



Information Paper

Financial Claims Scheme for authorised deposit-taking institutions

August 2013

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About this information paper

Prudential Standard APS 910 Financial Claims Scheme (APS 910) sets out APRA's requirements for locally incorporated authorised deposit-taking institutions (ADIs) to ensure they are operationally ready to meet payment, reporting and communication requirements should they be declared under the Financial Claims Scheme (FCS). This information paper aims to assist ADIs in complying with the requirements of APS 910.

It provides additional information for ADIs concerning three key aspects of APS 910:

- implementing the single customer view (SCV);
- pre-positioning for calculation and payment of FCS balances by electronic funds transfer (EFT) and cheque; and
- pre-positioning for the fields contained in the approved forms for FCS payments and reports.

This paper explains the principles underpinning the FCS calculations, including:

- the SCV components;
- apportionment of the account-holder's entitlement and components;
- prioritisation of accounts; and
- FCS balances.

It presents calculated and generated fields that support the requirements contained in Attachment A to APS 910. It also contains descriptors and/or notes for all fields and worked examples.

Subject to APS 910, ADIs have the flexibility to establish and configure their SCV systems in the manner that best meets their business objectives.

This paper and the relevant approved forms for FCS payments and reports are available on APRA's website at www.apra.gov.au/policy.

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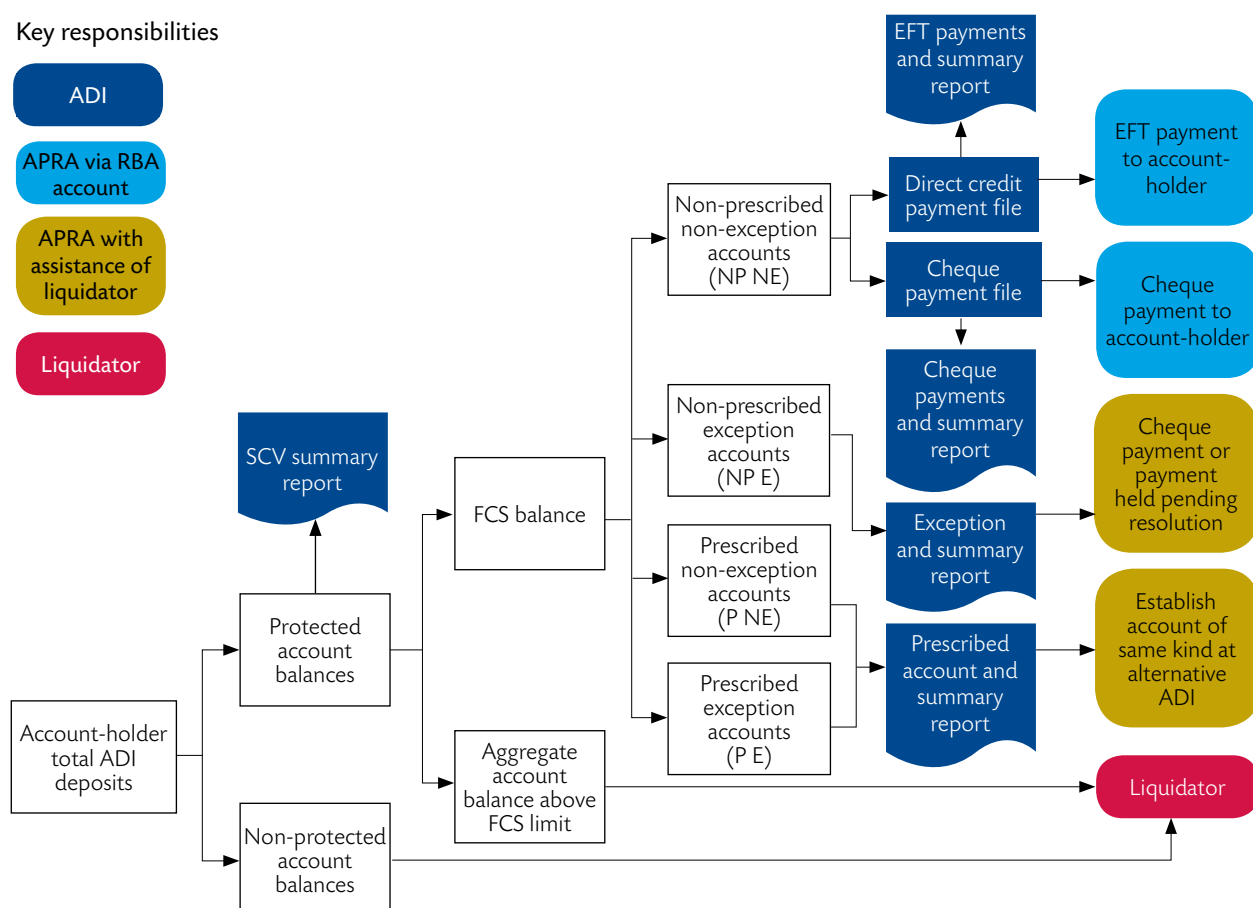
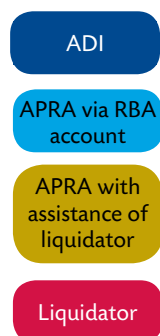
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Overview

