



Australian Government
The Treasury

TSY/AU

INTRODUCTION OF AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION'S FEES-FOR-SERVICE UNDER THE INDUSTRY FUNDING MODEL

CONSULTATION PAPER

November 2017

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CONSULTATION PROCESS

Request for feedback and comments

Interested parties are invited to comment on this consultation paper.

Non-confidential submissions may be made available on the Treasury website. Submissions made in confidence will not be published. A request for access to a confidential submission will be determined in accordance with the *Freedom of Information Act 1982* (Cth).

In the absence of a clear indication that a submission is intended to be confidential, a submission will be treated as non-confidential.

Closing date for submissions: 15 December 2017

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The principles outlined in this paper have not received Government approval and are not yet law. As a consequence, this paper is merely a guide as to how the principles might operate.

EXECUTIVE SUMMARY

The Australian Government has committed that the Australian Securities and Investments Commission (ASIC) costs for specific regulatory activities requested by an entity should be fully recovered from that entity. This will commence from 1 July 2018. Fees associated with registry activities are excluded from the scope of this proposal.

The existing model of fees charged by ASIC is not based on any form of cost recovery. The impact of moving to a full cost recovery system for ASIC regulatory fees is twofold:

- Fees for activities for the benefit of an individual entity (for example, a licence application) will be based on the full cost to ASIC of that activity. In many cases, there is only a nominal fee currently associated with the activity. In these circumstances, this change results in a significant increase in fees for that activity. A full list of proposed fees is at Schedule A.
- Fees currently charged for activities that are associated with the supervision of the industry rather than for the benefit of an individual entity (for example, compliance certificates) will be removed. A list of the fees to be removed is at Schedule B.

In preparation for the 1 July 2018 fee-for-service full cost recovery, the Australian Government specifically seeks comment on:

1. Do you have any comments on whether the Corporations (Fees) Regulations 2001 should continue to specify all ASIC fees regardless of whether they are determined on a cost-recovery basis or whether the cost-recovery fees should be specified in a separate instrument so they can be more clearly differentiated from non-cost recovery fees?
2. Do you have any feedback regarding the model objectives?
3. Is the proposed methodology for calculating fees-for-service appropriate? If not, why not?
4. Are there any other sectors where a tiered approach to setting fees would be appropriate?
5. Do you have any suggestions for how the proposed methodology could be modified? If so, please provide details.
6. Are the proposed accountability measures for ASIC appropriate? If not, please provide details.
7. Will the proposed fees-for-service model have an effect on competition and innovation? If so, please provide details, including possible ways to mitigate the effect.

An outline of the key processes and indicative timing for implementing fee-for-services is below.

Introduction of ASIC's Fees-for-Service under the Industry Funding Model

| TIMING | PROCESS |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| November 2017 | Consultation paper released for stakeholder comment. |
| December 2017 | Consultation period closes. |
| First half of 2018 | Proposed amendments to <i>Corporations (Fees) Act 2001</i> and <i>Corporations (Fees) Regulations 2001</i> introduced to Parliament to give effect to the ASIC fees-for-service model. |
| First half of 2018 | Cost Recovery Implementation Statement released. |
| 1 July 2018 | Commencement of ASIC fees-for-service model. |

INTRODUCTION

The Australian Government has committed that the Australian Securities and Investments Commission (ASIC) costs for specific regulatory activities requested by an entity should be recovered from that entity. This will commence from 1 July 2018. These fees are imposed under the *Corporations (Fees) Act 2001* and specified in the *Corporations (Fees) Regulations 2001*.

Currently, the fees associated with these activities do not reflect the costs to ASIC of undertaking these activities. Traditionally, these activities have only attracted a nominal fee, which has not been subject to any review. The impact of this is that the cost of these activities has been subsidised by taxpayers. Under the ASIC Industry Funding Model, from 1 July 2018 fees-for-service will be introduced to recover ASIC regulatory costs that are directly attributable to a single, identifiable, entity. Cost recovery will apply to the following regulatory activities captured in Table 1.

TABLE 1: SPECIFIC FEE-FOR-SERVICE ACTIVITIES AND AFFECTED SECTORS

| ACTIVITY | AFFECTED SUBSECTORS |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Document compliance reviews (such as prospectuses, compliance documents) | Companies (all sub-sectors) Australian Financial Services (AFS) Licencees (all sub-sectors) |
| Licence applications or variations | Australian Credit Licencees (all sub-sectors) AFS Licencees (all sub-sectors) Market infrastructure providers (all sub-sectors) |
| Applications for registration | AFS Licencees – Managed investment schemes Liquidators (all sub-sectors) |
| Requests for changes to market integrity rules or procedures | Market infrastructure providers (all sub-sectors) |
| Applications for relief | All sectors and sub-sectors |

The Government previously consulted on this policy in 2015. Stakeholder feedback in 2015 supported the principle that a fee should be paid for ASIC's demand-driven services, such as processing a licence or registration application, provided that the fee directly represents the efficient costs of providing the regulatory activity or service. Stakeholders were concerned that there was little information to support the sizing of the fees. Some stakeholders have expressed concern that the fees may also raise potential barriers to innovation. Most significantly, the \$21,000 fee for novel relief applications, previously proposed, considerably increased the costs for first movers bringing new products to market that may require ASIC regulatory relief. There was broad support for reviewing fees-for-service every three years.

To address the feedback received, the implementation of the revised fees-for-service proposal was delayed to allow time to refine the model by gathering further data to support the pricing fees, in particular through time recording. Existing fees in the *Corporation (Fees) Act 2001* and regulations would continue to apply from the commencement of the industry funding model on 1 July 2017 until the new fees-for-service schedule for industry funding is introduced.

Stakeholder feedback is being sought on three areas associated with the implementation and operation of the model: 1) proposed fee-for-service model; 2) ASIC stakeholder engagement and accountability; and 3) competition and innovation aspects.

ASIC fees outside of scope of Industry Funding Model

The fees attached to ASIC forms relating to updating an ASIC registry database (compared with regulatory fees where the benefit of the activity primarily accrues to the individual entity) are not in scope for industry funding and will not be cost recovered under the Government Charging Framework. The fees for lodging these forms will continue to be set separately.

PURPOSE

The recovery of ASIC's regulatory costs that are attributable to a single, identifiable, entity is to be consistent with the Australian Government Charging Framework and model design objectives outlined below.

The Australian Government Charging Framework

In July 2015, the Australian Government agreed to implement a whole-of-government Charging Framework (Charging Framework) to apply across the general government sector. The Charging Framework covers activities where the government charges the non-government sector for a specific government activity such as regulation, goods, services, or access to resources or infrastructure.

The Charging Framework builds on the Australian Government Cost Recovery Guidelines (CRGs).¹ It encourages a common approach to planning, designing, implementing and reviewing government charging activities, which should lead to improvements in government charging.

