

# Addendum B — Regulatory Update

## Impact of the *Corporations Amendment (Digital Assets Framework) Bill 2025*

**Date:** 26 November 2025

**Reference:** *Corporations Amendment (Digital Assets Framework) Bill 2025* (Cth); *Explanatory Memorandum* (EM).

### B.1 Executive Summary

The release of the *Corporations Amendment (Digital Assets Framework) Bill 2025* (the **Bill**) represents a pivotal maturation point for the Australian digital asset sector. By introducing the **Tokenised Custody Platform (TCP)** as a new financial product, the legislation validates the core "Dual-Layer" architecture proposed in this white paper.

Crucially, the Bill moves beyond "crypto-native" concepts to focus on **intermediary risk**, establishing a regime where the **Smart SPV** qualifies as a regulated facility. This Addendum maps the white paper's proprietary concepts to the new statutory definitions, demonstrating that the Smart SPV framework is fully compatible with, and effectively anticipates, the incoming licensing and custody obligations.

### B.2 Statutory Alignment: Mapping the Smart SPV

The Bill introduces specific terminology that mirrors the functional components of the Smart SPV architecture defined in Section 4. The following table maps the white paper's concepts to the new legislative definitions:

White Paper Concept	Bill 2025 Statutory Definition	Legislative Alignment
Smart SPV	Tokenised Custody Platform (TCP)	The Smart SPV meets the definition of a TCP under s 761GD(1) as a facility where the operator holds underlying assets and creates digital tokens representing an entitlement to them.
Mortgage NFT	Digital Token	The Mortgage NFT satisfies the definition of a "Digital Token" under s 761GB(1) as an electronic record capable of being factually controlled and transferred.
Trustee	Operator / Licensee	The Trustee acts as the "Operator" of the platform (s 761GD(1)(a)) and must hold an AFSL with specific authorisations.
Verifiable PDS™	DAP/TCP Guide	The Bill replaces the traditional Product Disclosure Statement (PDS) with a "DAP/TCP Guide" for platform-level disclosures (s 1020AN).

## B.3 The "Tokenised Custody Platform" (TCP) Classification

The Bill defines a **Tokenised Custody Platform (TCP)** as a facility where an operator holds underlying assets (e.g., mortgages) and issues a digital token representing the right to redeem or direct the delivery of those assets.

### B.3.1 Impact on RMBS Structures (The MIS Distinction)

A critical nuance in the Bill is the interaction between TCPs and **Managed Investment Schemes (MIS)**.

- Under s 764A(1)(b), a TCP is a financial product **unless** the platform is a Managed Investment Scheme.
- Most public RMBS trusts are structured as MISs (either registered or unregistered).

**Operational Implication:**

- **Public Securitisation (MIS):** If the Smart SPV is deemed a MIS (due to pooling of assets or operator discretion), it will be regulated under the existing Chapter 5C MIS regime. However, the **asset-holding standards** introduced by the Bill (s 912BE) sets a new industry benchmark for digital custody that ASIC is likely to apply to *all* licensees holding digital assets, including MIS operators.
- **Warehouse Facilities (TCP):** Private warehouse facilities structured as "Bare Trusts" (where the financier directs specific asset allocation) may fall directly under the **TCP regime** rather than the MIS regime, provided they meet the exclusion criteria in the amended definition of MIS (s 9 para (md)).

**Conclusion:** The Smart SPV architecture is agnostic to this distinction. Whether regulated as a MIS or a TCP, the operational requirement for **trustee-controlled digital custody** remains identical.

## B.4 Validation of the "Dual-Layer" Architecture

Section 3.2A of this white paper proposes a **Dual-Layer Legal-Digital Structure**, arguing that the token is not the asset itself but a representation of the asset.

The Bill explicitly validates this thesis.

- **Section 761GD(1)(b)** defines the token as a record created *for* an underlying asset, confirming the separation between the **digital record** (Token) and the **real-world property** (Asset).
- **Section 765E** introduces the concept of "Wrapped Tokens" and allows the "redemption right" to be disregarded for regulatory characterisation in certain contexts, further supporting the view that the token is a functional wrapper for the underlying legal interest.

This legislative confirmation eliminates the legal ambiguity often cited as a barrier to tokenisation, confirming that **off-chain title** and **on-chain records** can legally coexist.

## B.5 New Operational Obligations

Adopting the Smart SPV framework positions issuers to comply with the new specific obligations introduced by the Bill:

## 1. Asset-Holding Standards (s 912BE)

The Bill empowers ASIC to set minimum standards for possessing and safeguarding underlying assets. The Smart SPV's **Trustee-Controlled Wallet** system (White Paper Appendix D.2) anticipates these standards by enforcing multi-sig governance and segregation of client assets.

## 2. Trust Requirement for Fiat (s 912BE(2)(b))

The Bill explicitly requires that any money held under a platform must be held in trust for the client. The **T+0 On-Ramping** mechanism (White Paper Section 5.2A) ensures compliance with this by reconciling "Shadow Cash" on-chain with physical trust accounts daily.

## 3. Platform Rules (s 912BG)

Licensees must publish "Platform Rules" governing eligibility and settlement methods. The **Token Deed** (White Paper Section 4.2) acts as the constitutional equivalent of these Platform Rules, contractually binding all participants to the digital logic of the Smart SPV. Notably, **Section 912BG(2)** of the Bill provides that these Platform Rules have effect as a **"Contract under Seal" (Deed)**, potentially allowing the codebase to legally supersede traditional wet-ink Trust Deeds for settlement logic.

## B.6 Conclusion on Legislative Readiness

The *Corporations Amendment (Digital Assets Framework) Bill 2025* does not disrupt the Smart SPV model; it **institutionalises** it.

By moving digital asset custody from the regulatory periphery into the core of the *Corporations Act*, the Bill removes the "regulatory uncertainty discount" discussed in this paper. The Smart SPV framework presented herein provides the technical and operational blueprint to meet these new statutory requirements, offering a compliant pathway for the next generation of Australian securitisation.