- Figure 1 provides an overview of the processes for FCS payment information and reports. It illustrates how an account-holder's total deposits at an ADI are broken down into the different account categories, reports and payments specified in APS 910. It also identifies where responsibility lies for the payments and reports at a number of stages.
- Calculations for deriving the account-holder FCS balances and payments illustrated in this figure are described in this paper, in terms of data fields and
- notes contained in Tables 1 to 3. The data fields in the tables are those fields that APRA expects would be necessary and available for inclusion in various reports.
- The reports in Figure 1 correspond to the reports as listed in the *Approved forms for payments and reports: Financial Claims Scheme for authorised deposit-taking institutions*, which can be found on APRA's website www.apra.gov.au/policy. The ADI has to be able to make these reports available upon request by APRA or in an FCS event.

Figure 1: Overview of processes for FCS payments and reports – by account category

Key responsibilities



4. Figure 2 summarises how the different SCV, payment and reporting requirements of APS 910 correspond with the tables and sections of data fields contained in this paper. It also identifies where to find related documents such as the payment information file specifications and approved forms for FCS payments and reports.
5. The data items used in this paper have each been assigned a unique data field reference as indicated in the relevant tables.

Figure 2: Information paper components

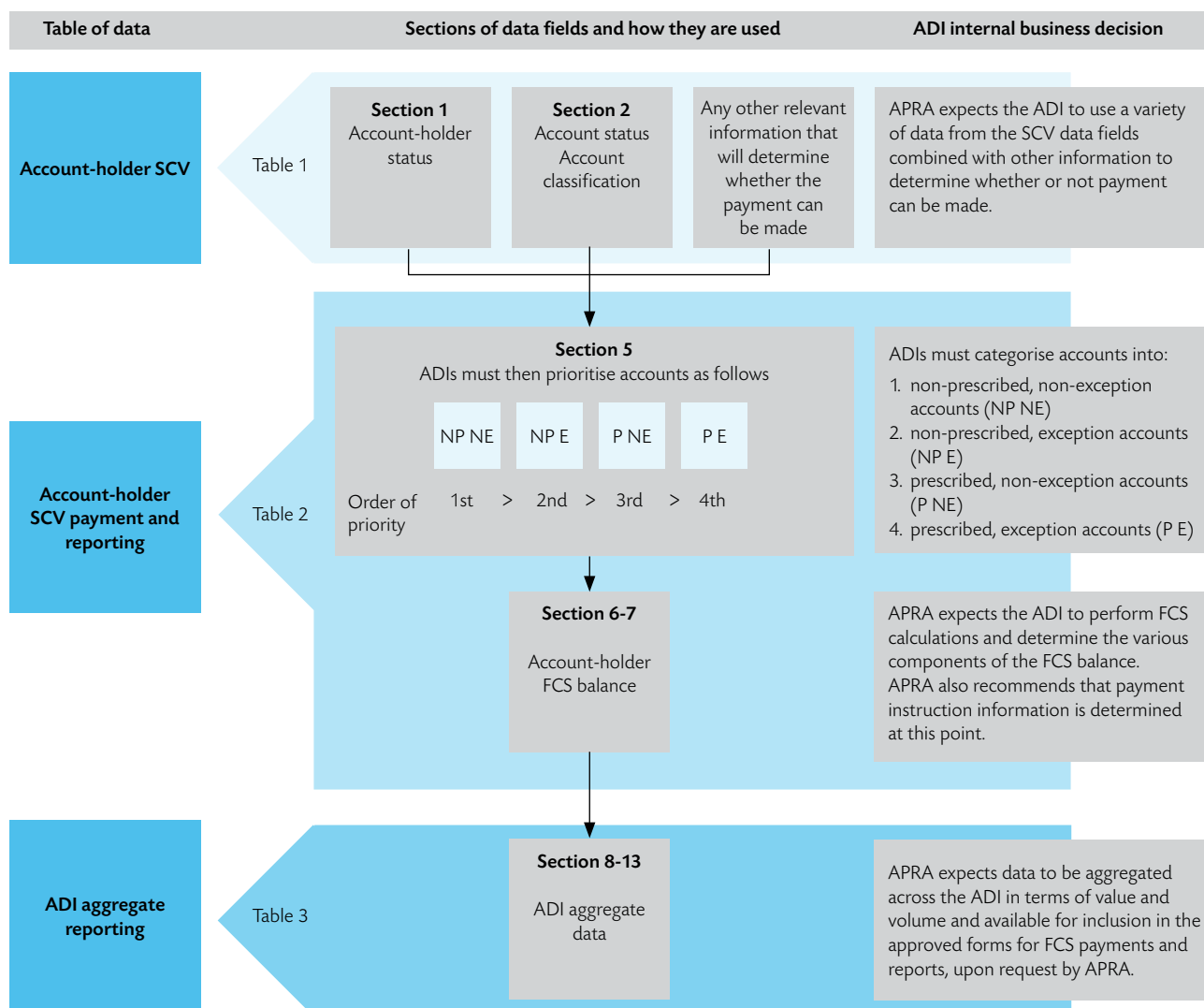
APS 910 requirement	Information paper table	Information paper sections of the data fields	APS 910 transition period
Account-holder SCV	1*	1 to 4	Compliance by 1 January 2014
Account-holder payment and reporting	2	5 to 7	Compliance by 1 July 2014
ADI aggregate data	3	8 to 13	
Payment and report forms	Fields and formats are contained in the <i>Approved forms for payments and reports: Financial Claims Scheme for authorised deposit-taking institutions</i> available from www.apra.gov.au/policy		
Payment information file specifications	On request from fcs@apra.gov.au		