Charging for government activities can:

- promote equity, whereby the recipients who create the need for a government activity, rather than the general public, bear its costs;
- influence demand for government activities;
- improve the efficiency, productivity and responsiveness of government activities and accountability for those activities; and
- increase cost consciousness for all stakeholders by raising awareness of how much a government activity costs.

The Charging Framework includes a Charging Policy Statement that underpins all Australian Government charging and provides that *'where specific demand for a government activity is created by identifiable individuals or groups they should be charged for it unless the Government has decided to fund that activity'*.²

The Charging Framework requires that for regulatory charging activities the CRGs apply. The CRGs set out the requirements of how government entities design, implement and review regulatory activities.

1 The CRGs can be accessed via <http://www.finance.gov.au/sites/default/files/australian-government-cost-recovery-guidelines.pdf>.

2 Australian Government Charging Framework, Resource Management Guide No. 302, July 2015. Page 8.

The CRGs are underpinned by the following six principles:

1. **Transparency** – making available key information about the activity, such as the authority to charge, charging rates, and, where relevant, the basis of the charges.
2. **Efficiency** – delivering activities at least cost, while achieving the policy objectives and meeting the legislative requirements of the Australian Government.
3. **Performance** – which relates to effectiveness, risk mitigation, sustainability and responsiveness. Engagement with stakeholders is a key element of managing and achieving performance. Entities must regularly review and evaluate charges in consultation with stakeholders to assess their impact and whether they are contributing to government outcomes.
4. **Equity** – where specific demand for a government activity is created by identifiable individuals or groups they should be charged for it, unless the Government has decided to fund that activity. Equity is also achieved through the Government's social safety net, to ensure that vulnerable citizens are not further disadvantaged through the imposition of a charge.
5. **Simplicity** – whereby charges should be straightforward, practical, easy to understand and collect.
6. **Policy consistency** – charges must be consistent with Australian Government priorities and policies, including entity purpose and outcomes. Australian Government agreement may be required for the introduction of new charges and/or changes to charges.

The industry funding model for ASIC has been designed to comply with these principles. To further build on these principles and to ensure consistency across ASIC's regulated population, a number of objectives have been developed for the industry funding model as discussed in 'Model Design Objectives' section.

The Charging Framework requires that there is an alignment between the expenses of the regulatory activity (the costs involved in providing it) and the revenue (the revenue generated through the fees-for-services charged). Regulatory charges are required to be:

- clear and easy to understand;
- closely linked to the specific activity;
- set to recover the full efficient costs of the specific activity;³
- efficient to determine, collect and enforce; and
- set to avoid volatility, while still being flexible enough to allow for changes based on fluctuations in demand or costs.

Ideally, the expenses and revenue should be aligned on a yearly basis. However, where justified, they can be aligned over a longer period (for example, the business cycle of the activity). There must not be systematic over- or under-recovery of costs over time.

3 Or at the level set by the Australian Government if partial cost recovery has been agreed.

The characteristics of a government activity determine the type of charge to be used. There are two types of regulatory charges:

- **regulatory levies** - charges imposed when a good, service or regulation is provided to a group of individuals or organisations (for example, an industry sector or subsector) rather than to a specific individual or organisation.
- **regulatory fees** - fees charged when a good, service or regulation is provided directly to a specific individual or organisation. Examples of activities that are charged through a regulatory fee include licences, registrations and approvals.

This consultation paper focusses on the regulatory fees aspect.

Legislation

Currently the legislation that gives effect to the regulatory fees is captured under the *Corporations (Fees) Act 2001* through the *Corporations (Fees) Regulations 2001*. These regulations specify both the regulatory and the registry fees. This provides a single source on ASIC fees. Following the passage of these reforms, some of the fees in the regulations will be determined on a cost recovery basis (the regulatory fees) whereas other fees will not be on a cost recovery basis (registry fees).

Model design objectives

The design objectives in Table 2 for the industry funding model have been developed following feedback received from stakeholders in developing the levy model. They have been used to apply a consistent approach to setting fees across ASIC's regulated population. These are in addition to, and consistent with, the Australian Government Charging Framework principles described previously.

TABLE 2: MODEL DESIGN OBJECTIVES

| OBJECTIVES | DESCRIPTION |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Simple | The model should be simple and enable any entity to calculate its applicable fee. |
| Certain | Fees should, wherever possible, provide enough certainty for entities to allow them to incorporate the fees into commercial decisions. |
| Transparency | The determination process of fees is to provide certainty for entities and ensure the delivery of services is at most efficient cost. |
| Competition and innovation | The model supports financial system innovation, while balancing financial stability objectives. |
| Efficient processing | Billing and business activity collection should be done through a web portal that users find simple, clear and fast to use, and that is seamlessly connected to ASIC databases. |

QUESTIONS

1. Do you have any comments on whether the *Corporations (Fees) Regulations 2001* should continue to specify all ASIC fees regardless of whether they are determined on a cost-recovery basis or whether the cost-recovery fees should be specified in a separate instrument so they can be more clearly differentiated from non-cost recovery fees?
2. Do you have any feedback regarding the model objectives?

ISSUES FOR DISCUSSION

Stakeholder feedback is being sought on three areas associated with the implementation and operation of the model:

1. proposed fees-for-service model;
2. methods of ASIC stakeholder engagement and accountability; and
3. competition and innovation aspects.

Proposed fees-for-service model

Under an industry funding model for ASIC's regulatory activities, the Government would charge a fee for:

- licensing application or variations services;
- application for registration services;
- requests for changes to market integrity rules or procedures;
- the processing of applications for relief lodged with ASIC; and
- ASIC's formal compliance review of documents lodged by entities under the *Corporations Act 2001*, such as prospectuses and compliance documents.

These activities are completed at the request of, and for the benefit of, a specific entity. These fees will be subject to full cost recovery. The Government is not proposing for any regulatory fees to be partially cost recovered.

ASIC already charges industry fees for lodging around 180 separate regulatory forms; however, the fees associated with lodging these forms do not closely reflect the cost to ASIC of processing and assessing them. Under the industry funding model, fees would be set to recover the efficient costs to process and assess these forms.

The Australian Government Cost Recovery Guidelines state that:

1. Entity staff should break down the activity into distinct outputs (for example, registrations, audits, or the development of standards) and the key business processes that are used to produce those outputs. Outputs should have a discernible link with the costs, charges and performance of the activity, which should be explained in the CRIS. Techniques for identifying business processes include process modelling, performance measurement and workflow analysis. Staff should monitor and re-examine business processes periodically to ensure that the processes continue to produce outputs efficiently and effectively.

