



Telstra Corporation (Ownership — Interests in Shares) Regulations 1997

Statutory Rules 1997 No. 244 as amended

made under the

Telstra Corporation Act 1991

Consolidated as in force on 3 September 1999

(includes amendments up to 1999 No. 160)

Prepared by the Office of Legislative Drafting,
Attorney General's Department, Canberra

Style Definition

EXPOSURE DRAFT



Telstra Corporation (Ownership— Interests in Shares) Regulations 1997

Statutory Rules 1997 No. 244 as amended

made under the

Telstra Corporation Act 1991



EXPOSURE DRAFT (08/10/2018)

Telstra Corporation (Ownership—Interests in Shares) Regulations 2018

**I, General the Honourable Sir Peter Cosgrove AK MC (Ret'd), Governor-General of the
Commonwealth of Australia, acting with the advice of the Federal Executive Council,
make the following regulations.**

EXPOSURE DRAFT

Dated 2018

Peter Cosgrove
Governor-General

By His Excellency's Command

Mitch Fifield [DRAFT ONLY—NOT FOR SIGNATURE]
Minister for Communications and the Arts

Formatted: Left

EXPOSURE DRAFT

Contents

Part 1 Preliminary

1	Name of Regulations [see Note 1]	3
2	Object	3
3	Interpretation	3
4	Beneficial interest — investment funds	4
5	Beneficial interest in investment fund held as loan security only	5

Part 2 Foreign ownership — disregarded interests

Division 1 Purpose

6	Purpose of Part 2	6
6A	Prescribed interests and persons	6

Division 2 Prescribed interests in shares

7	Investment fund — trustee, manager, etc	7
8	Agent	7
9	Global coordinator	8
9	Broker	9
11	Indirect interest holder	9
12	Telstra employee	9
13	Australian associate of a foreign person — no action in concert, etc	10
14	Associate of a foreign person — action in concert, etc	10
15	Australian associate of a foreign person — avoidance of double counting	11

Division 3 Prescribed interest holders

16	Investment fund — trustee, manager, etc	12
17	Agent	12
18	Global coordinator	12
19	Broker	13
20	Indirect interest holder	13
21	Telstra employee	13
22	Australian associate of a foreign person — no action in concert, etc	13
23	Associate of a foreign person — action in concert, etc	13
24	Australian associate of a foreign person — avoidance of double counting	13

Part 3 Giving of information

25	Telstra to volunteer information to the Minister	14
26	Minister may require Telstra to give information	15

Page

Formatted: Font: 18 pt

Formatted: Normal

Field Code Changed

<i>Notes</i>	<i>16</i>
--------------	-----------

~~Do not delete : Chapter placeholder~~

Part 1—Part 1—Preliminary	2
1 Name.....	2
2 Commencement	2
3 Authority.....	2
4 Schedules	3
5 Definitions	3
6 Beneficial interest in the capital or income of investment fund	4
Part 2—Giving of information	6
7 Purposes of this Part.....	6
8 Information about unacceptable foreign-ownership situations.....	6
9 Other information about ownership matters.....	7
Part 3—Interests in shares that are to be disregarded	8
10 Purposes of this Part.....	8
11 Trustees, managers etc. of investment funds.....	10
12 Agents.....	1
13 Brokers.....	1
14 Indirect interest-holders	12
15 Telstra employees	13
16 Australian associates of a foreign person—no action in concert etc.	14
17 Associates of a foreign person—action in concert etc.....	14
18 Australian associates of a foreign person—avoidance of double counting	15
Part 4—Application, savings and transitional provisions	19
19 Things done under the <i>Telstra Corporation (Ownership — Interests in Shares) Regulations 1997</i>	
Schedule 1—Repeals	2
<i>Telstra Corporation (Ownership — Interests in Shares) Regulations 1997</i>	2

Field Code Changed

Regulation 1

Part 1—Preliminary
Do not delete : Division placeholder

1 _____ Name

This instrument is the Telstra Corporation (Ownership—Interests in Shares) Regulations 2018.