Note: * Also Table 1 of Attachment A to APS 910

6. Figure 3 illustrates a flowchart for the expected business decisions an ADI will face when using data fields to categorise and prioritise accounts in

order to determine FCS calculations. It highlights the relevant sections of data fields that may be useful in this process.

Figure 3: ADI business decision flowchart for FCS calculations



General notes

Data fields

7. There are three basic types of data fields referred to in this paper:
 - stored data fields;
 - calculated data fields; and
 - generated data fields.
8. Stored data fields are those that the ADI is assumed to already have in its product/source systems and form the basis for aggregation to create the SCV.
9. Calculated fields for payment and reporting apply formulae to stored data fields (e.g. summations, counts, application of limits, prioritisation).
10. Generated data fields relate to specific fields for payment files that are generated at the time of creating and transmitting payment information.
11. This information paper provides descriptions and/or notes for each data field to provide clarity to ADIs, including whether the data are likely to be stored, calculated or generated.
12. These data fields have been compiled by APRA for the purpose of assisting ADIs to pre-position the approved forms for FCS payments and reports and to provide illustrative examples. If, however, ADIs do not have all these data fields in their source systems, they are not required to build system enhancements to populate fields that are not necessary for their FCS calculations.

Data format

13. The recommended formats for data fields, where applicable, are set out in the data field notes contained in the tables of this paper.
14. Stored data and calculated data fields containing amounts, such as those for the account balances in the SCV, can generally be recorded as numeric fields without rounding.
15. Where calculated fields are recorded for the purposes of inclusion in payment information files however, such as those in Section 6 of the data fields for the FCS balance, APRA requires them

to be rounded to the nearest cent as required by Attachment C to APS 910.

16. The payment amounts in the payment information files are to be submitted to the Reserve Bank of Australia (RBA) in whole cents.

Payment information file specifications

17. For payment information to be transmitted to the RBA, there are file specifications containing information on data types and field lengths. There is provision for ADI-specific data to be added to the payment files. Where a field is not directly used in a payment file, there are no APRA-specific instructions on data types or field lengths.
18. ADIs and APCA members may obtain the payment information file specifications on request from fcs@apra.gov.au.

