Submission Template —Enabling corporate legal practitioners to support related entities of their employer

Please complete all relevant sections. Use plain language and provide evidence or examples where possible. You may attach supporting documents.

A. Submitter details

- **Organisation (if applicable):** Federation University Australia
- **Primary contact name and role/title:** [redacted]
- **Email:** [redacted]
- **Phone:** [redacted]
- **Jurisdiction(s):** VIC

B. Confidentiality and publication

- **Do you request that your submission (in full) be treated as confidential?** No
- **If 'No', may the Council publish your submission on its website, including your name/organisation?** Please redact contact name, email, and phone number.

C. Detailed responses to consultation questions

Question 1 — Practical operation of the current framework

Does the current definition of "related entity" present practical difficulties for corporate legal practitioners employed by entities that are not a company within the meaning of the Corporations Act?

1. **Position:**
   Yes

2. **Please provide details of any practical difficulties experienced:**

   The University controls several entities through processes described in its enabling legislation. Those controlled entities include Corporations Act companies, analogous to wholly-owned subsidiaries.

   The controlled entities are established for a range of reasons, often including taking on international or commercial operations on behalf of the University. Due to the operations of the controlled entities the legal advice required is often complex and informed by the University's broader strategic aims.

   By design, controlled entities face legal risks isolated to those entities – that is, the risks being managed are not the same as those of the University itself. As such, legal advice provided to the University under current Rules is rarely sufficient or tailored to mitigate legal risk to the controlled entity.

Engaging external legal services to advise a controlled entity in areas where in-house Corporate lawyers have the necessary skills, background, experience and deep understanding of strategy is a costly and time-consuming exercise, and while the advice is uniformly excellent, is generally not the most cost or time efficient way for the controlled entity to receive advice.

Further, as an employee of a smaller regional University the cost in engaging external legal advisors has a significant and disproportionate impact on funding that is available for the project being delivered.

Ordinarily University executives sit on boards that direct the controlled entity. It is therefore very likely that the individuals are receiving advice from the in-house legal team in their capacity as University executives, and external advice on the same or similar issues from external advisors in their capacity as directors of controlled entities.

While I acknowledge 'wearing two hats' is a part of their roles in these organisations, receiving two sets of legal advice for the same issues can present a challenge in synthesising and executing operations.

Other more transactional issues also arise. Controlled entities often engage in procurement activities which require basic but important legal review – contract departures, non-disclosure agreements, licensing arrangements or development of forms/precedents. This is not high-value strategic work but remains necessary legal work to ensure the controlled entities remain compliant, particularly in a highly-regulated and fast-moving compliance environment such as higher education.

3. **Additional comments (optional):**

Question 2 —Reliance on the concept of "control" under section 50AA of the Corporations Act

If this issue is addressed by an amendment to the Uniform General Rules, do you support relying on the definition of "control" in section 50AA of the Corporations Act to capture related entities of entities that are not a company?

1. **Position:**
   Support
2. **Are there any alternative approaches the Council should consider?**
3. **Rationale:**
4. **Additional comments (optional):**

Question 3 —Potential implications and unintended consequences

If the potential reforms outlined at Q2 are progressed, could this cause any unintended consequences, and if so how should these be addressed?

1. **Position:**
   None immediately come to mind. While the potential for conflict between controlled entities and the University exists, this can be managed within existing legal and ethical obligations, and if required external advisors or 'information barriers' can be established consistent with corporate legal practice.
2. **Please identify any potential implications or unintended consequences:**
3. **Are there any safeguards, limitations or clarifications the Council should consider?**
4. **Additional comments (optional):**

D. Attachments (optional)

Lodgement and deadline

- **Submit by email: submissions@legalservicescouncil.org.au**
  (If you require an alternative lodgement method or accessibility adjustments, please contact the Council.)
- **Closing date:** *22 July 2026*
- **General enquiries: lsc@legalservicescouncil.org.au**