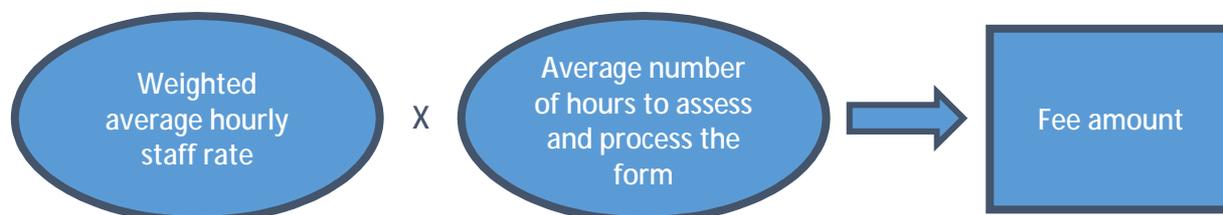
2. The level to which the activity is broken down (for example, outputs versus business processes) for reporting and costing purposes should be proportional to its complexity, materiality and sensitivity. If the activity has multiple outputs and business processes, it may be appropriate to group them together for presentation in the CRIS. As an example, the following business processes may be involved in the assessment of a permit application (that is, the output of the cost recovered activity):
- receiving an application;
 - checking the accuracy of information in the application;
 - assessing the application;
 - deciding on the application; or
 - notifying the applicant of the decision.

Fee for service methodology

The proposed methodology for calculating the cost of fees-for-service transactions is based on the Australian Government Cost Recovery Guidelines and the model design objectives to ensure a close alignment with ASIC's actual costs to undertaking fees-for-service activities.

The fee for each form will be calculated using a weighted average hourly rate (calculated for each team associated with the form, and includes indirect costs) multiplied by the regulatory effort (that is, the average number of hours) required to assess and process each form type.

The regulatory teams in ASIC are not structured in an identical fashion and comprise a varying mix of staff at different levels of seniority and at different salary bands within those seniority levels. Therefore, to ensure that ASIC only recovers efficient costs (the minimum costs necessary to provide the activity while achieving the policy objectives and legislative functions of the Australian Government), ASIC has not set a standard hourly charge rate for the agency as a whole but has instead calculated weighted hourly charge rates in accordance with the specific profile of the different regulatory teams. The weighted average hourly staff rate is multiplied by the average number of hours to undertake the activity to determine the fee amount as outlined in the diagram below.



Where there is considerable variance in the actual process or assessment, it is proposed that ASIC would tier the charges to reflect the associated effort in each of these activities. Different weighted costs are applied (reflecting where applications have contributions from more than one ASIC unit team) to capture ASIC's efficient costs of the activity. Specifically, ASIC has applied tiered fees with respect to the following forms:

- Australian Financial Services Licence applications (electronic and paper);
- Licence Authorisation Variation applications (electronic and paper);
- Australian Credit Licence applications;
- Applications to vary authorisations or conditions of an Australian Credit Licence;
- Australian Markets Licence applications;
- Markets - Notice of changes to operating rules Section 793D;
- Markets - Notice of changes to operating rules Section 822D; and
- Australian clearing and settlement (CS) facility licence applications.

Examples of the assessment and processing of applications are outlined in Box 1 and Box 2.

BOX 1: MULTIPLE TEAM REGULATORY EFFORT: APPLICATION FOR REGISTRATION AS A REGISTERED COMPANY AUDITOR

Regulatory effort for an application for registration as a registered company auditor is spread across two teams in ASIC: the Licencing team and the Financial Reporting and Audit team.

Work undertaken by the Licencing team includes:

- a) ASIC receives an application into its workflow systems, which includes the submission of an electronic form and supporting proof documents.
- b) An analyst is assigned the application and will initially review it at a high level to determine if the applicant provided the required information. If the application was incomplete it may be rejected and not accepted for lodgement.
- c) If accepted, the analyst will review to determine the scope of the assessment process and whether the analyst should consult ASIC's specialist stakeholder teams in relation to the application. The analyst will review the application and supporting documentation in detail. The analyst may also requisition the applicant and have to assess further supporting information.
- d) The analyst's role is to assess whether ASIC is satisfied that the applicant is capable of performing the duties of an auditor (including meeting the auditing competency standards or having the requisite practical experience) and is a fit and proper person to be registered as an auditor. The analyst will document their assessment of the material in an assessment worksheet. This worksheet is subject to supervisor review.
- e) If the application is to be refused, a detailed statement of concerns is sent to the applicant who may contest the analyst's concerns or withdraw their application. If the application is contested, the analyst prepares a detailed brief to be reviewed by a senior person prior to it being referred to an ASIC delegate who will convene an administrative hearing to provide the applicant an opportunity to be heard prior to final determination by the ASIC delegate.

BOX 1: MULTIPLE TEAM REGULATORY EFFORT: APPLICATION FOR REGISTRATION AS A REGISTERED COMPANY AUDITOR (CONTINUED)

Work undertaken by the Financial Reporting and Audit team includes:

- a) technical advice on accounting and auditing issues;
- b) investigating whether the requirements of RG 180 (Auditor registration) have been complied with; and
- c) in certain cases, obtaining and reviewing audit engagement files to ascertain the capability of the applicant to be registered.

To determine the efficient cost associated with an application for registration as a registered company auditor, the weighted average staff cost for the Licencing team is multiplied by the average time spent by the Licencing team to process the registration. The same calculation is performed for the Financial Reporting and Audit team. These amounts are added together to get the total cost that is charged for the activity.

BOX 2: TIER APPLICATIONS: APPLICATION FOR AN AFS LICENCE

The AFS Licence application has been divided into eight different categories of application as outlined in the fee schedule (Schedule A) to reflect the range of regulatory effort required.

To determine the efficient cost associated with an application for AFS Licence, the weighted average staff cost for the Licencing team is multiplied by the average time spent by the Licencing team to process the application. The level of complexity of the application determines the level of staff working on the form. This correlates for higher complexity applications to a higher hourly rate and therefore higher weighted average staff cost. The higher level of complexity also increases the average time taken per application.

This ultimately determines the final costs which range from \$1,488 to \$7,357 across the eight categories under the application for an AFS Licence (assuming electronic lodgement).

The proposed fee schedule to commence on 1 July 2018 based on this methodology is outlined at Schedule A. It should be noted that in a number of cases, the proposed fees outlined in Schedule A have significantly increased from their current level. This reflects the fact that currently, for a large number of regulatory activities, only nominal fees are charged. Full cost recovery for these activities means that the cost of these activities will be solely borne by the individual responsible for generating the activity and will no longer be cross-subsidised by taxpayers.

In addition, there are approximately 60 ASIC forms to support work across an industry, rather than activities undertaken for the benefit of an individual entity. For example, the lodgement of annual compliance certificates for Australian Credit Licensees. Fees associated with these forms will no longer be charged at the point of lodgement of these, rather ASIC's regulatory costs associated with those forms will be collected as part of the regulatory levies which commenced on 1 July 2017. These fees are outlined in Scheduled B.

