





# **Corporations Amendment (Financial Services Compensation Scheme of Last Resort) Regulations 2023**

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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 6 July 2023

David Hurley  
Governor-General

By His Excellency's Command

Stephen Jones  
Assistant Treasurer  
Minister for Financial Services

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## 1 Name

This instrument is the *Corporations Amendment (Financial Services Compensation Scheme of Last Resort) Regulations 2023*.

## 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. The whole of this instrument	The later of: (a) the day after this instrument is registered; and (b) the day Schedule 1 to the <i>Treasury Laws Amendment (Financial Services Compensation Scheme of Last Resort) Act 2023</i> commences.	7 July 2023 (paragraph (a) 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Note: This table relates only to the provisions of this instrument as originally made.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 *Corporations Act 2001*.

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Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

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## Schedule 1—Amendments

### *Corporations Regulations 2001*

#### 1 Before Part 7.11

Insert:

### **Part 7.10B—Financial services compensation scheme of last resort**

#### **7.10B.50 Reporting by CSLR operator if sub-sector levy cap could be exceeded (or further exceeded)**

For the purposes of subsection 1069F(4) of the Act, the following information is prescribed for a notice about a revised claims, fees and costs estimate for a levy period and a sub-sector that has come into force and could cause the sub-sector levy cap for the levy period and sub-sector to be exceeded (or further exceeded):

- (a) the number of applications made under section 1066 of the Act that underpin the revised estimate;
- (b) the total amount of compensation that (having regard to actuarial principles) will be payable under section 1063 of the Act for those applications;
- (c) the portion of the sum of AFCA's unpaid fees that (having regard to actuarial principles) will be attributable to the sub-sector and that underpins the revised estimate.

#### **7.10B.55 Reporting by CSLR operator after the end of each levy period**

For the purposes of subsection 1069G(1) of the Act, the following matters are prescribed for a report for a levy period:

- (a) the CSLR operator's estimate of the costs for the financial services compensation scheme of last resort for the levy period, including the following:
  - (i) each claims, fees and costs estimate (within the meaning of the *Financial Services Compensation Scheme of Last Resort Levy (Collection) Act 2023*) for the levy period;
  - (ii) for the first levy period—the estimate under section 11 of that Act;
  - (iii) for each of the first 4 levy periods—any revised estimate under section 12 of that Act that is made before the time of preparing the report and that has not been included in an earlier report;
- (b) the CSLR operator's approach to determining each of these estimates;
- (c) the number of applications made under section 1066 of the Act during the levy period;
- (d) the number of payments of amounts of compensation under section 1063 of the Act during the levy period, and the total of those amounts;
- (e) the number of applications made under section 1066 of the Act by persons during the levy period for which the persons are not eligible under section 1064 of the Act for compensation;

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- (f) the number of applications made under section 1066 of the Act by persons during the levy period for which, at the time of preparing the report, it is too early for the persons to be notified under section 1068 of the Act of:
    - (i) offers of compensation; or
    - (ii) ineligibility for compensation;
  - (g) the average time taken after the CSLR operator receives an application made under section 1066 of the Act by a person during the levy period for the CSLR operator to notify the person under section 1068 of the Act:
    - (i) of an offer of compensation; or
    - (ii) that the person is not eligible for compensation;
  - (h) an analysis of the applications made under section 1066 of the Act during the levy period that includes details of:
    - (i) the kinds of products or services covered by the relevant AFCA determinations to which the applications relate; and
    - (ii) the kinds of providers of those products or services; and
    - (iii) any patterns or trends;
  - (i) the number of notifications under subsection 1069F(3) of the Act (about a sub-sector levy cap being exceeded (or further exceeded)) during the levy period;
  - (j) for each sub-sector—the total amount of levy paid that was imposed by the *Financial Services Compensation Scheme of Last Resort Levy Act 2023* across all persons for the levy period and the sub-sector;
  - (k) the number of determinations made under section 1069H of the Act for the levy period that:
    - (i) under subsection 1069H(4) of the Act, specify that levy needs to be imposed by subsection 8(3) of the *Financial Services Compensation Scheme of Last Resort Levy Act 2023* (about special levy for just the primary sub-sector); or
    - (ii) under subsection 1069H(5) of the Act, specify that levy needs to be imposed by section 9 of that Act (about special levy to be spread across several sub-sectors);
  - (l) for each determination referred to in paragraph (k):
    - (i) details of the determination; and
    - (ii) details about the levy paid as a result of the determination.

Note 1: Information about the matters in each of these paragraphs is required by subsection 1069G(1) of the Act to be included in each report.

Note 2: The estimates referred to in subparagraphs (a)(ii) and (iii) are of unpaid claims, and AFCA's fees, for complaints given to AFCA before the accumulation recovery day.