2 Commencement

(1) Each provision of Regulations ~~see~~ this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<u>Commencement information</u>		
<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
<u>Provisions</u>	<u>Commencement</u>	<u>Date/Details</u>
<u>1. The whole of this instrument</u>	<u>The day after this instrument is registered.</u>	

~~Note 1:~~ This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

These Regulations are (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the Telstra Corporation (Ownership—Interests in Shares) Regulations 1997~~Act 1991~~.

2 Telstra Corporation (Ownership—Interests in Shares) Regulations 1997Telstra Corporation (Ownership—Interests in Shares) Regulations 2018

Formatted: ActHead 2,p, Space Before: 0 pt

Formatted: note(text),n

Formatted: subsection,ss,Subsection

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 5

2 Object

The object of these Regulations is to identify the interests in shares that are to be disregarded in giving effect to certain of the ownership provisions of the Act.

3 Interpretation

(1) In these Regulations, unless the contrary intention appears:

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

5 Definitions

Note: A number of expressions used in this instrument are defined in the Act, including the following:

- (a) sale-scheme trustee;
- (b) Telstra;
- (c) Telstra sale scheme;
- (d) unacceptable foreign-ownership situation.

(1) In this instrument:

Act means the *Telstra Corporation Act 1991*.

American Depositary Share means a security, known by that name, representing an interest in another security.

instalment receipt means a security, issued by a sale-scheme trustee for a Telstra sale scheme, that confers a beneficial interest in a Telstra share.

Interim American Depositary Share means an American ~~Depository~~ *Depository* Share representing an interest in an instalment receipt.

investment fund means:

Formatted: Definition,dd

Formatted: Font: Not Bold

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Font: 8 pt

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

~~Telstra Corporation (Ownership—Interests in Shares) Regulations 1997~~
Telstra Corporation (Ownership—Interests in Shares) Regulations 2018

Regulation 4

- (a) a fund of the kind generally known as a unit trust (except a unit trust of the kind generally known as a discretionary trust); or
 - (b) a life insurance company, in respect only of its administration of a statutory fund, within the meaning of the *Life Insurance Act 1995*; or
 - (c) a superannuation entity, within the meaning of the *Superannuation Industry (Supervision) Act 1993*; or
 - (d) an exempt public sector superannuation scheme, within the meaning of the *Superannuation Industry (Supervision) Act 1993*.
- (2) An expression used in ~~these Regulations~~this instrument and in the Schedule to the Act~~;~~ has the same meaning as it has in the Schedule~~;~~ to the Act.

~~Note 1~~ Examples: The following are examples of expressions affected by this subregulation ~~are used in this instrument and in the Schedule to the Act:~~

- ~~(a) associate;~~
- ~~(b) company; direct control interest;~~
- ~~(c) foreign person;~~
- ~~(d) interest in a share; lending money;~~
- ~~(e) ownership provisions;~~
- ~~(f) share;~~
- ~~(g) stake and underwriter.~~

~~Note 2~~ Other expressions defined for the Act as a whole have the same respective meanings in the Regulations: *Acts Interpretation Act 1901*, para. 46 (1) (a). For example, ~~sale scheme trustee and Telstra sale scheme.~~

~~4~~ 6 Beneficial interest ~~in the capital or income of investment funds~~fund

- ~~(1) Unless the contrary intention appears, a~~ (1) A reference in ~~these Regulations~~this instrument to a person who holds a beneficial interest in the capital, or income, of an investment fund includes a reference to a person who holds:
- (a) an interest of that kind jointly with another person; and
 - (b) an interest of that kind that is prospective, because the person:

~~4~~ Telstra Corporation (Ownership—Interests in Shares) Regulations 1997
~~Telstra Corporation (Ownership—Interests in Shares) Regulations 2018~~

