

EXPOSURE DRAFT



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Treasury Laws Amendment (Delivering Better Financial Outcomes) Regulations 2024

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 2024

David Hurley
Governor-General

By His Excellency's Command

Stephen Jones [DRAFT ONLY—NOT FOR SIGNATURE]
Assistant Treasurer
Minister for Financial Services

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1 Name

This instrument is the *Treasury Laws Amendment (Delivering Better Financial Outcomes) Regulations 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. Sections 1 to 4 and anything in this instrument not elsewhere covered by this table	The day after this instrument is registered.	
2. Schedule 1, Part 1	The later of: (a) the start of the day after this instrument is registered; and (b) the same time as Division 1 of Part 1 of Schedule 1 to the <i>Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024</i> commences. However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.	
3. Schedule 1, Part 2	The later of: (a) the start of the day after this instrument is registered; and (b) the same time as Part 2 of Schedule 1 to the <i>Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024</i> commences. However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.	
4. Schedule 1, Part 3	The later of: (a) the start of the day after this instrument is registered; and (b) the same time as Part 3 of Schedule 1 to the <i>Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024</i> commences. However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.	

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Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
5. Schedule 1, Part 4	The later of: (a) the start of the day after this instrument is registered; and (b) the same time as Part 4 of Schedule 1 to the <i>Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024</i> commences. However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.	
6. Schedule 1, Part 5	The later of: (a) the start of the day after this instrument is registered; and (b) the same time as Part 5 of Schedule 1 to the <i>Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024</i> commences. However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.	

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—Amendments

Part 1—Superannuation

Electronic Transactions Regulations 2020

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

Omit “subsection 99FA(1)”, substitute “section 99FA”.

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Schedule 1 Amendments

Part 2 Ongoing fee arrangements

Part 2—Ongoing fee arrangements

Corporations Regulations 2001

2 Subparagraph 7.6.02A(2)(a)(vi)

Repeal the subparagraph.

3 Subparagraphs 7.6.02A(2)(a)(ix) and (x)

Repeal the subparagraphs.

4 Regulation 7.7A.11

Repeal the regulation.

5 Paragraphs 7.7A.11AA(2)(a) and (b)

Repeal the paragraphs.

6 After paragraph 7.7A.11AA(2)(c)

Insert:

- (ca) each consent given by the client to enter into or renew an ongoing fee arrangement for the purposes of section 962G of the Act;

7 Paragraph 9.4AB.02(2)(e)

Omit “section 962P”, substitute “section 962Z”.

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

Repeal the paragraph.

9 In the appropriate position in Chapter 10

Insert:

Part 10.52—Application provisions relating to the Treasury Laws Amendment (Delivering Better Financial Outcomes) Regulations 2024

10.52.01 Application—compliance records for fee disclosure statements

Despite the repeal of paragraphs 7.7A.11AA(2)(a) and (b), those paragraphs continue to apply in relation to fee disclosure statements required to be given under section 962G of the Act as in force immediately before the commencement of Part 2 of Schedule 1 to the *Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024* as if those repeals had not happened.

Part 3—Financial Services Guide

Corporations Regulations 2001

10 After subparagraph 7.6.02A(2)(a)(v)

Insert:

- (va) subsection 943G(3);
- (vb) subsection 943H(4);
- (vc) subsection 943K(2);
- (vd) subsection 943L(2);

11 At the end of subregulation 7.7.02(4A)

Add:

- Note: A Financial Services Guide is not required to be sent out under this subregulation if website disclosure information is made available in accordance with Division 2A of Part 7.7 of the Act (see subsection 941C(5A) of the Act).

12 At the end of subregulation 7.7.03(1)

Add:

- Note: This regulation (other than paragraph (5)(b) and subregulation (6)) is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(a) of the Act).

13 At the end of subregulation 7.7.03A(1)

Add:

- Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(a) of the Act).

14 At the end of subregulation 7.7.04(1)

Add:

- Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(a) of the Act).

15 Subregulation 7.7.04AA(2)

Omit “963C(b)” (first occurring), substitute “963C(1)(b)”.