Timing of calculations

19. To finalise the SCV calculations for payment as required by APS 910, all calculations of the SCV components must be completed. This includes: accrued interest; fees, charges and duties payable; withholding tax; and adjustments to the account balance for processing and settling items.
20. The FCS balance is calculated from the end-of-day (EOD) balances adjusted in accordance with APS 910 for items already in the system at the time of declaration.
21. EOD is defined in APS 910. It refers to a point in time (i.e. not later than 09:00 on the day after declaration) when all items in the system are to be processed and settled. From this point in time, the ADI has 48 hours to generate the SCV using these data.
22. APRA expects that permitted transaction reversals will be processed prior to SCV generation.
23. Figure 4 clarifies the treatment of unsettled direct entry transactions after an ADI is declared and the effect they will have on exchange settlement accounts (ESA) and EOD balances for direct participants in clearing and settlement systems.

Figure 4: Summary of treatment of unsettled direct entry items following declaration

Reference to Attachment B to APS 910	Declared ADI	Surviving ADI	Outcome
13(a) Credit sent from a declared ADI to a surviving ADI	- Debit to customer of declared ADI - Debit to declared ADI's ESA does not occur	- Credit to customer of surviving ADI - Credit to surviving ADI's ESA does not occur	Customer Posting Unposted credit items to be treated as unexchanged and customer debit entry at declared ADI reversed. Posted customer debit and credit entries stand. Interbank Settlement Settlement obligation is owed by declared ADI. Bilaterally netted with obligations due from surviving ADI. Ultimately settled by the liquidator bilaterally, not via the ESA of declared ADI.
13(c) Debit sent from a declared ADI to a surviving ADI	- Credit to customer of declared ADI - Credit to declared ADI's ESA does not occur	- Debit to customer of surviving ADI - Debit to surviving ADI's ESA does not occur	Customer Posting Customer debit and credit entries stand unless debit cannot be applied for normal reasons (e.g. lack of funds). If debit cannot be applied then it is returned/ dishonoured bilaterally with advice to the liquidator. Interbank Settlement Settlement obligation is owed by survivor – can be bilaterally netted with obligations due from declared ADI, taking into account any returns. Ultimately settled via liquidator.
13(b) Debit sent from surviving ADI to a declared ADI	- Debit to customer of declared ADI - Debit to declared ADI's ESA does not occur (and is not required)	- Credit to customer of surviving ADI - Credit to surviving ADI's ESA does not occur (and is not required)	Customer Posting Surviving ADI must reverse credit entry for its customer (like deemed dishonour) and advises declared ADI that transactions have been reversed. Note: There are no returns or files exchanged. Both survivor and declared ADI perform the reversals in their own systems. Interbank Settlement These actions negate the need for any interbank settlement – there is no longer any interbank obligation.
13(b) Credit sent from surviving ADI to a declared ADI	- Credit to customer of declared ADI - Credit to declared ADI's ESA does not occur	- Debit to customer of surviving ADI - Debit to surviving ADI's ESA does not occur	Customer Posting Customer debit and credit entries stand. Interbank Settlement Settlement obligation is owed by survivor(s) – bilaterally netted with obligations due from declared ADI. Ultimately settled by the liquidator bilaterally i.e. not via the ESA of declared ADI.

Indirect participants

24. If the declared ADI is an indirect participant in the clearing and settlement systems, i.e. they use the services of a direct participant, then all transactions exchanged by the direct participant to another direct participant must be settled.
25. If the declared ADI is an indirect participant, unless otherwise stated, all transactions not exchanged must be reversed (or not processed).

Testing payment files

26. Once an ADI has completed the development phase for APS 910 compliance, and on an on-going periodic basis, ADIs will need to conduct a payment file test for both cheque and EFT payments to ensure compliance with the payment file specifications. ADIs will need to request a test window from APRA at least 30 days in advance. A test window is 5 days and commences on a Monday and finishes on a Friday.
27. APRA will allocate test windows according to ADI requests and RBA resources. Test dates will then be confirmed with the ADI.
28. To book a test window, email fcs@apra.gov.au advising the following:
 - ADI name and primary contact information (phone and email); and
 - test window requested (i.e. the date of the Monday of the test week).
29. The first available test window is anticipated for February 2014.

Testing compliance

30. For testing an ADI's compliance with APS 910, it can be assumed that an ADI declaration would occur early to mid-week and not on, or just prior to, a public holiday or weekend. For example, if declaration occurs at 09:00 on a Monday, EOD is assumed to be not later than 09:00 Tuesday which means SCV data must then be generated by 09:00 Thursday and EFT payment instruction information by 09:00 Friday.¹

31. For the purpose of testing SCV data, an ADI can decide, when calculating the EOD balance, whether or not to run an accrual to determine interest and to calculate fees, charges and duties payable for an account, unless otherwise required by APRA.