Formatted: Font: Not Italic

Formatted: note(para),na

Formatted: ActHead 5,s

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 6

- (i) has entered into a contract to purchase a beneficial interest; or
 - (ii) has a right, otherwise than by reason of holding a present interest of any kind, to have a beneficial interest transferred to the person or to the person's order (whether exercisable presently, or in the future, and whether or not subject to a condition); or
 - (iii) has a right to acquire a beneficial interest under an option (whether exercisable presently, or in the future, and whether or not subject to a condition).
- (2) ~~Subregulation~~ Subsection (1) applies regardless of:
- (a) the remoteness of the interest; or
 - (b) the way in which ~~it~~ the interest arose; or
 - (c) the fact that the exercise of a right conferred by the interest is, or is capable of being made, subject to a restraint or restriction.
- (3) For ~~this regulation, the purposes of subsection (1)~~, an interest is not a beneficial interest if:
- (a) the interest is held solely as security under a moneylending agreement that has not ceased to have effect; and
 - (b) the ordinary business of the interest-holder includes the lending of -money.

Formatted: subsection,ss,Subsection, Don't keep with next

Formatted: paragraph,a

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Font: 8 pt

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 7

Part 2—Giving of information

7 Purposes of this Part

For the purposes of paragraph 8BN(1)(b) of the Act, this Part makes provision for and in relation to requiring a person to give information to the Minister that is relevant to an ownership matter.

8 Information about unacceptable foreign-ownership situations

- (1) Telstra must give the Minister written notice that an unacceptable foreign-ownership situation may exist in relation to Telstra if:
- (a) Telstra has reason to believe that a situation of that kind may exist; and
- (b) the Minister has directed Telstra to give notices of that kind.

Formatted: paragraph,a

- (2) The Minister's direction may require the notice to be given:
- (a) under particular circumstances; and

Formatted: paragraph,a

Note Reference is made to a person who holds a beneficial interest in the capital, or income, of an investment fund in regulation 16.

5 Beneficial interest in investment fund held as loan security only

- (1) This regulation applies to a person whose ordinary business includes the lending of money, if:
- (a) in the course of the business, the person holds a beneficial interest of the kind to which regulation 4 applies as a loan security; and
- (b) the loan security is enforced in a particular manner; and
- (c) as a result of (c) within a certain time (not being a time earlier than 14 days after the direction is given).

Formatted: paragraph,a

Formatted: paragraph,a

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

- (3) The notice must include the enforcement, following information:
- (a) the person becomes reason for the holder of the interest belief;

Regulation 9

- (b) the steps taken, or intended to be taken, by Telstra to determine whether, in fact, the unacceptable foreign-ownership situation does exist: ~~(2) The person is~~
- (c) the steps intended to be taken not to hold the interest at all times duringby Telstra to remedy the period beginning when the security was enforced and ending:
- (a) at the end of 90 days; or
- (b) unacceptable foreign-ownership situation, if the Secretary, by written notice, allows a longer period at the end of that longer period, situation does exist.
- Part 2 Foreign9 Other information about ownership matters**
- (1) The Minister may require, by written notice given to Telstra, that Telstra give the Minister written information about an ownership matter mentioned in the notice.
- (2) The notice may require the information to be given in a particular manner and within a certain time (not being a time earlier than 14 days after the notice is given).
- (3) Telstra must comply with the Minister's notice within the time mentioned in the notice, or, if no time is mentioned, before the end of 14 days after the notice is received.

Formatted: paragraph,a

Formatted: Default Paragraph Font

Formatted: Font: Not Bold

Formatted: subsection,ss,Subsection, Don't keep with next, Don't keep lines together

Formatted: subsection,ss,Subsection

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Part 3—Interests in shares that are to be disregarded interests

Division 1 Purpose

6 Purpose

10 Purposes of this Part-2

~~This Part prescribes certain~~ For the purposes of paragraph 9(1)(d) of the Schedule to the Act, this Part sets out:

- ~~(a) prescribed kinds of interests in shares that; and~~
- ~~(b) prescribed persons who hold those kinds of interests.~~

Note: Under paragraph 9(1)(d) of the Schedule to the Act, an interest of a prescribed kind in a share, being an interest held by such persons as are prescribed, must be disregarded for the purposes of the ownership provisions.

