



# Banking Amendment Regulations 2011 (No. 1)<sup>1</sup>

**Select Legislative Instrument 2011 No. 224**

---

I, QUENTIN BRYCE, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following Regulations under the *Banking Act 1959*.

Dated 23 November 2011

QUENTIN BRYCE  
Governor-General

By Her Excellency's Command

WAYNE SWAN  
Treasurer

---

**1 Name of Regulations**

These Regulations are the *Banking Amendment Regulations 2011 (No. 1)*.

**2 Commencement**

These Regulations commence on the day after they are registered.

**3 Amendment of *Banking Regulations 1966***

Schedule 1 amends the *Banking Regulations 1966*.

**Schedule 1 Amendments**

(regulation 3)

**[1] Subregulation 2 (1), after definition of *holder of the stored value***

*insert*

*limit* means the amount worked out under subregulation 5 (1).

**[2] Subregulation 2 (1), after definition of *retirement savings account***

*insert*

*total category 1 deposits* means the amount worked out under subregulation 5 (2).

*total category 2 deposits* means the amount worked out under subregulation 5 (3).

**[3] After subregulation 2 (2)***insert*

- (3) Use the table to work out whether an amount held by an account-holder with a declared ADI is a **category 1 deposit** or a **category 2 deposit**.

Item	This amount ...	is ...
<i>Before 1 February 2012</i>		
1	any amount in any account	a category 1 deposit
<i>On and after 1 February 2012</i>		
2	an amount in a term deposit that: (a) came into existence before 11 September 2011; and (b) has not matured or rolled over	a category 1 deposit
3	an amount in a term deposit that: (a) came into existence before 11 September 2011; and (b) has matured or rolled over on or after 11 September 2011	a category 2 deposit
4	an amount in a term deposit that came into existence on or after 11 September 2011	a category 2 deposit
5	an amount in any other account	a category 2 deposit

**[4] Regulation 5***substitute***5 Financial claims scheme — limit on payments**

- (1) For subsection 16AG (1) of the Act, before 1 January 2013, the limit in relation to a protected account, or protected accounts, that an account-holder has with a particular declared ADI at a particular time, is worked out as follows:

*Step 1* Add together the total category 1 deposits and total category 2 deposits.

*Step 2* If the result worked out under Step 1 is not greater than \$1 000 000, the result is the limit.

*Step 3* If *the* result worked out in Step 1 is greater than \$1 000 000, work out the limit by subtracting the difference between the result worked out in Step 1 and \$1 000 000.

*Note* The limit is a single amount that applies to all of the protected accounts that the account-holder has with the declared ADI.

- (2) Work out the total category 1 deposits by adding together the amounts held by the account-holder in category 1 deposits.
- (3) Work out the total category 2 deposits as follows:
  - Step 1* Add together the amounts held by the account-holder in category 2 deposits.
  - Step 2* If the amount worked out in Step 1 is not greater than \$250 000, this is the total category 2 deposits.
  - Step 3* If the amount worked out in Step 1 is greater than \$250 000, work out the total category 2 deposits by subtracting the difference between the result worked out in Step 1 and \$250 000.
- (4) On or after 1 January 2013, the limit in relation to a protected account, or protected accounts, that an account-holder has with a particular declared ADI at a particular time is \$250 000.

---

**Note**

1. All legislative instruments and compilations are registered on the Federal Register of Legislative Instruments kept under the *Legislative Instruments Act 2003*. See <http://www.frli.gov.au>.