Reports

32. The reports required to be able to provided by an ADI under APS 910 are detailed in the *Approved forms for payments and reports: Financial Claims Scheme for authorised deposit-taking institutions*, which can be found on APRA's website. These reports would be made available to APRA only upon request or in an FCS event.
33. ADIs are not expected to send their test output for reports to APRA as a matter of course. However, summary data reports may be required by APRA from time to time.

Account-holder SCV

34. The data fields for each account-holder's SCV are set out in Table 1 of this paper.² These include:
 - account-holder information (Sections 1 and 2 of the data fields);
 - account details and balances for each account (Section 3 of the data fields); and
 - aggregate balances for each account-holder (Section 4 of the data fields).
35. An account-holder is an entity (as defined in s. 960-100 of the *Income Tax Assessment Act 1997*) and means any of the following:
 - an individual;
 - a body corporate;
 - a body politic;
 - a partnership;
 - any other unincorporated association of body of persons;
 - a trust;
 - a superannuation fund; and
 - an approved deposit fund.

¹ APS 910 allows a 24 hour extension to SCV and payment instruction information generation until 31 December 2015.

² Also Table 1 of Attachment A to APS 910

36. Where applicable, balances in joint accounts must be split between account-holders prior to being aggregated under the account-holder's SCV. The treatment of the account depends on the entity type and how the account is held (i.e. single, joint or multiple names).
37. The relief granted by the term 'to the extent practicable' in relation to the SCV in APS 910 is recognition that, when compiling the SCV using available data, some issues may arise initially with the aggregation and/or data matching. APRA envisages that any deficiencies identified would be noted and plans for enhancements and further testing would be put in place. Over time, with continuous improvement, these issues are expected to be resolved to ensure that SCVs are as accurate as possible and that the FCS limit is correctly applied.
38. The SCV data form the basis for FCS calculations, payment and reports. ADIs are not expected to submit their SCV data to APRA as a matter of course.

Account-holder identifier

39. Section 1 of the data fields records the identifiers for each unique account-holder. APS 910 requires an ADI to have some form of unique account-holder identifier that can be used for the purpose of aggregating protected accounts for an account-holder in a SCV.
40. An ADI may use an existing unique customer identifier for an account-holder.³ Otherwise, APRA expects the ADI to generate a new unique identifier. The account-holder identifier does not need to be the same identifier every time (for example, between one test and the next); however, it does need to remain the same throughout the particular FCS event (i.e. once the ADI has been declared). An ADI may use an electronic banking identifier as the unique account-holder identifier, if applicable.⁴

³ The identifier cannot exceed 18 characters in length.

⁴ Electronic banking customer is a term given to an account-holder who has registered to use a banking channel that is delivered electronically and is accessed by a unique logon identification and password (pass-code).

Account-holder details

41. Section 2 of the data fields comprises account-holder details.

Account details

42. Section 3 of the data fields contains account details for each protected account, or share of an account, attributed to the account-holder identified using the information outlined in Sections 1 and 2.
43. The account details will need to be recorded separately for each protected account (paragraph 4 of Attachment A to APS 910). For example, if an account-holder holds five protected accounts then the data fields would be provided for each of the five accounts.
44. Joint account balances are split equally between the named account-holders.
45. If accounts are split between more than one account-holder, then APRA expects the ADI to provide separate records for each account-holder, with each record showing the amount attributable to that account-holder.
46. Business accounts held in a single entity's name are attributable to the entity named as the account-holder. Business accounts held in multiple separate names of individuals are to be treated in the same manner as joint accounts and the account balance equally split between named account-holders (see paragraph 2 of Attachment B to APS 910).
47. Overdrafts and other forms of debts must not be set-off against balances in other protected accounts (see paragraph 8 of Attachment B to APS 910).

Account-holder aggregate account details

48. Section 4 of the data fields lists account-holder aggregate account details. The fields are calculated fields and represent the sum of balances of all protected accounts held by the account-holder.
49. These data are subsequently used to calculate the ADI aggregate data.
50. The estimate of the account-holder's FCS balance is effectively an estimate of the application of the FCS limit to the account-holder's entitlement. It is either the aggregate account-holder entitlement in all protected accounts or \$250,000, whichever is the lesser.

