



Insurance Acquisitions and Takeovers (Public Interest) Determination 2024

I, Stephen Jones, Assistant Treasurer and Minister for Financial Services, make the following determination.

Dated 28 February 2024

Stephen Jones
Assistant Treasurer
Minister for Financial Services

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Part 1—Preliminary

1 Name

This instrument is the *Insurance Acquisitions and Takeovers (Public Interest) Determination 2024*.

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	1 March 2024.	

Note: This table relates only to the provisions of this instrument as originally made.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 *Insurance Acquisitions and Takeovers Act 1991*.

4 Definitions

Note: Expressions have the same meaning in this instrument as in the *Insurance Acquisitions and Takeovers Act 1991* as in force from time to time—see paragraph 13(1)(b) of the *Legislation Act 2003*.

In this instrument:

the Act means the *Insurance Acquisitions and Takeovers Act 1991*.

Section 5

Part 2—Public interest matters

5 Fit and proper person

- (1) Under subsection 5(6) of the Act, the following matters are determined for the purposes of subparagraph 5(4)(b)(i) of the Act:
- (a) the honesty, integrity and reputation of the person; and
 - (b) the competence and capability of the person, having regard to the degree of control or influence that the person will have over the Australian-registered insurance company; and
 - (c) whether the person is in a sound financial position; and
 - (d) whether the person has any conflict of interest in relation to any matter that is likely to give rise to a material risk to ongoing operations of an Australian-registered insurance company; and
 - (e) whether there are reasonable grounds for suspecting the person has committed, or is at risk of committing, a financial crime; and
 - Examples: financial crimes include crimes involving dishonesty, money laundering, bribery, corruption and terrorism financing.
 - (f) if the person is a company—the company’s prudential conduct and compliance with the prudential standards (as determined by APRA under the *Insurance Act 1973* and the *Life Insurance Act 1995*); and
 - (g) whether APRA’s ability to effectively supervise the Australian-registered insurance company is likely to be adversely affected; and
 - (h) the potential for the person to be influenced by another person that is not a fit and proper person to be in a position of influence over the Australian-registered insurance company.
- (2) Under subsection 5(6) of the Act, all relevant matters are determined for the purposes of subparagraph 5(4)(b)(ii) of the Act.

6 Position of influence over a company

Under subsection 5(2) of the Act, the following circumstances in which a person is taken to be in a position of influence over the Australian-registered insurance company, for the purposes of paragraph (1)(b) of the Act, are determined:

- (a) the person, either alone or together with one or more associates, is in a position to control 15% or more of the voting power in the company; and
- (b) one or more directors of the company are accustomed, or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the person acting alone, or acting together with one or more associates; and
- (c) the person has power, either acting alone or together with one or more associates, to appoint or remove a director of the company; and
- (d) the person is a director of the company; and
- (e) the person takes part in the management of the company.

7 Undue concentration of power

- (1) Under subsection 5(6) of the Act, the following matters are determined for the purposes of subparagraph 5(4)(c)(i) of the Act:
 - (a) any matter that could adversely affect:
 - (i) the supply or pricing of insurance services to the Australian market; or
 - (ii) the supply or pricing of other financial services to the Australian market.
- (2) Under subsection 5(6) of the Act, all relevant matters are determined for the purposes of subparagraph 5(4)(c)(ii) of the Act.

8 Contrary to the national interest

- (1) Under subsection 5(6) of the Act, the following matters are determined for the purposes of subparagraph 5(4)(d)(i) of the Act:
 - (a) any matter that could adversely affect the stability and strength of the Australian general insurance industry, the Australian life insurance industry, or the Australian financial system; and
 - (b) any matter that could adversely affect the interests of policy holders of an Australian-registered insurance company; and
 - (c) any matter that is contrary to Australia's foreign investment policies.
- (2) Under subsection 5(6) of the Act, all relevant matters are determined for the purposes of subparagraph 5(4)(d)(ii) of the Act.