16 Subregulation 7.7.04AA(2) (note)

Omit “Note”, substitute “Note 1”.

17 Subregulation 7.7.04AA(2) (note)

Omit “963C(b)”, substitute “963C(1)(b)”.

18 At the end of subregulation 7.7.04AA(2)

Add:

- Note 2: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(a) of the Act).

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19 Subregulation 7.7.04AB(2)

Omit “963C(b)” (first occurring), substitute “963C(1)(b)”.

20 Subregulation 7.7.04AB(2) (note)

Omit “Note”, substitute “Note 1”.

21 Subregulation 7.7.04AB(2) (note)

Omit “963C(b)”, substitute “963C(1)(b)”.

22 At the end of subregulation 7.7.04AB(2)

Add:

Note 2: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

23 At the end of subregulation 7.7.05A(1)

Add:

Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

24 At the end of subregulation 7.7.05B(1)

Add:

Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

25 At the end of subregulation 7.7.05C(1)

Add:

Note: This subregulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(a) of the Act).

26 At the end of subregulation 7.7.05C(2)

Add:

Note: This subregulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

27 At the end of subregulation 7.7.06(1)

Add:

Note: This regulation (other than paragraph (5)(b) and subregulation (6)) is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

28 At the end of regulation 7.7.06A

Add:

Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

29 At the end of subregulation 7.7.06B(1)

Add:

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Amendments **Schedule 1**
Financial Services Guide **Part 3**

Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

30 At the end of subregulation 7.7.07(1)

Add:

Note: This regulation is also relevant to website disclosure information made available in accordance with Division 2A of Part 7.7 of the Act (see paragraph 943J(b) of the Act).

31 Regulation 7.7.10AAA (note)

After “942C(8)”, insert “(Financial Services Guides) and section 943N (website disclosure information)”.

32 After regulation 7.7.10AD

Insert:

7.7.10ADA Website disclosure information

For the purposes of paragraph 951C(1)(c) of the Act, Part 7.7 of the Act applies as if section 943N of the Act were omitted and the following section were substituted:

“943N Record of advice must be provided in certain circumstances

If:

- (a) the website disclosure information includes a statement to the effect that a client may request a record of further advice; and
 - (b) the client is provided with further advice to which that statement applies; and
 - (c) the client has not already been provided with a record of that advice;
- the providing entity must comply with a request made in accordance with that statement for a record of that advice.

Note: Failure to comply with this subsection is an offence (see subsection 1311(1)).”

33 Subregulation 7.7.10AE(3A) (at the end of note 2)

Add “(Financial Services Guides) and section 943N (website disclosure information) of the Act”.

34 Paragraph 9.4AB.02(2)(c)

Repeal the paragraph, substitute:

- (c) subsection 941B(4);
- (ca) subsection 943G(3);
- (cb) subsection 943H(4);
- (cc) subsection 943K(2);
- (cd) subsection 943L(2);

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Schedule 1 Amendments

Part 4 Conflicted remuneration

Part 4—Conflicted remuneration

Corporations Regulations 2001

35 Subregulations 7.7.09BC(2) and 7.7.09BD(2)

Omit “963C(b)” (wherever occurring), substitute “963C(1)(b)”.

36 Paragraph 7.7A.11C(1)(d)

Repeal the paragraph.

37 Subparagraph 7.7A.11C(2)(d)(ii)

Omit “products; or”, substitute “products.”.

38 Paragraph 7.7A.11C(2)(e)

Repeal the paragraph.

39 Paragraph 7.7A.11D(1)(d)

Repeal the paragraph.

40 Subparagraph 7.7A.11D(2)(d)(ii)

Omit “products; or”, substitute “products.”.

41 Paragraph 7.7A.11D(2)(e)

Repeal the paragraph.

42 Regulation 7.7A.12 (notes 2 and 3)

Repeal the notes.

43 Paragraph 7.7A.12F(a)

Omit “963C(f)”, substitute “963C(1)(f)”.

44 Regulation 7.7A.12H

Repeal the regulation.

