

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Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.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

1. capital management;
2. conduct risk management;
3. data management;
4. financial and regulatory reporting;
5. hardship processes;
6. insurance risk management;
7. operational risk management;
8. product design and distribution obligations;
9. product origination;
10. recovery and exit planning and resolution planning;
11. reinsurance management;
12. scam management;
13. technology management;
14. training and monitoring of relevant representatives and staff;
15. underwriting; and
16. whistleblower policy and process.

***Insurance Key Function Requirements*** means the following requirements:

1. 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
2. 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:

1. conduct risk management;
2. data management;
3. financial and regulatory reporting;
4. hardship processes;
5. investment management;
6. liquidity management;
7. marketing and advertising;
8. member outcomes and member engagement;
9. operational risk management;
10. product design and distribution obligations;
11. product origination;
12. recovery and exit planning and resolution planning;
13. scam management;
14. technology management;
15. training and monitoring of relevant representatives and staff; and
16. whistleblower policy and process.

***RSE licensee Key Function Requirements*** means the following requirements:

1. the key function is undertaken by an accountable entity which is a RSE licensee; and
2. 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).