Account-holder payment and reporting

51. The purpose of this part of the paper is to assist with the interpretation of Attachment C to APS 910. It sets out the principles that an ADI is expected to follow when performing calculations for account-holder payment and reporting requirements.
52. The fields contained in Table 2 are for the ADI to calculate, generate and record, as appropriate, the following:
 - priority of accounts for an account-holder (Section 5 of the data fields);
 - account-holder FCS balance payment details (Section 6 of the data fields); and
 - account-holder FCS balance details (Section 7 of the data fields).

Priority of accounts

53. For FCS purposes, protected accounts must be paid out in a particular order in accordance with paragraph 5 of Attachment C to APS 910. The order is designed to ensure that account-holders receive prompt access to liquid funds.

54. The order of priority for protected accounts is identified in Section 5 of the data fields and falls into four broad categories as follow:

- non-prescribed accounts that are not flagged as having an exception ('NP NE'); then
- non-prescribed accounts that are flagged as having an exception ('NP E'); then
- prescribed accounts that are not flagged as having an exception ('P NE'); then
- prescribed accounts that are flagged as having an exception ('P E').

55. Within each of the four categories, protected accounts have equal standing and are to be treated equally.

Apportionment

56. When the aggregate account-holder entitlement exceeds the FCS limit, the account balance (or principal) and the interest components are to be apportioned on a *pro rata* basis, such that each component is determined in relation to its share of the aggregate balance. As withholding tax is calculated as a percentage of the paid out accrued interest, it will also be apportioned on a *pro rata* basis.
57. When the aggregate account-holder entitlement exceeds the FCS limit, account fees, charges and duties payable must also be calculated on a *pro rata* basis when determining the FCS balance in accordance with paragraph 6 of Attachment C to APS 910. The remainder of the fees, charges and duties payable will be deferred to liquidation. Only those fees, charges and duties that are payable (according to the terms and conditions of the underlying product) are to be deducted from the FCS limit.

58. For the purposes of apportionment, balances are calculated assuming that all funds are cleared.
59. Figure 5 contains a method for apportioning across categories of accounts, when the account-holder's entitlement exceeds the FCS limit, that meets the requirements of APS 910.

Exceptions

60. In some cases payment, in the first instance, may not be able to be made using EFT or cheque payment instructions. APRA refers to these amounts as 'exception' amounts. Whilst exceptions can and do still form part of the FCS balance, they may not be able to be paid immediately. In such cases, manual exception processing will be required.
61. APRA envisages that ADIs will determine exception amounts from information including, but not limited to:
- account-holder status (as recorded in the ADI's source systems (e.g. deceased, obsolete address, etc.));
 - account status; and
 - whether sufficient information exists to enable a payment to be made (i.e. whether the payment can and/or should be included in the payment information file).

62. Examples of situations that would result in an exception amount include, but are not limited to:

- deceased persons (account-holder status);
- dormant or frozen accounts (account status);
- accounts with a restricted operating status; and
- an account where no data were collected via the alternative ADI account data capture and that contains an invalid or obsolete address. In this case there would be insufficient payment information available to enable payment by cheque.

Account-holder FCS balance

63. Section 6 of the data fields contains payment details for each account-holder, categorised according to the priority of account.
64. Section 7 of the data fields contains FCS balance details, again at account-holder level, according to the components such as principal, interest and withholding tax. It also identifies the amount of the account-holder's entitlement that is above the FCS limit and hence the amount that falls outside the scope of the FCS.

FCS calculations

Figure 5: Account-holder apportionment method

Field Reference	Formulae
6.1	$\text{If } (5.1.1+5.1.2) \leq \$250,000, \text{ then } 5.1, \text{ else } \$250,000 \times \frac{5.1}{(5.1.1+5.1.2)}$
6.2	$\text{If } (5.1.1+5.1.2) \leq \$250,000 \text{ and } (5.1.1+5.1.2+5.2.1+5.2.2) \leq \$250,000, \text{ then } 5.2$ $\text{If } (5.1.1+5.1.2) \leq \$250,000 \text{ and } (5.1.1+5.1.2+5.2.1+5.2.2) > \$250,000, \text{ then } (\$250,000 - (5.1.1+5.1.2)) \times \frac{5.2}{(5.2.1+5.2.2)}$ $\text{If } (5.1.1+5.1.2) > \$250,000, \text{ then } 0$
6.3	$\text{If } (5.1.1+5.1.2+5.2.1+5.2.2) \leq \$250,000 \text{ and } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2) \leq \$250,000, \text{ then } 5.3$ $\text{If } (5.1.1+5.1.2+5.2.1+5.2.2) \leq \$250,000 \text{ and } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2) > \$250,000, \text{ then } (\$250,000 - (5.1.1+5.1.2+5.2.1+5.2.2)) \times \frac{5.3}{(5.3.1+5.3.2)}$ $\text{If } (5.1.1+5.1.2+5.2.1+5.2.2) > \$250,000, \text{ then } 0$
6.4	$\text{If } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2) \leq \$250,000 \text{ and } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2+5.4.1+5.4.2) \leq \$250,000, \text{ then } 5.4$ $\text{If } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2) \leq \$250,000 \text{ and } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2+5.4.1+5.4.2) > \$250,000, \text{ then } (\$250,000 - (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2)) \times \frac{5.4}{(5.4.1+5.4.2)}$ $\text{If } (5.1.1+5.1.2+5.2.1+5.2.2+5.3.1+5.3.2) > \$250,000, \text{ then } 0$