6A Prescribed interests and persons

- ~~(1) For regulation 6:~~
- ~~(a) Division 2 sets out interests of a prescribed kind for paragraph 9 (1) (d) of the Schedule to the Act; and~~
- ~~(b) Division 3 prescribes persons for that paragraph.~~
- ~~(2) Also, for regulation 6:~~
- ~~(a) an interest in a share in Telstra that is transferred from the Commonwealth before 11.00pm on the first day on which instalment receipts are issued for a Telstra sale scheme is an interest of a prescribed kind; and~~
- ~~(b) a person who holds an interest in a share in Telstra that is transferred from the Commonwealth before 11.00pm on the first day on which instalment receipts are issued for a Telstra sale scheme is prescribed.~~
- ~~(3) Subregulation (2) ceases to have effect in relation to the interest in the share, and the person, at 11.00pm on the first day on which instalment receipts are issued for the Telstra sale scheme.~~

Formatted: ActHead 2,p, Page break before

Formatted: ActHead 5,s

Formatted: note(text),n

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 6A

~~(4) In subregulations (2) and (3), a reference to a time of day is a reference to the time applicable on the day in the Australian Capital Territory.~~

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

~~Telstra Corporation (Ownership—Interests in Shares) Regulations~~
~~1997~~Telstra Corporation (Ownership—Interests in Shares)
Regulations 2018

Division 2 Prescribed interests in shares

7 Investment fund — trustee, manager, etc

11 Trustees, managers etc. of investment funds

- (1) An interest in a share is an interest of a prescribed kind if:
- (a) the interest exists solely as a result of an action taken by the interest-holder, in relation to an investment fund:
 - (i) in the interest-holder's capacity as trustee or manager of the fund; or
 - (ii) in the case of a statutory fund, within the meaning of the *Life Insurance Act 1995*—in the interest-holder's capacity as the life insurance company administering the fund; or
 - (ii) because the interest-holder has a custodial responsibility of another kind in relation to the fund; and
 - (b) the interest-holder is a person mentioned in subsection (2).
- (2) The interest-holder is a prescribed person if the investment fund in relation to which the person has a function mentioned in subparagraph (1)(a) (i), (ii) or (iii) is a substantially Australian investment fund.
- (3) For the purposes of subsection (2), a *substantially Australian investment fund* is an investment fund that, in the reasonable opinion of the interest-holder, is a fund in which:
- (a) in the case of a life insurance company, in its administration of a statutory fund within the meaning of the *Life Insurance Act 1995*—no more than 40% of policyholder liabilities of the statutory fund are owed to foreign persons; and
 - (b) in any other case—a beneficial interest in less than 40% of the capital, and 40% of the income for distribution, is held by subregulation 16 (1), foreign persons.

Formatted: subsection,ss,Subsection

Formatted: paragraph,a

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

8 Agent

12 Agents

- (1) An interest in a share is an interest of a prescribed kind if the interest exists solely as a result of an action taken by the interest-holder in the interest-holder's capacity as depositary or custodian for, or nominee of, another person.
- (2) The interest-holder mentioned in subsection (1) is a prescribed person if the interest-holder does not:
- (a) hold a beneficial interest in the share; or
 - (b) have authority, by proxy or any other arrangement with the holder of the beneficial interest (2 in the share, to exercise in a discretionary way the voting rights attaching to the share.
- (3) For the avoidance of doubt, action of the kind mentioned in subsection (1) includes action by a person who is:
- (a) a depositary in connection with a program for the issue of Interim American Depositary Shares or American Depositary Shares; or
 - (b) a custodian for a depositary mentioned in paragraph (a); or
 - (c) a clearing agency registered under section 17a of the Securities Exchange Act of 1934, as amended, of the United States of America, as in force at the commencement of these Regulations; this instrument; or
 - (d) a nominee of such a clearing agency mentioned in paragraph (c).

Note A person whose 13 Brokers

- (1) An interest in a share is disregarded under this regulation if the interest exists solely as a result of an action taken by the interest-holder:
- (a) in the interest-holder's capacity as a broker in securities, in the ordinary course of business; and
 - (b) on the express instruction of a client of the interest-holder.

