



Financial Accountability Regime Regulator Rules Amendment Instrument No. 1 of 2024

We, Margaret Cole, a delegate of the Australian Prudential Regulation Authority, and Kate Metz, a delegate of the Australian Securities and Investments Commission, make this legislative instrument.

Date 8 July 2024

Margaret Cole

Kate Metz

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Part 1—Preliminary

1 Name of legislative instrument

This is the *Financial Accountability Regime Regulator Rules Amendment Instrument No. 1 of 2024*.

2 Commencement

This instrument commences on the day after it is registered on the Federal Register of Legislation.

Note: The register may be accessed at www.legislation.gov.au.

3 Authority

This instrument is made under subsection 105(1) of the *Financial Accountability Regime Act 2023*.

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Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.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

Financial Accountability Regime Act (Information for register) Regulator Rules 2024

1 Section 4

Insert:

Insurance Key Function means each of the following key functions only if the Insurance Key Function Requirements apply to a particular key function:

- (a) capital management;
- (b) conduct risk management;
- (c) data management;
- (d) financial and regulatory reporting;
- (e) hardship processes;
- (f) insurance risk management;

- (g) operational risk management;
- (h) product design and distribution obligations;
- (i) product origination;
- (j) recovery and exit planning and resolution planning;
- (k) reinsurance management;
- (l) scam management;
- (m) technology management;
- (n) training and monitoring of relevant representatives and staff;
- (o) underwriting; and
- (p) whistleblower policy and process.

Insurance Key Function Requirements means the following requirements:

- (a) the key function is undertaken by an accountable entity which is a general insurer, an authorised NOHC of a general insurer, a life company, a registered NOHC of a life company, or a private health insurer; and
- (b) an accountable person has actual or effective senior executive responsibility for management or control of the whole of, or a significant or substantial part or aspect of, the key function.

RSE licensee Key Function means each of the following key functions only if the RSE licensee Key Function Requirements apply to a particular key function:

- (a) conduct risk management;
- (b) data management;
- (c) financial and regulatory reporting;
- (d) hardship processes;
- (e) investment management;
- (f) liquidity management;
- (g) marketing and advertising;
- (h) member outcomes and member engagement;
- (i) operational risk management;

- (j) product design and distribution obligations;
- (k) product origination;
- (l) recovery and exit planning and resolution planning;
- (m) scam management;
- (n) technology management;
- (o) training and monitoring of relevant representatives and staff; and
- (p) whistleblower policy and process.

RSE licensee Key Function Requirements means the following requirements:

- (a) the key function is undertaken by an accountable entity which is a RSE licensee; and
- (b) an accountable person has actual or effective senior executive responsibility for management or control of the whole of, or a significant or substantial part or aspect of, the key function.

2 Section 4 (Note 1)

Omit “(b) accountable person.” substitute “(b) accountable person;”.

3 Section 4 (Note 1)

After paragraph (b) of Note 1, insert:

- (c) ADI;
- (d) authorised NOHC;
- (e) general insurer;
- (f) life company;
- (g) private health insurer;
- (h) registered NOHC;
- (i) RSE licensee.

4 Section 4 (Note 2)

Repeal the note.

5 Section 5

After paragraph 5(1)(k), insert:

- (l) key functions—each Insurance Key Function (if any) of the accountable person;

- (m) the dates the accountable person assumed, and ceased to have, responsibility for an Insurance Key Function referred to in paragraph 5(1)(l) (if applicable);
- (n) key functions—each RSE licensee Key Function (if any) of the accountable person;
- (o) the dates the accountable person assumed, and ceased to have, responsibility for an RSE licensee Key Function referred to in paragraph 5(1)(n) (if applicable);

6 Paragraph 5(1)(l)

Renumber as paragraph 5(1)(p).

7 Paragraph 5(1)(m)

Renumber as paragraph 5(1)(q).

8 Paragraph 5(1)(n)

Renumber as paragraph 5(1)(r).