ADI aggregate data

65. This part of the paper describes data fields that APRA expects an ADI to use at an ADI aggregate level.
66. The fields are illustrated in Table 3 of this paper and comprise Sections 8 through 13 of the data fields.

ADI aggregate SCV value

67. Section 8 of the data fields provides aggregate account-holder entitlements by value at the ADI level.

ADI aggregate SCV volume

68. Section 9 of the data fields provides aggregate account-holder entitlements by volume (i.e. number of account-holders) at the ADI level.

ADI aggregate FCS payment value

69. Section 10 of the data fields provides the total of FCS balances by value, at the ADI level, broken down by the categories of accounts (non-prescribed and non-exception, non-prescribed and exception, prescribed and non-exception, prescribed and exception).

ADI aggregate FCS balance payment volume

70. Section 11 of the data fields provides the ADI aggregate FCS balances by volume, broken down by the categories of accounts (non-prescribed and non-exception, non-prescribed and exception, prescribed and non-exception, prescribed and exception).

ADI aggregate FCS balance value

71. Section 12 of the data fields provides the ADI aggregate FCS balances by value, broken down into principal, accrued interest, fees, charges and duties payable and withholding tax components.

ADI aggregate FCS balance volume

72. Section 13 of the data fields provides the ADI aggregate number of account-holders, with balances at or below the FCS limit and with balances above the FCS limit.

Tables of data fields

73. Table 1 provides line-by-line guidance on APRA's description and format for data fields contained in Table 1.
74. Table 2 and Table 3 set out data fields (calculated primarily from data fields in Table 1, together with some generated and stored data fields) to illustrate FCS payment and reporting requirements.
75. Where applicable, ADIs must be mindful of the implications of the payment information file specifications on the data fields. The file specifications contain information on data types and field lengths that are to be followed to facilitate the correct submission of payment information files.
76. The tables below also provide a checklist that indicates where data fields would be required on:
- approved forms for FCS payments; and
 - approved forms for FCS reports.
77. This checklist is applicable as at August 2013 and may be subject to change. Current approved forms for FCS payments and reports can be found on APRA's website www.apra.gov.au/policy.

Data type	
D	Stored data
C	Calculated data
G	Generated data

Approved forms for FCS payments	
(a)	EFT payment instruction information
(b)	Cheque payment instruction information

Approved forms for FCS reports	
(c)	SCV summary report
(d)	EFT payments and summary report
(e)	Cheque payments and summary report
(f)	Exception and summary report
(g)	Prescribed accounts and summary report
(h)	ATO report
(i)	FCS account-holder statement
(j)	Other payment summary data report
(k)	Cross reference list report

Table 1: Account-holder SCV

Field Ref.	Data type	Data item	Description	Notes	Checklist – Approved forms for FCS payments and reports										
					(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 1. Account-holder identifier															
1.1	D	Account-holder identifier	The unique identifier used to identify the account-holder.	A new ID may be generated each time an SCV is created.	✓	✓		✓	✓	✓	✓		✓		✓
1.2	D	Account-holder status	As per ADI’s source systems (e.g. deceased, obsolete address, etc.).	Text not codes. This field may be one of the contributing elements to be considered by the ADI when determining exception amounts as either non-exception or exception pursuant to paragraph 4 (b) of Attachment C to APS 910.						✓	✓				
1.3	D	Whether account-holder is an electronic banking customer	If an electronic banking customer fill in either Y or the electronic banking identifier. This field enables the estimate of account-holders potentially using alternative ADI account data capture and to facilitate mapping to the alternative ADI account data capture.	If not electronic banking customer, blank fill.											
Section 2. Account-holder details															
2.1		Entity details	Header only.	Blank fill.											
2.1.1	D	Entity type	The type of account-holder consistent with the definition in subsection 5(1) of the <i>Banking Act 1959</i> (e.g. individual, body corporate, body politic, trustee).							✓	✓				
2.2	D	Entity name	Only complete for organisations.	Blank fill if not organisation.	✓	✓		✓	✓	✓	✓		✓		
2.2.1	D	Title	Only complete for individuals – (e.g. Mr, Mrs, Ms, Dr).	Blank fill if not individual.	✓	✓		✓	✓	✓	✓		✓		
2.2.2	D	Surname	Only complete for individuals.		✓	✓		✓	✓	✓	✓		✓		
2.2.3	D	Middle name or initial	Only complete for individuals – if applicable.	Blank fill if not available.	✓	✓		✓	✓	✓	✓		✓		