Formatted: Font: Not Bold

Formatted: subsection,ss,Subsection

Formatted: paragraph,a

Formatted: Font: Not Bold

Formatted: subsection,ss,Subsection

Formatted: Not Small caps

Formatted: paragraph,a, Don't keep with next

Formatted: subsection,ss,Subsection, Indent: Left: 0 cm

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 9

(2) The interest-holder mentioned in subsection (1) is a prescribed person if the interest-holder does not:

(a) hold a beneficial interest in the share; or

(b) have authority, by proxy or any other arrangement with the holder of the beneficial interest⁹ Global coordinator

in the share, to exercise in a discretionary way the voting rights attaching to the share.

14 Indirect interest-holders

(1) An interest in a share is an interest of a prescribed kind if the interest exists solely as a result of ~~an action that, because the interest holder is a global coordinator (or related company), is taken by the interest holder:~~

- (a) ~~for the purpose of:~~
- ~~(i) carrying out the function of a global coordinator; or~~
 - ~~(ii) assisting any other global coordinator to carry out that function; or~~
 - ~~(iii) meeting an obligation arising from an activity under subparagraph (i) or (ii); and~~
- (b) ~~before the end of 37 days after instalment receipts are first quoted on the securities exchange of Australian Stock Exchange Limited for a Telstra sale scheme.~~

(2) ~~Subregulation (1) applies to an interest only if the interest is disposed of by the interest holder before the end of:~~

- (a) ~~90 days after its acquisition; or~~
- (b) ~~if the Secretary, by written notice, allows a longer period that longer period.~~

(3) In this regulation:

~~allocation of instalment receipts~~ includes allocation of Interim American Depositary Shares.

~~global coordinator~~ means a person who, by agreement with the Commonwealth, undertakes to ensure that, following an

¹² ~~Telstra Corporation (Ownership Interests in Shares) Regulations~~
~~1997~~ Telstra Corporation (Ownership Interests in Shares)
Regulations 2018

Formatted: paragraph,a

Formatted: Font: Not Bold

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

~~allocation (including an over-allocation) of instalment receipts; a person entitled to receive a security of that kind does not fail to receive the security.~~

~~Note—A person whose interest is disregarded under this regulation is a person prescribed under r 18.~~

10 — Broker

~~An interest in a share is an interest of a prescribed kind if the interest exists solely as a result of an action taken by the interest holder:~~

~~(a) in the interest holder’s capacity as a broker in securities, in the ordinary course of business; and~~

~~(b) on the express instruction of a client of the interest holder.~~

~~Note—A person whose interest is disregarded under this regulation is a person prescribed under regulation 19.~~

11 — Indirect interest-holder

~~An interest in a share is an interest of a prescribed kind if the interest exists solely as a result of the interest—the interest-holder being a shareholder in a company, other than Telstra, that is not a foreign person within the meaning of the *Foreign Acquisitions and Takeovers Act 1975*.~~

~~Note—A person whose (2) The interest is disregarded under this regulation-holder mentioned in subsection (1) is a person prescribed under regulation 20person.~~

12 — 15 Telstra employeeemployees

- (1) An interest in a share is an interest of a prescribed kind if:
- (a) the interest exists solely as a result of the interest-holder being a participant in an employee share plan administered by Telstra for its employees; and
 - (b) in connection with that interest, or any other interest in Telstra, the personinterest-holder:
 - (i) is not directly, or indirectly, controlled by a foreign person; and

Formatted: subsection,ss,Subsection

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Font: 8 pt

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 13

- (ii) does not act in concert with a foreign person; and
- (iii) is not accustomed, or under an obligation, ~~(whether~~ formal or informal~~);~~ to act in accordance with the directions, instructions or wishes of a foreign person.

Note ~~A person whose (2) The interest is disregarded under this regulation-holder mentioned in subsection (1) is a person prescribed under regulation 21~~ person if the interest-holder is not a foreign person.

