



## FAQs – VAGO - Directors and associates changes

### Why is the VCGLR making these changes?

The Victorian Auditor-General's Office (VAGO) made a recommendation in their report *Regulating Gambling and Liquor* that the VCGLR amend its licensing process to require applicants to show evidence that all directors and associates have been disclosed.

Licensees must provide more information with their applications and changes will include the following:

- **Company applicants** - will now be required to provide an ASIC current and historical extract with their application for a new licence/permit or transfer.
- **Club applicants** - will now be required to provide their certificate of incorporation, rules and the minutes of the most recent meeting confirming the committee members with their application for a new licence/permit or transfer.

**Declaration of associates** - all applicants for a new licence/permit or transfer will now be required to complete the new declaration of associates form. The new form makes it clearer to applicants who they are required to list as their associates. These changes ensure a more rigorous examination of whether industry participants are suitable to hold a licence.

### What is an associate?

Under the *Liquor Control Reform Act 1998 (the Act)*, an associate of the applicant/director of a body corporate completing the declaration is:

- a person who:
  - holds or will hold any **relevant financial interest**, or is or will be entitled to exercise any **relevant power** (either in his or her own right or on behalf of another person) in any business of the applicant/director of the body corporate involving the sale of liquor, and
  - by virtue of that interest or power, is able or will be able **to exercise a significant influence over** or with respect to the management or operation of that business, or
- a person who is or will be a director (either in his or her own right or on behalf of another person) of any business of the applicant/director of the body corporate involving the sale of liquor, or
- a **relative** of an individual, partner or director unless the relative:
  - is not, and has never been, involved in any business of the individual, partner or director involving the sale of liquor, or
  - will not be involved in the business the individual, partner or director proposes to conduct as licensee.

**'relevant financial interest'** in relation to the business involving the sale of liquor means:

- any share in the capital of the business, or
- any entitlement to receive any income derived from the business, or
- any entitlement to receive any payment as a result of money advanced.

**'relevant power'** means any power, whether exercisable by voting or otherwise and whether exercisable alone or in association with others:

- (a) to participate in any directorial, managerial or executive decision, or
- (b) to elect or appoint any person as a director.

A person who is or will be able **'to exercise a significant influence over'** includes a person who is a shareholder owning 10 percent or more of the shares of any business of the applicant/director of the body corporate involving the sale of liquor.

**'relative'** in relation to the individual, partner or director means:

- (a) the spouse or domestic partner of the applicant, or
- (b) a parent, son, daughter, brother or sister of the applicant, or
- (c) a parent, son, daughter, brother or sister of the spouse or domestic partner of the applicant.

### **What is a body corporate?**

A body corporate includes companies, incorporated associations, incorporated limited partnerships, municipal councils, co-operatives.

### **Is a body corporate required to complete a declaration of associates form?**

Yes, sections 28(1)(aa) and 32(2)(ab) of the Act state that an application for a licence or BYO permit or an application for transfer of licence or BYO permit must list the names, dates of birth and addresses of the associates—

- (i) of the applicant/proposed transferee; and
- (ii) if the applicant/proposed transferee is a body corporate, of each director of the applicant.

The new form must be completed by all applicants and where an applicant is a body corporate each director of the body corporate must also complete the new form.

### **How do I get a company extract from ASIC?**

A company extract from ASIC can be obtained by visiting [the ASIC website](#)

### **Will it cost me more money?**

The cost of purchasing a current and historical company extract from the ASIC website is \$19 as at October 2017.

### **When will the changes happen?**

The 'go live' date for these changes is early December 2017.

### **Do I need to follow this procedure if I just want to change my directors or associates?**

Yes, the new standalone declaration of associates form will need to be updated for all relevant paper based liquor licence applications as well as some of the online liquor application forms.