International comparisons

Many financial services and markets regulators are funded by industry, or by a combination of industry and government. In 2017, 28 regulators (including corporate and securities regulators) are industry-funded through fees from regulated entities or fines for non-compliance, eight are partially funded by fees from regulated entities and, and 13 were fully funded by government.⁴

Benchmarking fee for service levels against other international regulator fee models should have regard to different regulatory frameworks between jurisdictions. A direct comparison of fees is not possible for certain industry sectors given the different regulatory approaches adopted in each jurisdiction. In addition, even in jurisdictions where the regulators are funded by industry, it may not be in accordance with similar cost recovery guidelines to Australia.

QUESTIONS

3. Is the proposed methodology for calculating fees-for-service appropriate? If not, why not?
4. Are there any other sectors where a tiered approach to setting fees would be appropriate?
5. Do you have any suggestions for how the proposed methodology could be modified? If so, please provide details?

ASIC stakeholder engagement and accountability

Review of fee schedule

Better practice regulators actively contribute to the continuous improvement of regulatory frameworks. No service remains the same over time, and continuous improvement ensures the regulatory framework has the flexibility to adjust to changing circumstances. As part of this measure, it is proposed that ASIC's regulatory fees be reviewed every three years.

Determining fee amounts every three years would provide certainty for regulated entities and provide an incentive for ASIC to ensure that it is delivering its services at the most efficient cost. If there is an unforeseen change to the work required to provide a particular fee-for-service, consultation on ASIC's fees may need to occur earlier. Any revision to the predefined fee schedule will involve consultation on the legislative regulations as per the Australian Government legislative consultation process.

To support the review process, ASIC will implement a program of assessment to ensure that the fee imposed on activities remain appropriate. ASIC is currently developing the formal assessment process and will release details in the near future.

4 OECD 2017 (<http://www.oecd.org/daf/ca/Corporate-Governance-Factbook.pdf>, page 34).

Cost Recovery Implementation Statement (CRIS)

As required under the Australian Government Cost Recovery Guidelines, ASIC publishes a Cost Recovery Implementation Statement (CRIS) each October. The CRIS provides information on how ASIC's regulatory activities are cost recovered from the relevant sectors. It will also include information on the breakdown of each regulatory activity, an explanation of how the activity was costed and an explanation of the design of levy or fee charges.

The information captured in the CRIS includes:

- policy and statutory authority;
- cost recovery model – outputs, costs, charges;
- risk assessment;
- stakeholder engagement;
- financial estimates – four years;
- financial performance – past four years; and
- non-financial performance – for example, key performance indicators.

Other accountability measures

ASIC Corporate Plan

The ASIC Corporate Plan, published each August, details the strategic risks that ASIC intends to focus on in the coming year, as well as the emerging risks over the forward three years. The identified risks are the result of consultation between ASIC and stakeholders in March each year. The Corporate Plan explains how ASIC will address these short and medium-term risks, build its capability and measure its performance.

ASIC Annual Report

ASIC's Annual report, published each October, includes an annual performance statement and provides further details on ASIC's performance outcomes for that year. The Annual Report provides transparency around the activities that ASIC has undertaken in each industry sector and also includes the independently audited financial statements.

QUESTION

6. Are the proposed accountability measures for ASIC appropriate? If not, please provide details.

Competition and innovation

Competitive markets play an important role in delivering good investor and consumer outcomes in the financial system and competition is a key contributor to efficient outcomes for price, quality, choice and innovation. Regulators, product issuers, distributors and consumers all play a role in shaping the competitive landscape.

ASIC and competition

ASIC is not a competition regulator but its regulatory framework, policies and decisions play an important role in shaping competition in the financial system. Where possible, ASIC considers competition in carrying out its work.

ASIC has undertaken a number of actions to actively encourage competition with the aim of improving consumer outcomes. For example:

- ASIC's Innovation Hub helps financial technology (fintech) start-ups with innovative, new business models to navigate our regulatory system without compromising investor and financial consumer trust and confidence. The Innovation Hub has assisted more than 160 entities in areas including digital advice, marketplace lending, crowd-sourced funding, and consumer credit. ASIC's 'regulatory sandbox' framework enables eligible fintech businesses to test certain specified products or services for up to 12 months without an AFS licence or credit licence.
- ASIC's work through the Council of Financial Regulators, which comprises the RBA, APRA, ASIC and the Australian Treasury, has established, with the ACCC, a robust regulatory framework for introducing safe and effective competition for critical centralised financial market infrastructure. ASIC has also facilitated the entry into Australia of global market infrastructure providers, and facilitated Australian institutions accessing overseas capital markets efficiently.
- ASIC continues to take a multifaceted approach to reducing red tape, consistent with the Government's regulatory reform agenda,⁵ with the aims of removing any regulatory barriers to competition, reducing costs to business overall, and ensuring its regulation is appropriate and proportionate. For example, ASIC has undertaken significant work to improve and streamline existing regulatory requirements.

Feedback from stakeholder consultation

Feedback to the Government's August 2015 consultation paper indicated concerns about the size of the proposed fees-for-service and suggested that the model may have a negative impact on competition, potentially creating new barriers to entry into financial markets.

The Government has taken this feedback into account in revising the proposed fees-for-service model, and has adopted a more granular approach (where appropriate), which more closely aligns the fee to the amount of regulatory effort involved in assessing the application.

Specific examples where ASIC have undertaken additional research and consideration to minimise the impact on competition and innovation include ASIC's relief application and licensing fees.

⁵ See ASIC, Report 466 *ASIC's work to reduce red tape* (REP 466), January 2016.

Relief applications

The Government's August 2015 consultation paper proposed a fee structure that outlined three different fees dependant on three categories of relief as follows:

- 'Standard' applications seek relief precisely in line with the terms of published ASIC policy and pro forma instruments.
- 'Minor and technical' applications are not completely standard but are clearly within the policy of the Corporations Act, existing ASIC policy, or other relevant legislation.
- 'Novel' applications require ASIC to formulate substantive new policy. This may be because they raise new policy considerations, involve more than minor or technical variations to existing policy, or involve a significant change to (or reversal of) existing policy.

If an application is neither standard nor minor and technical, it is automatically a novel application.

While providing feedback on the Government's 2015 consultation paper some stakeholders expressed concern that the fees for relief may also raise potential barriers to innovation. Most significantly, the \$21,000 fee for novel relief applications, previously proposed, considerably increased the costs for first movers bringing new products to market that may require ASIC regulatory relief.

Following this feedback the allocation of fees for novel relief applications was reviewed and it was decided that a single fee for applications for relief be charged, rather than distinguishing between standard, minor and technical, and novel. The additional cost associated with novel applications over and above the flat fee will be rolled into the levy system.

The rationale for rolling the additional cost component of novel applications for relief into the levy system is multifaceted:

- Novel applications often have a wider industry benefit by highlighting the need for regulatory change or clarification where there are unintended consequences of the law.
- The significantly higher costs that are associated with novel application for relief may deter applicants from seeking relief in respect of areas of law or policy where regulatory change is desirable.
- A subsequent decrease in novel applications may mean that individually, companies face an increased regulatory burden, and on a macro level, innovation and new policy development is hindered.