13 ~~16~~ **Australian ~~associate~~ associates of a foreign person—
no action in concert, etc.**

- (1) An interest in a share is an interest of a prescribed kind if, in connection with that interest or any interest in Telstra, the interest-holder, although being an associate of a foreign person:
- (a) is not directly, or indirectly, controlled by a foreign person; and
 - (b) does not act in concert with a foreign person; and
 - (c) is not accustomed, or under an obligation, ~~(whether~~ formal or informal~~);~~ to act in accordance with the directions, instructions or wishes of a foreign person.

Note ~~A person whose (2) The interest is disregarded under this regulation-holder mentioned in subsection (1) is a person prescribed under regulation 22~~ person if the interest-holder is not a foreign person.

14 ~~Associate~~ **17 Associates of a foreign person—
action in concert, etc.**

- (1) This ~~regulation~~ section applies to an interest in a share held by a person (the ***primary interest-holder***) whether or not the primary interest-holder, in connection with that interest or any interest in Telstra:
- (a) is directly, or indirectly, controlled by a foreign person; or
 - (b) acts in concert with a foreign person; or
 - (c) is accustomed, or under an obligation, ~~either~~ (whether formal or informal~~);~~ to act in accordance with the directions, instructions or wishes of a foreign person.

*14 Telstra Corporation (Ownership—Interests in Shares) Regulations
1997 Telstra Corporation (Ownership—Interests in Shares)
Regulations 2018*

Formatted: Font: Not Bold, Not Italic

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

- (2) The interest is an interest of a prescribed kind ~~when, after being if:~~
(a) ~~it is~~ counted for the ownership provisions in determining the particular type of stake in Telstra held, respectively, by the primary interest-holder and a foreign person (if any) ~~of a kind mentioned in subregulation subsection (1), the interest would-); and~~
(b) except for the operation of this ~~regulation, section, the interest would~~ also be counted for the ownership provisions in determining the particular type of stake held in Telstra by an irrelevant associate ~~mentioned in subregulation (3), of the primary-interest holder.~~
- (3) ~~A-The primary interest-holder mentioned in subsection (1) is a prescribed person-is-~~
- (4) For the purposes of subsection (2), a person is an *irrelevant associate of the primary interest-holder* if, in connection with ~~that~~the interest or any interest in Telstra, although the primary-interest-holder is an associate of the person:
(a) the primary interest-holder is not directly, or indirectly, controlled by the person; and
(b) the primary interest-holder does not act in concert with the person; and
(c) the primary interest-holder is not accustomed, or under an obligation, ~~either (whether~~ formal or informal~~), to act in accordance with the directions, instructions or wishes of the person.~~

~~Note A person whose interest is disregarded under this regulation is a person prescribed under regulation 23.~~

15 — 18 Australian ~~associate~~associates of a foreign person — avoidance of double counting

- (1) This ~~regulation~~section applies to an interest in a share ~~held by a person (if the interest-holder) who~~, although an associate of ~~one or more other~~ persons in a group to which subclause-11(3) of the Schedule to the Act applies, is not a person in the group.

~~Telstra Corporation (Ownership — Interests in Shares) Regulations 1997~~
Telstra Corporation (Ownership — Interests in Shares) Regulations 2018

Formatted: paragraph,a

Formatted: subsection,ss,Subsection, Don't keep with next, Don't keep lines together

Formatted: Font: Bold, Italic

Formatted: paragraph,a

Formatted: ActHead 5,s

Formatted: Font: Not Bold, Not Italic

Formatted: Font: Not Bold, Not Italic

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 18

(2) The interest is an interest of a prescribed kind ~~whenif~~, after being counted once for the ownership provisions in determining the total of the stakes of a particular type that the group holds in Telstra, the interest could, except for the operation of this ~~regulationsection~~, be counted again for that purpose.