45 Subregulation 7.7A.12I(3) (paragraph (a) of the definition of *prescribed provision*)

Omit “963B(1)(a), (b), (c) or (d)”, substitute “963B(1)(a), (b) or (ba)”.

46 Subregulation 7.7A.12I(3) (paragraph (b) of the definition of *prescribed provision*)

Omit “963C(a), (b), (c), (d) or (e)”, substitute “963C(1)(a), (b), (c) or (d)”.

47 Subregulation 7.7A.12I(3) (paragraph (b) of the definition of *prescribed provision*)

Omit “963C(f)”, substitute “963C(1)(f)”.

48 Regulation 7.7A.13

Omit “963C(b)(i)”, substitute “963C(1)(b)(i)”.

49 Regulation 7.7A.13 (note)

Omit “963C(b)”, substitute “963C(1)(b)”.

50 Subregulation 7.7A.14(1)

Omit “963C(c)(iii)”, substitute “963C(1)(c)(iii)”.

51 Subregulation 7.7A.14(2)

Omit “963C(c)(i)”, substitute “963C(1)(c)(i)”.

52 Subregulation 7.7A.14(2) (note)

Omit “963C(c)”, substitute “963C(1)(c)”.

53 Subregulation 7.7A.15(1)

Omit “963C(c)(iii)”, substitute “963C(1)(c)(iii)”.

54 Subregulation 7.7A.15(2)

Omit “963C(c)(i)”, substitute “963C(1)(c)(i)”.

55 Subregulation 7.7A.15(2) (note)

Omit “963C(c)”, substitute “963C(1)(c)”.

56 Paragraph 7.7A.15A(1)(a)

Omit “963C(f)”, substitute “963C(1)(f)”.

57 Paragraph 7.7A.15A(2)(c)

Omit “963C(c)(iii)”, substitute “963C(1)(c)(iii)”.

58 Subparagraph 7.8.11A(2)(b)(i)

Omit “963C(b)”, substitute “963C(1)(b)”.

59 Subparagraph 7.8.11A(2)(b)(ii)

Omit “963C(c)”, substitute “963C(1)(c)”.

60 In the appropriate position in Part 10.52

Insert:

10.52.02 Application—repeal of benefits for employees of ADIs

- (1) The repeal of regulation 7.7A.12H by Part 4 of Schedule 1 to the *Treasury Laws Amendment (Delivering Better Financial Outcomes) Regulations 2024* applies to a benefit given to a provider, under an arrangement, if:
 - (a) the arrangement was entered into on or after the day (the *deferred start day*) that is 6 months after the commencement of that Part; or
 - (b) all of the following apply:

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Schedule 1 Amendments

Part 4 Conflicted remuneration

- (i) the arrangement was varied on or after the deferred start day;
 - (ii) the variation related to the giving of benefits under the arrangement;
 - (iii) the benefit is given on or after the deferred start day.
- (2) The repeal of that regulation also applies to a benefit given to a provider, otherwise than under an arrangement, on or after the deferred start day.

Part 5—Insurance commissions

Corporations Regulations 2001

61 Regulation 7.7A.12G

Before “A benefit”, insert “(1)”.

62 At the end of regulation 7.7A.12G

Add:

- (2) Section 963BB of the Act (about informed consent for insurance commissions) applies in relation to subregulation (1) in the same way it applies in relation to paragraph 963B(1)(a) of the Act.

63 Paragraph 9.4AB.02(2)(j)

Omit “section 963K”, substitute “subsection 963K(1)”.

64 In the appropriate position in Part 10.52

Insert:

10.52.03 Application—informed consent for benefits given in relation to general insurance products

- (1) The amendments to regulation 7.7A.12G by Part 5 of Schedule 1 to the *Treasury Laws Amendment (Delivering Better Financial Outcomes) Regulations 2024* apply to benefits given on or after the commencement of that Part in relation to the issue or sale of general insurance products on or after that commencement.
- (2) However, those amendments do not apply to benefits given in connection with the issue or sale of a general insurance product if:
 - (a) the product is a renewal of another general insurance product; and
 - (b) that other general insurance product was issued or sold before the commencement of that Part.