The rationale for merging standard applications for relief with minor and technical applications for relief is that:

- Class relief by legislative instrument has eliminated the need for many types of standard applications; and
- There is a fine distinction between standard and minor and technical relief applications which is not always evident when the application is made.

Licensing fees

As noted in the explanation on fee methodology, ASIC is now proposing to cost some licence applications at a more granular level (through tiering), which more closely aligns the fee being charged to the regulatory effort involved in assessing the application. This recognises stakeholder feedback that costing both full and limited licence applications at the same set fee may be a potential hindrance to encouraging entities from applying for a limited licence.

The complexity relating to AFS licence applications will be determined dependent on client type and the services and products selected when applying. Market licence applicants however will be directed to contact a member of ASIC's Market Infrastructure team for a preliminary assessment of complexity when submitting an application.

QUESTION

7. Will the proposed fees-for-service model have an effect on competition and innovation? If so, please provide details, including possible ways to mitigate the effect.

Timeline for implementation and next steps

An outline of the key processes and indicative timing for implementing fees-for-service reforms is set out below.

| TIMING | PROCESS |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| November 2017 | Consultation paper released for stakeholder comment. |
| December 2017 | Consultation period closes. |
| First half of 2018 | Proposed amendments to <i>Corporations (Fees) Act 2001</i> and <i>Corporations (Fees) Regulations 2001</i> introduced to Parliament to give effect to the ASIC fees-for-service model. |
| First half of 2018 | Cost Recovery Implementation Statement released. |
| 1 July 2018 | Commencement of ASIC fees-for-service model. |

SCHEDULE A: PROPOSED FEE SCHEDULE

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|
| 116 (Fee also applies to Sub form 116A) | Scheme for transfer and amalgamation of life insurance business includes section 116A – scheme for transfer and amalgamation of general insurance business | 0 | 2,695 |
| 145 | Application for registration of disclosure statement (demutualisation) | 0 | 2,695 |
| 517 | Application for Extension of Time for Dealing with Formal Proof of Debt/Claim | 39 | 156 |
| 563 | Application for extension of time lodge preliminary report | 39 | 156 |
| 568 | Application for extension of time to lodge declaration of solvency | 39 | 156 |
| 569 | Application for extension of time to pass resolution regarding voluntary winding up | 39 | 156 |
| 572 | Application for direction section 532(6) does not apply | 39 | 156 |
| 575 | Application to direct liquidators to incur expenses | 39 | 156 |
| 584 | Application for the Commonwealth to exercise powers of defunct company | 646 | 934 |
| 595 | Draft explanatory statement regarding compromise or arrangement | 800 | 5,290 |
| Fee includes: 592 | Notice of Hearing for Scheme of Arrangement | | |
| 675 (Fee also applies to sub forms 675A & 675B) | Supplementary statement regarding takeover bid | 0 | 802 |
| 752 | Document lodged in relation to short form prospectus | 39 | 321 |
| 771 | Permission to act as a debenture trustee | 78 | 16,030 |
| 877 | Change to offer document – Mutual recognition scheme | 0 | 160 |
| 975 | Application for extension of time for annual statement by liquidator | 39 | 156 |
| 5030 | Registration copy of explanatory statement | 39 | 321 |
| 5054 | Application for extension of time for dealing with formal proof of debt/claim | 39 | 156 |

Introduction of ASIC's Fees-for-Service under the Industry Funding Model

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------|
| 5057 (Fee also applies to sub forms 5057A - 5057D) | Related party benefits - proposed notice, explanatory statement & accompanying documents | 39 | 802 |
| 5071 | Application for direction that paragraph 448C(3)(b) does not apply | 39 | 156 |
| 5100 (Fee also applies to sub forms) 5100A, 5100B & 5100C) And includes: | Application for registration of managed investment scheme | 5100 A – 2,400 5100 B – 926 5100C – 2,400 | 3,029 |
| 5101A | Notification of change to managed investment scheme's constitution | | |
| 5102A | Compliance plan for managed investment scheme | | |
| 5103 | Directors' statement relating to application for registration of a managed investment scheme | | |
| 5107 (Fee also applies to sub forms 5107A to 5107D) | Notification of change of responsible entity of a registered scheme | 39 | 1,187 |
| 5108 | Notification of appointment of temporary responsible entity | 39 | 1,187 |
| 5109 | Notification of request by temporary responsible entity to add new responsible entity | 39 | 1,187 |
| 5112 | Application for consent to remove compliance plan auditor | 39 | 791 |
| 5127 | Notice of proposed modification to prescribed interest deed | 0 | 478 |
| 5128 | Notice of ratification of modification to deed | 0 | 478 |
| 5605 | Application for ASIC to appoint a reviewing liquidator | 39 | 156 |
| 6019 | Application for voluntary transfer determination under section 601WBA | 39 | 5,775 |
| 6021 | Notice of compulsory acquisition following takeover bid - notice to dissenting member | 0 | 802 |
| 6022 | Notice of right of buy out to remaining holder of securities following a takeover bid | 0 | 641 |
| 6023 | Notice of right of buy out to holders of convertible securities following a takeover bid | 0 | 160 |
| 6024 | Notice of compulsory acquisition | 0 | 802 |
| 6025 | Notice of right of buy out to holders of convertible securities by 100% holder | 0 | 160 |
| 6026 | Notice of objection regarding compulsory acquisition/buy out | 0 | 802 |

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------|-------------------|
| 6027 | List of members objecting to compulsory acquisition/buy out | 0 | 160 |
| 6181 (Fee also applies to sub forms 6181A & 6181B) And includes: | Bidder's statement and offer - off market | 2,400 | 5,264 |
| 670 | Notice date set for determining holders of securities – off market | | |
| 672, 672A & 672B | Notice of status of defeating condition – unquoted bid class securities | | |
| 6011 | Notice of service of bidder's statement – off market | | |
| 6201 | Notice that takeover offers have been sent – off market | | |
| 6211 | Target statement and reports - off market | 0 | 2,565 |
| 6261 | Notice offers free of defeating condition - off market bid | 0 | 160 |
| 6291 (Fee also applies to sub forms 6291A & 6291B) And includes: | Takeover bidders statement and documents sent to securities exchange - on market | 1,194 | 5,130 |
| 6301 | Document accompanying bidders statement – on market | | |
| 6321 (Fee also applies to sub forms 6321A & 6321B) | Notice in variation in takeover offer | 1,194 | 802 |
| 6331 | Target statement and report - on market | 0 | 2,565 |
| 7015 (Fee also applies to sub forms 7015A-D) | Application for discharge of security | 39 | 1,284 |
| 7021 (Fee also applies to sub forms 7021 A & 7021 B) | Executed deed | 7021 A – 1,781 7021 B – 206 | 478 |
| 7070 | Application to revoke approval of trustee or representative | 78 | 1,196 |
| 7078 | Application by charity to register identification statement s741 | 39 | 2,391 |
| 7096 | Application to vary conditions of approval to a person acting as trustee or representative | 78 | 1,196 |
| New TBC | Eligible applicant requests | - | 468 |
| 7000A | Covenants not required section 1069(3) | 0 | 3,587 |
| 7000D | Trust Deed section 1084(2) | 0 | 159 |