~~Note—A person whose interest is disregarded under this regulation is a person prescribed under regulation 24.~~

16

~~Telstra Corporation (Ownership—Interests in Shares) Regulations~~
~~1997~~Telstra Corporation (Ownership—Interests in Shares)
Regulations 2018

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Font: 8 pt

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Division

(3) Prescribed interest holders

16 Investment fund — trustee, manager, etc

- (1) The interest holder mentioned in paragraph 7 (a) (i), (ii) or (iii) is a prescribed person if the investment fund in relation to which the person has a function mentioned in subparagraph 7 (a) (i), (ii) or (iii) is a substantially Australian investment fund.
- (2) In subregulation (1), substantially Australian investment fund means an investment fund that, in the reasonable opinion of the interest holder, is not a fund:

(a) in which a beneficial interest in less than 40% of the capital, and 40% of income for distribution, is held by persons who are foreign or person.

(b) in the case of a life insurance company, in its administration of a statutory fund, within the meaning of the Life Insurance Act 1995 in which not more than 40% of policyholder liabilities of the statutory fund are owed to foreign persons.

17 Agent

- The interest holder first mentioned in subregulation 8 (1) is a prescribed person if that interest holder does not:

(a) hold a beneficial interest in the share; or

(b) have authority, by proxy or any other arrangement with the holder of the beneficial interest, to exercise in a discretionary way the voting rights attaching to the share.

18 Global coordinator

- The interest holder mentioned in subregulation 9 (1) is a prescribed person.

Formatted: Default Paragraph Font

Formatted: subsection,ss,Subsection

Formatted: paragraph,a

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 19

19 — Broker

The interest holder mentioned in regulation 10 is a prescribed person if that interest holder does not:

- (a) hold a beneficial interest in the share; or
- (b) have authority, by proxy or any other arrangement with the holder of the beneficial interest, to exercise in a discretionary way the voting rights attaching to the share.

Formatted: paragraph,a

20 — Indirect interest holder

The interest holder mentioned in regulation 11 is a prescribed person.

21 — Telstra employee

The interest holder mentioned in regulation 12 is a prescribed person if the interest holder is not a foreign person.

22 — Australian associate of a foreign person — no action in concert, etc

The interest holder mentioned in regulation 13 is a prescribed person if the interest holder is not a foreign person.

23 — Associate of a foreign person — action in concert, etc

The primary interest holder mentioned in regulation 14 is a prescribed person.

24 — Australian associate of a foreign person — avoidance of double counting

The interest holder mentioned in regulation 15 is a prescribed person if the interest holder is not a foreign person.

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

¹⁸ ~~Telstra Corporation (Ownership — Interests in Shares) Regulations~~
~~1997~~ Telstra Corporation (Ownership — Interests in Shares)
Regulations 2018

Part 3

Giving of information

25

Telstra to volunteer information to the Minister

- (1)

For this regulation, information about an unacceptable foreign ownership situation is information relevant to an ownership matter within the meaning of section 8BN of the Act.
- (2)

Telstra must give the Minister written notice that an unacceptable foreign ownership situation may exist in relation to Telstra if:

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted Table

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Font: 9 pt

Formatted: Normal, Line spacing: At least 0 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

Regulation 26

**(a) Telstra has reason to believe that a situation of that kind may exist; 4—
Application, savings and transitional provisions**

Formatted: ActHead 2,p, Page break before

Formatted: CharPartText

~~(b) the Minister has directed Telstra to give notices of that kind.~~

Formatted: paragraph,a

~~(3) The Minister's direction may require the information to be given:~~

~~(a) under particular circumstances; and~~

Formatted: paragraph,a

~~(b) in a particular manner; and~~

~~(c) within a certain time (not being a time earlier than 14 days after the notice is given).~~

~~(4) The information in the notice must include:~~

~~(a) the reason for the belief; and~~

~~(b) the steps taken, or intended to be taken, by Telstra to determine whether, in fact, the unacceptable foreign ownership situation does exist; and~~

~~(c) the steps intended to be taken by Telstra to remedy the unacceptable foreign ownership situation, if that situation does exist.~~

26 Minister may require Telstra to give information

~~(1) The Minister may require, by written notice given to Telstra, that Telstra give the Minister written information about an ownership matter mentioned in the notice.~~

Formatted: Font: Not Bold

Formatted: subsection,ss,Subsection, Don't keep with next, Don't keep lines together

