



ASIC

Australian Securities & Investments Commission

[CO 04/189]

Relief for insurance brokers to allow mixed payments which include non-section 981B money to be paid into s981B accounts

Issued 3/3/2004

Section 981B provides that only certain money (s981B money) can be paid into an account maintained by a financial services licensee to hold clients' money.

Class Order [CO 04/189] modifies s981B to allow Insurance Brokers (as defined) to pay into their s981B accounts other money mixed in a single payment with s981B money. The other money, however, must be withdrawn from the account within five business days of the money being paid into it.

Australian Securities and Investments Commission
Corporations Act 2001 — Paragraph 992B(1)(c) — Declaration

Under paragraph 992B(1)(c) of the *Corporations Act 2001* (the “Act”) the Australian Securities and Investments Commission declares that Part 7.8 of the Act applies in relation to an insurance broker as if section 981B of the Act were modified or varied by:

1. in subparagraph (1)(b)(iv), omitting “regulations; and” and substituting “regulations; or”;
2. after subparagraph (1)(b)(iv), inserting:

“(iva) other money paid together in a single payment with money to which subparagraph (i) or (iv) applies; and”;
and
3. after paragraph (1)(b), inserting:

“(ba) any money paid into the account to which none of subparagraphs (b)(i) to (b)(iv) applies is paid out of the account within 5 business days in accordance with this Part; and”.

Interpretation

In this instrument *insurance broker* means the holder of an Australian financial services licence who:

- (a) can, under the licence, provide a financial service relating to contracts of insurance (whether or not the person can provide other financial services under the licence as well); and
- (b) in providing that service, predominantly acts on behalf of intending insureds.

Dated this 3rd day of March 2004

Signed by Brendan Byrne
as a delegate of the Australian Securities and Investments
Commission