Introduction of ASIC's Fees-for-Service under the Industry Funding Model

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|-------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-------------------|
| 7000E | Trust Deed section 1094(6) | 0 | 159 |
| 754B (Fee also applies to sub forms 754BA & 754BB) | Replacement prospectus for equities | 0 | 802 |
| 754E (Fee also applies to sub forms 754EA – equities and 754EB - Managed investment schemes) | Replacement offer information statement | 0 | 321 |
| 754F (Fee also applies to sub forms 754FA & 754FB) | Replacement profile statement | 0 | 802 |
| 754G (Fee also applies to sub forms 754GA & 754GB) | Replacement short form prospectus for equities | 0 | 802 |
| 764B (Fee also applies to sub forms 764BA & 764BB) | Prospectus for equities | 2,400 | 3,206 |
| 764E (Fee also applies to sub forms 764EA & 764EB) | Offer information statement | 2,400 | 1,924 |
| 764F (Fee also applies to sub forms 764FA & 764FB) | Profile statement | 2,400 | 1,924 |
| 764G | Short form prospectus for equities | 2,400 | 3,206 |
| 764K | PDS Lodgement | 2,400 | 1,993 |
| 766B | Supplementary disclosure document for equities | 0 | 802 |
| 875 (same as N/A7) | Offer document - mutual recognition scheme | 0 | 321 |
| 876 (same as N/A8) | Supplementary or replacement document – Mutual recognition | 0 | 160 |

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------|---------|
| 903A | Application for recognition as an auditor/authorised audit company (includes sub forms 903AA, 903AB, 903AC, 903AZ, & 903AD) | 903 AA – 153 (online) | 903AA, 903AC | 338 |
| | | 903 AA – 337 (paper application) | | |
| | | 903 AB – 323 (online) | 903AB, 903AD | 3,429 |
| | | 903 AB – 646 (paper application) | | |
| | | 903 AC – 337 903 AD – 646 | | |
| 903B | Application for registration as a liquidator (includes sub forms 903BA & 903BB) | Application fee – 2,247 | Application fee | 2,200 |
| | | Registration fee – 1,328 | Registration fee | 1,300 |
| 917A & B (Fee also applies to sub forms 917A & 917B) | Application to Vary Conditions Imposed on Auditor's Registration | 39 | | 1,028 |
| New TBC | Application for financial benchmark licence (section 908BD) | - | | 154,596 |
| New TBC | Benchmarks licence application for imposing licence conditions | - | | 38,651 |
| New TBC | Benchmarks licence exemption | - | | 38,651 |
| New TBC | Benchmarks licence removing from significant declaration | - | | 38,651 |
| CA912 | Application for approval of alternative arrangements under section 912b(2)(b) | 39 | | 1,540 |
| CH5DA | Application to exceed voting power limit – licenced trustee company | 39 | | 11,550 |
| CH5DB | Application to extend period for voting power limit approval – licenced trustee company | 39 | | 5,775 |
| CH5DC | Application to vary voting power limit approval – licenced trustee company | 39 | | 5,775 |
| CL01 | Australian credit licence application (includes sub forms CL1AA, CL1AB, CL1AC, CL1AD, CL1AE, CL1AF, CL1AG, CL1AH, CL1AI, CL1BA, CL1BB, CL1BC, CL1BD, CL1BE, CL1BF, CL1BG, CL1BH, CL1BI, CL1CA, CL1CB, CL1CC, CL1CD, CL1CE, CL1CF, CL1CG, CL1CH, CL1CI, CL1DA, CL1DB, CL1DC, CL1DD, CL1DE, CL1DF, CL1DG, CL1DH, CL1DI, CL1Z) | CL1AA – 523 | Individual other than credit provider | 1,798 |
| | | CL1AB – 1,160 | | |
| | | CL1AC – 1,160 | | |
| | | CL1AD – 4,644 | Individual credit provider | 3,468 |
| | | CL1CC – 1,044 | Other body corporate other than credit provider | 2,055 |
| | | | Other body corporate credit provider | 4,624 |

Introduction of ASIC's Fees-for-Service under the Industry Funding Model

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------|
| CL03 | Vary authorisations or conditions of an Australian credit licence (includes sub forms CL03A, CL03B, CL03C & CL03Z) | CL03A – 115 (online) CL03B – 140 (paper) | Individual other than credit provider 1,156 |
| | | | Individual credit provider 2,183 |
| | | | Other body corporate other than credit provider 1,284 |
| | | | Other body corporate credit provider 2,826 |
| CL40 | Notice seeking ACL under mutual recognition | 0 | 514 |
| CL51 | Application for extension of time to lodge annual compliance certificate | 0 | 1,155 |
| CL73 (Fee includes CL73A & CL73B) | Application for extension of time to lodge credit trust accounts | 0 | 1,155 |
| CR762 | Application for approval of guarantees under regulation 7.6.02aaa(3)(b) | 39 | 1,540 |
| New TBC | Clearing and Settlement Licence – application for revocation of exemption | - | 12,886 |
| New TBC | Clearing and Settlement Licence – application for imposing licence conditions | - | 38,651 |
| F104 | Document lodged under item 7 section 611 – corporate finance | 0 | 2,565 |
| FS01 Electronic format | Australian financial services licence application (electronic format) (includes sub forms FS01A to FS01H & FS01J to FS01Q & FS01Z) | FS01A – 1,643 FS01B – 914 FS01C – 1,643 FS01D – 914 FS01AA – 39 FS01 BA – 376 | Retail individual low complexity 2,233 |
| | | | Retail individual high complexity 5,025 |
| | | | Retail other body corporate low complexity 3,721 |
| | | | Retail other body corporate high complexity 7,537 |
| | | | Wholesale individual low complexity 1,488 |
| | | | |

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------|
| | | | Wholesale individual high complexity 3,350 |
| | | | Wholesale other body corporate low complexity 2,233 |
| | | | Wholesale other body corporate high complexity 5,025 |
| FS01 | Australian financial services licence application (paper format) | FS01A – 1,643 FS01B – 914 | Retail individual low complexity 3,349 |
| Paper format (fee includes FS05) | Preliminary application for an Australian financial services licence | FS01C – 1,643 FS01D – 914 FS01AA – 39 FS01 BA – 376 | Retail individual high complexity 7,537 |
| | | | Retail other body corporate low complexity 5,582 |
| | | | Retail other body corporate high complexity 11,305 |
| | | | Wholesale individual low complexity 2,233 |
| | | | Wholesale individual high complexity 2,025 |
| | | | Wholesale other body corporate low complexity 3,349 |
| | | | Wholesale other body corporate high complexity 7,537 |
| FS03 | Application to vary the authorisation conditions and other conditions of an Australian financial services licence (electronic format) | FS03A – 274 FS03B – 323 | Retail individual low complexity 1,364 |
| Electronic format | (includes sub forms FS03A, FS03B, FS03C & FS03Z) | | Retail individual high complexity 3,071 |

