



## HIGH COURT OF AUSTRALIA

18 March 2026

SUNSHINELOANS PTY LTD (ACN 092 821 960) v AUSTRALIAN SECURITIES AND  
INVESTMENTS COMMISSION  
[2026] HCA 8

Today, the High Court unanimously dismissed an appeal from the Full Court of the Federal Court of Australia.

After the conclusion of the liability stage of civil penalty proceedings brought against the appellant ("SunshineLoans") in the Federal Court of Australia by the respondent ("ASIC") for contraventions of the *National Consumer Credit Protection Act 2009* (Cth), SunshineLoans sought orders that the trial judge recuse himself from hearing the penalty stage of the proceedings. The application was made on the basis of apprehended bias, arising from the trial judge's findings at the liability stage about the conduct of SunshineLoans and the credibility of its witnesses, in particular Mr Powe, a director of the company. The argument was put in two ways, namely that the findings might give rise to: first, a reasonable apprehension of animus on the part of the trial judge against SunshineLoans ("the broad argument"); and second, a reasonable apprehension that the trial judge might not fairly evaluate further evidence proposed to be given by Mr Powe at the penalty stage ("the narrow argument").

The trial judge rejected the broad argument but accepted and recused himself on the narrow argument, reasoning that assessing Mr Powe's credibility for a second time would have involved a "lack of propriety" sufficient to give rise to apprehended bias. ASIC appealed the trial judge's recusal decision to the Full Court. The Full Court allowed ASIC's appeal, rejecting both the broad and narrow arguments put by SunshineLoans and ordering a remittal to the trial judge to hear the penalty stage of the proceedings.

The High Court dismissed the appeal, holding that no reasonable apprehension of bias arose. The Court further held that the trial judge's findings, while robust in their language, were all relevant and open to be made, and revealed neither animosity towards nor prejudgment of SunshineLoans or Mr Powe.

*This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.*