



Financial Sector Reform (Hayne Royal Commission Response—Advice Fees) Regulations 2021

I, General the Honourable David Hurley AC DSC (Retd), Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulations.

Dated 13 May 2021

David Hurley
Governor-General

By His Excellency's Command

Jane Hume
Minister for Superannuation, Financial Services and the Digital Economy

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1 Name

This instrument is the *Financial Sector Reform (Hayne Royal Commission Response—Advice Fees) Regulations 2021*.

2 Commencement

- (1) Each provision of 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.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 4 and anything in this instrument not elsewhere covered by this table	The day after this instrument is registered.	15 May 2021
2. Schedule 1	The later of: (a) the day after this instrument is registered; and (b) immediately after the commencement of Schedule 1 to the <i>Financial Sector Reform (Hayne Royal Commission Response No. 2) Act 2021</i> .	1 July 2021 (paragraph (b) applies)
3. Schedule 2	The later of: (a) the day after this instrument is registered; and (b) immediately after the commencement of Schedule 3 to the <i>Financial Sector Reform (Hayne Royal Commission Response No. 2) Act 2021</i> .	1 July 2021 (paragraph (b) applies)

Note: This table relates only to the provisions of this instrument as originally made.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.

- (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 following:

- (a) the *Corporations Act 2001*;
- (b) the *Electronic Transactions Act 1999*.

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Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Ongoing fee arrangements

Corporations Regulations 2001

1 Subregulation 7.7A.11(2)

After “subsection 962H(2)”, insert “or (2A)”.

2 At the end of Division 3 of Part 7.7A

Add:

7.7A.11AA Compliance records required to be kept by fee recipients

- (1) This regulation is made for the purposes of section 962X of the Act.
- (2) A fee recipient must keep the following records in relation to an ongoing fee arrangement the fee recipient has with the client:
 - (a) each fee disclosure statement the fee recipient has given to the client;
 - (b) the date on which each such fee disclosure statement was given to the client, and the manner in which it was given;
 - (c) if the client gives any of the following notifications to the fee recipient—the notification and the date on which the notification was given:
 - (i) a notification of an election to renew the ongoing fee arrangement;
 - (ii) a notification of an election not to renew the ongoing fee arrangement;
 - (iii) a notification terminating the ongoing fee arrangement;
 - (d) if the ongoing fee arrangement has terminated—the date on which the arrangement terminated and the basis on which the arrangement terminated.
- (3) A fee recipient must also keep the following records in relation to an ongoing fee arrangement:
 - (a) each consent for deductions relating to the ongoing fee arrangement given to the fee recipient for the purposes of section 962R or 962S of the Act;
 - (b) the date on which each such consent was given;
 - (c) each notice given to the fee recipient under subsection 962U(1) of the Act withdrawing or varying such consent;
 - (d) the date on which each such notice was given;
 - (e) each confirmation of receipt of such notice given by the fee recipient under subsection 962U(2) of the Act;
 - (f) each of the following communications in relation to the consent referred to in paragraph (a), and the date on which the communication occurred:
 - (i) giving a copy of the consent as required under paragraph 962S(3)(c) of the Act;
 - (ii) giving a copy of a notice withdrawing or varying the consent as required under paragraph 962U(2)(b) of the Act;
 - (iii) giving written notice of the cessation of the consent under subsection 962V(2) of the Act;
 - (g) if the fee recipient arranges with another person (the *account provider*) for deductions relating to the ongoing fee arrangement to be made, as referred

to in paragraph 962S(1)(d) of the Act—the details of the arrangement with the account provider.

3 Paragraph 9.4AB.02(2)(f)

Repeal the paragraph, substitute:

(f) subsection 962U(3);

Schedule 2—Trustees' obligations

Electronic Transactions Regulations 2020

1 Clause 1 of Schedule 1 (table item 89, column 1, paragraph (h))

Repeal the paragraph, substitute:

(h) subsection 99FA(1)

2 Clause 1 of Schedule 1 (table item 90, column 1, paragraph (a))

Repeal the paragraph.