Introduction of ASIC's Fees-for-Service under the Industry Funding Model

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------|
| | | | Retail other body corporate low complexity 2,233 |
| | | | Retail other body corporate high complexity 3,210 |
| | | | Wholesale individual low complexity 930 |
| | | | Wholesale individual high complexity 3,489 |
| | | | Wholesale other body corporate low complexity 1,364 |
| | | | Wholesale other body corporate high complexity 3,071 |
| FS03X Paper format | Application to vary the authorisation conditions and other conditions of an Australian financial services licence (paper format) | 323 | Retail individual low complexity 2,047 |
| | | | Retail individual high complexity 4,606 |
| | | | Retail other body corporate low complexity 3,349 |
| | | | Retail other body corporate high complexity 4,815 |
| | | | Wholesale individual low complexity 1,426 |
| | | | Wholesale individual high complexity 5,234 |
| | | | Wholesale other body corporate low complexity 2,047 |

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------|
| | | | Wholesale other body corporate high complexity 4,606 |
| FS40 | Notice seeking Australian financial services licence under mutual recognition | 0 | 514 |
| FS64 | Request for voluntary suspension of an Australian financial services licence | 39 | 899 |
| FS65 | Request to revoke Australian financial services licence | 39 | 899 |
| FS68 | Application to vary/revoke Australian financial services licence suspension | 39 | 899 |
| FS86 (Fee also applies to sub forms FS86A, FS86B, FS86C) FS86D is an application for Relief) | Notice of Reliance on Class Order 04/909 | 0 | 319 |
| M01 | Application for an Australian Markets Licence | 1600 | Low complexity – 15,462 Med complexity – 85,888 High complexity – 154,596 |
| M02 | Application for exemption under section 791C - Markets | 1600 | 38,651 |
| M03 (Fee also applies to sub forms M03A & M03B) | Notice of changes to operating rules section 793D | 161 | Low complexity – 2,580 Med complexity – 38,651 |
| M04 | Application for exemption section 820C(1) – Clearing and Settlement Facility | 1600 | 38,651 |
| M07 | Notice of changes to Security Exchange Guarantee Corporation operating rules section 890G(1) | 161 | 38,651 |
| M09 | Application for variation of conditions markets licence (section 796A(2)) | 800 | 38,651 |
| M10 | Application for variation of market licence – change of name (section 797A(1)) | 274 | 1,549 |
| M11) | Application for exemption or declaration under section 1075A(1) | 800 | 17,590 |
| M12) | Application for declaration under section 1073E(1) | 800 | 17,590 |
| M14 | Application to vary conditions on Clearing and Settlement facility licence | 800 | 38,651 |
| M15 | Change of name – Clearing and Settlement facility licence | 274 | 1,549 |

Introduction of ASIC's Fees-for-Service under the Industry Funding Model

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| M16 | Application for approval to exceed 15% voting power limit (section 851A(1)) | 800 | 158,350 |
| M18 | Application for approval of compensation arrangements (section 882B(1)) | 800 | 15,462 |
| M19 | Application for change to a matter not in compensation rules (section 884C(2)) | 395 | 38,651 |
| M20 (Fee also applies to sub forms M20A & M20B) | Notice of changes to operating rules section 822D | 161 | Low complexity – 2,580 Med complexity – 38,651 |
| M21 | Notice of change to matter dealt with in compensation rules (section 882B(4)) | 161 | 38,651 |
| M22 | Application for an Australian Clearing and Settlement facility licence | 1600 | Low complexity – 15,462 Med complexity – 85,888 High complexity – 154,596 |
| M24 | Application for exemption and modification for self-listed licensee or related body corporate | 39 | 17,180 |
| M31 | Application for ASIC to make decisions and take action in conflict or potential conflict situations | 39 | The fee that will be applied is consistent with section 5 of the Corporations (Fees) Regulations 2001 noting an increase in the existing hourly rate of \$70 to \$175.95 |
| M66 | Application for MIR waiver | 0 | 14,775 |
| New TBC | Markets application for revocation of exemption | - | 12,886 |
| New TBC | Markets application for imposing licence conditions | - | 38,651 |
| MI-102 | Application or imposition or variation of conditions on a trade repository licence | - | 38,651 |
| New TBC | Application to impose licence condition (section 908BG(2)(a)), or vary or revoke licence condition (section 908BG(2)(b)) | - | 38,651 |
| New TBC | Application to cancel or suspend licence (section 908BI(1)(c)) | - | 12,886 |
| New TBC | Revocation/cancellation of AML at request of licensee (section 797B(c)) | - | 12,886 |
| New TBC | Revocation/cancellation of Clearing and Settlement Facility Licence at request of licensee (section 826B(c)) | - | 12,886 |
| New TBC | Revocation/cancellation of Trade Repository licence at request of licensee (section 905H(c)) | - | 12,886 |

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|-----------|--------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New TBC | Application to vary licence for change of name of administrator for benchmarks (section 908BH(a)) | - | 1,549 |
| New TBC | Application to change details of financial benchmark licence (section 908BH(b)) | - | 38,651 |
| New TBC | Application by administrator to add one or more financial benchmarks on licence (section 908BH(c)) | - | 38,651 |
| N/A5 | Australian trade repository licence application | - | 154,598 |
| SFREG | SMSF – Application for registration as an auditor/authorised audit company | -107 | 3,429 |
| New TBC | SMSF – Apply to Cancel – requested by SMSF auditor | - | 899 |
| New TBC | SMSF – Application to Vary Conditions Imposed on Auditor's Registration | - | 1,028 |
| New TBC | New suite of collective investment vehicles | - | 3,029 |
| New TBC | Asian Region Funds Passport (Australian) | -- | 14,346 |
| New TBA | Asian Region Funds Passport (Foreign) | - | 2,550 |
| PF225 | Pro forma 225 Deed of mutual release | - | 1,798 |
| PF63 | Pro forma 63 Deed of subordination | - | 1,798 |
| New TBC | Australian trade repository licence application – revocation of exemptions | - | 12,886 |
| RL05 | Registered Liquidator renewal – includes RL05A & RL05B | RL05A – 1,736 RL05B – 1,961 | Standard 1,920 Early bird 1,720 |
| RL06 | Application to remove or vary conditions or lift or shorten suspension | 39 | 1,018 |
| RL08 | Request to cancel or suspend registration as a liquidator | 39 | 234 |
| New TBC | Decisions made by ASIC (market licensee, related body corporate or competitor competing in market) (section 798DA) | - | The fee that will be applied is consistent with section 5 of the <i>Corporations (Fees) Regulations 2001</i> noting an increase in the existing hourly rate of \$70 to \$175.95 |
| New TBC | Trade Repository licence – change of name | - | 1,549 |
| New TBC | Trade Repository licence – application for imposing licence conditions | - | 38,651 |
| New TBC | Market – application for variation of exemption and Clearing and Settlement licence exemption | - | 17,179 |
| New TBC | The National Credit Act section s48(2)(b) and Regulation 12 | - | 1,540 |
| NA | Relief application: Standard | 0 - 1,169 | 3,487 |
| NA | Relief application: Novel | 0 - 1,107 | 3,487 |