Formatted: subsection,ss,Subsection

~~(2) The notice may require the information to be given in a particular manner and within a certain time (not being a time earlier than 14 days after the notice is given).~~

Formatted: Font: 8 pt

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Default Paragraph Font, Font: 9 pt, Italic

~~(3) Telstra must comply with the Minister's notice within the time mentioned in the notice, or, if no time is mentioned, before the end of 14 days after the notice is received~~

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt, Italic

Formatted: Normal

~~20 Telstra Corporation (Ownership—Interests in Shares) Regulations
1997Telstra Corporation (Ownership—Interests in Shares)
Regulations 2018~~

EXPOSURE DRAFT

Preliminary Part 4

Regulation 3

Application, savings and transitional provisions 4

Section 19

Notes to the *Telstra Corporation (Ownership — Interests in Shares) Regulations 1997*

Note 1

The *Telstra Corporation (Ownership — Interests in Shares) Regulations 1997* (in force under the *Telstra Corporation Act 1991*) as shown in this consolidation comprise Statutory Rules 1997 No. 244 amended as indicated in the Tables below:

19 Things done under the *Telstra Corporation (Ownership — Interests in Shares) Regulations 1997*

- (1) If:
- (a) a thing was done for a particular purpose under the *Telstra Corporation (Ownership — Interests in Shares) Regulations 1997* as in force immediately before those Regulations were repealed; and
 - (b) the thing could be done for that purpose under this instrument; the thing has effect for the purposes of this instrument as if it had been done for that purpose under this instrument.
- (2) Without limiting subsection (1), a reference in that subsection to a thing being done includes a reference to a direction, notice, application, authorisation or other instrument being given or made.

Formatted: Space After: 6 pt, Border: Bottom: (Single solid line, Auto, 0.75 pt Line width)
Formatted: Font: 12 pt

Formatted: Font: 9 pt, Italic
Formatted: Normal

Statutory Rules

Schedule 1—Repeals

***Telstra Corporation (Ownership — Interests in Shares)
Regulations 1997***

1 The whole of Statutory Rules the instrument

Year and number	Date of notification in <i>Gazette</i>	Date of commencement	Application, saving or transitional provisions
1997 No. 244	10 Sept 1997	10 Sept 1997	
1999 No. 160	10 Aug 1999	10 Aug 1999	—

Formatted: ItemHead,ih

Formatted: Default Paragraph Font

Table of Amendments

Table of Amendments

ad. = added or inserted — am. = amended — rep. = repealed — rs. = repealed and substituted

Provision affected	How affected
R. 1.....	rs. 1999 No. 160
R. 5.....	am. 1999 No. 160
R. 6.....	rs. 1999 No. 160
R. 6A.....	ad. 1999 No. 160
R. 9.....	am. 1999 No. 160
Notes 1 and 2 to r. 9.....	rep. 1999 No. 160
Note to r. 9.....	ad. 1999 No. 160

EXPOSURE DRAFT

Notes to the *Telstra Corporation (Ownership — Interests in Shares) Regulations 1997*

Table of Statutory Rules

Schedule 1_Repeals

Repeal the instrument.

Formatted: Normal, Space After: 6 pt, Border: Bottom: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Font: Bold, Italic

Formatted: Left: 3.17 cm, Right: 3.17 cm, Top: 3.94 cm, Bottom: 2.54 cm, Width: 21 cm, Height: 29.7 cm, Header distance from edge: 1.27 cm, Footer distance from edge: 1.25 cm

Formatted: Space Before: 6 pt, Line spacing: At least 0 pt, Border: Top: (Single solid line, Auto, 0.75 pt Line width)

Formatted: Font: 8 pt

Formatted: Default Paragraph Font, Font: 9 pt, Italic

Formatted: Normal, Line spacing: At least 0 pt

Formatted Table

Formatted: Font: 9 pt

Formatted: Font: 9 pt

Formatted: Normal, Left

⁴ *Telstra Corporation (Ownership — Interests in Shares) Regulations 1997* *Telstra Corporation (Ownership — Interests in Shares) Regulations 2018*

EXPOSURE DRAFT