically and welcomes the provisions in the Bill that will make permanent amendments to the Corporations Act enabling companies to do so. These changes are long overdue and will provide much needed clarity and certainty. The challenges faced by our members as a result of the recent pandemic lockdowns have highlighted how important these amendments are to businesses being able to operate efficiently and effectively.

In relation to meetings, we welcome the provisions that require all meetings, regardless of how they are held, to provide members with a reasonable opportunity to speak or ask questions. We are pleased to see the amendment to the draft bill that allows members who attend a meeting using virtual meeting technology to exercise orally *and* in writing their right to ask questions and make comments.

SAFAA pointed out in our previous submission that providing shareholders with a reasonable opportunity to ask questions about or make comments on the management of the company is an important shareholder right and that it was important that it not be diluted by reason of a meeting being held virtually. We consider that an important aspect of the existing section 250 S of the Corporations Act is that the questions or comments are made *at the meeting*. Any solution that provides for a company to make questions or comments available to shareholders after the meeting has concluded does not satisfy this important requirement.

SAFAA welcomes the note in the Explanatory Memorandum that clarifies that the company could satisfy the requirement by offering members *both* the opportunity to ask questions orally by dialling into a phone hook-up and the opportunity to type their questions into a chat function.

We are of the view that this change:

- overcomes our previous concerns that members would only have the option of typing in questions to a chat function and would not have the opportunity to ask questions directly via phone hook-up
- will ensure that shareholder questions and comments whether they are oral or written will be made available to the whole meeting while it is taking place.

If you require additional information or wish to discuss this submission in greater detail please do not hesitate to contact SAFAA's policy manager, Michelle Huckel, at michelle.huckel@stockbrokers.org.au.

Kind regards

A handwritten signature in black ink, appearing to be 'JF' with a long horizontal stroke extending to the right, and 'Gx' written below it.

Judith Fox
Chief Executive Officer