SCHEDULE B: FORMS THAT ARE PROPOSED TO HAVE FEES REMOVED

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|-----------|--------------------------------------------------------------------------------------------|------------------|-------------------|
| P-351 | Deed relating to class order | 39 | 0 |
| P-338 | Application for approval of unregistered auditor of proprietary company | 39 | 0 |
| P-5111 | Compliance plan audit report of a registered scheme (includes subform 5111Z) | 39 | 0 |
| P-5116 | Notice of withdrawal offer regarding registered scheme | 39 | 0 |
| P-5131 | Application for appointment of scheme auditor by a member of a registered scheme | 39 | 0 |
| P-5138 | Notification of commencement or completion of winding up of a registered scheme | 39 | 0 |
| P-5140 | Notification of proposed change of name of a registered scheme | 39 | 0 |
| P-593 | Application for extension of time to provide notice of hearing for a scheme | 39 | 0 |
| P-6010A | Application for voluntary deregistration of a scheme | 39 | 0 |
| P-7079 | Supplementary or replacement identification statement | 39 | 0 |
| P-719 | Statement about payments out of a development account | 39 | 0 |
| P-905AA | Notification of ceasing to act or change to details of a liquidator | 39 | 0 |
| P-905B | Notification of ceasing to practise as or change to details of an auditor | 39 | 0 |
| P-905D | Notification of ceasing to practise as or change to details of an authorised audit company | 39 | 0 |
| P-908A | Annual statement by a liquidator | 0 | 0 |
| P-912A | Annual statement by an auditor | 78 | 0 |
| P-912B | Annual statement by an authorised audit company | 161 | 0 |
| P-912C | Individual auditor - paper lodgement | 161 | 0 |
| P-912D | Authorised audit company - paper lodgement | 323 | 0 |
| P-972 | Application for registration as official liquidator | 387 | 0 |

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| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|--------------|---------------------------------------------------------------------------------------------------|------------------|-------------------|
| P-CL04C | Change of credit licence name | 25 | 0 |
| P-CL08B | Request to change credit licence status | 25 | 0 |
| P-CL20B | Notification of change of credit licence details | 25 | 0 |
| P-CL30 B & D | Appoint a credit representative | 25 | 0 |
| P-CL31 B & D | Cease a credit representative | 25 | 0 |
| P-CL32 B & D | Vary the details of a credit representative | 25 | 0 |
| P-CL5AA | Australian credit licence annual compliance certificate – Person/Sole trader, under \$100 million | 523 | 0 |
| P-CL5AB | Australian credit licence annual compliance certificate – Body corporate, under \$100 million | 1,160 | 0 |
| P-CL5AC | Australian credit licence annual compliance certificate – All, \$100 million – \$200 million | 1,160 | 0 |
| P-CL5AD | Australian credit licence annual compliance certificate – All, \$200 million – \$600 million | 4,644 | 0 |
| P-CL5AE | Australian credit licence annual compliance certificate – All, \$600 million – \$1,000 million | 9,289 | 0 |
| P-CL5AF | Australian credit licence annual compliance certificate – All, \$1,000 million – \$1,400 million | 13,933 | 0 |
| P-CL5AG | Australian credit licence annual compliance certificate – All, \$1,400 million – \$1,800 million | 18,576 | 0 |
| P-CL5AH | Australian credit licence annual compliance certificate – All, \$1,800 million – \$2,100 million | 23,220 | 0 |
| P-CL5AI | Australian credit licence annual compliance certificate – All, over \$2,100 million | 24,384 | 0 |
| P-CL70 A & B | Australian credit licence – Trust account statement | 115 A 140 B | 0 |
| P-FS06 | Appointment of an auditor of an Australian financial services licensee | 39 | 0 |
| P-FS30A | Appointment of an authorised representatives by licensee – electronic | 39 | 0 |
| P-FS30B | Appointment of an authorised representatives by licensee – paper | 74 | 0 |
| P-FS30D | Appointment of an authorised representatives by corporate representative – electronic | 39 | 0 |
| P-FS30E | Appointment of an authorised representatives by corporate representative – paper | 39 | 0 |

Schedule B: Forms that are proposed to have fees removed

| FORM CODE | DESCRIPTION | CURRENT FEE (\$) | PROPOSED FEE (\$) |
|------------|---------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| P-FS31 | Cease an Australian Financial Service licensee authorised representative | see below A - D | 0 |
| P-FS31A | Revoke an authorised representative by licensee – electronic | 25 | 0 |
| P-FS31B | Revoke an authorised representative by licensee – paper | 45 | 0 |
| P-FS31C | Revoke an authorised representative by corporate representative – electronic | 25 | 0 |
| P-FS31D | Revoke an authorised representative by corporate representative – paper | 45 | 0 |
| P-FS32 A-C | Vary the details of an Australian Financial Services licensee authorised representative | 24A 45B 24C | 0 |
| P-FS70A | Australian financial services licensee profit and loss statement and balance sheet – Body corporate | 608 | 0 |
| P-FS70B | Australian financial services licensee profit and loss statement and balance sheet – Natural person | 249 | 0 |
| P-FS70C | Australian financial services licensee profit and loss statement and balance sheet – Superfund trustee / Partnership | 608 | 0 |
| P-FS70D | Australian financial services licensee profit and loss statement and balance sheet – Body corporate non-disclosing entity | 608 | 0 |
| P-FS72 | Application for extension of time to lodge annual accounts | 39 | 0 |
| P-FS88 A-C | Product Disclosure Statements in-use notice | 39 A-C | 0 |
| P-FT10 | Application for extension of time to provide copy of register of members | 39 | 0 |
| P-M06 | Report and financial statements under section 892H(6) | 395 | 0 |
| P-M13 | Australian markets licensee annual report to ASIC under section 792F(1) | 395 | 0 |
| P-M29 | Australian clearing and settlements licensee annual report to ASIC under section 821E(1) | 395 | 0 |
| P-SFANL | Annual statement by a self-managed superannuation fund auditor | 54 | 0 |