Table 1: Account-holder SCV (continued)

Field Ref.	Data type	Data item	Description	Notes	Checklist – Approved forms for FCS payments and reports										
					(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 2. Account-holder details (continued)															
2.2.4	D	First name or initial	Only complete for individuals.		✓	✓		✓	✓	✓	✓		✓		
2.2.5	D	Suffix	Only complete for individuals – (e.g. Snr, Jnr).	Blank fill if not available.					✓	✓		✓			
2.3	D	Date of birth	Only complete for individuals – the person’s date of birth if known.	Blank fill if not available.					✓	✓					
2.4		Street address details	Header only.	Blank fill.											
2.4.1	D	Unit/Street Number	Unit number (if applicable) and/or street number for the account-holder for street address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.4.2	D	Street Name	Street name for street address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.4.3	D	City/Town/Suburb	Town or city or suburb for street address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.4.4	D	State	Australian state for street address.	Blank fill if international address.		✓			✓	✓	✓		✓		
2.4.5	D	Postcode	Valid Australian postcode for street address.	Blank fill if international address.		✓			✓	✓	✓		✓		
2.4.6	D	Country	Country for street address.	Text not codes.		✓			✓	✓	✓		✓		
2.5		Mailing address details	Header only.	Blank fill.											
2.5.1	D	PO Box (if applicable)/RMB etc	PO Box (if applicable)/RMB etc for mailing address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.5.2	D	Unit/Street number	Unit number (if applicable) and/or street number for the account-holder for mailing address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.5.3	D	Street Name	Street name for mailing address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.5.4	D	City/Town/Suburb	Town or city or suburb for mailing address.	Blank fill if not available.		✓			✓	✓	✓		✓		
2.5.5	D	State	Australian state for mailing address.	Blank fill if international address.		✓			✓	✓	✓		✓		
2.5.6	D	Postcode	Valid Australian postcode for mailing address.	Blank fill if international address.		✓			✓	✓	✓		✓		

Table 1: Account-holder SCV (continued)

Field Ref.	Data type	Data item	Description	Notes	Checklist – Approved forms for FCS payments and reports										
					(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 2. Account-holder details (continued)															
2.5.7	D	Country	Country for mailing address.	Text not codes.		✓				✓	✓	✓		✓	
2.6	D	Email address details	The email address of the account-holder.	Blank fill if not available.							✓	✓			
2.7		Telephone number details	Header only.	Blank fill.											
2.7.1	D	Home telephone	The home telephone number, if applicable.	Include area code. Blank fill if not available.							✓	✓			
2.7.2	D	Work telephone	The business telephone number, if applicable.	Include area code. Blank fill if not available.							✓	✓			
2.7.3	D	Mobile telephone	The mobile telephone number, if applicable.	Blank fill if not available.							✓	✓			
Section 3. Account details (for each protected account for each account-holder)															
3.1	D	Account title	The name of the account.								✓	✓		✓	
3.1.1	D	Account status	As per ADI’s source systems (e.g. open, closed, frozen, and dormant).	This field may be one of the contributing elements to be considered by the ADI when determining exception amounts as either non-exception or exception pursuant to paragraph 4 (b) of Attachment C to APS 910.							✓	✓			
3.1.2	D	Account classification	A classification or code that indicates the type of protected product or account.	This field may be one of the contributing elements to be considered by the ADI when determining account category (e.g. non-prescribed or prescribed) under paragraph 4 (a) of Attachment C to APS 910.							✓	✓			
3.2	D	BSB	Bank/state/branch (BSB) identifier.								✓	✓		✓	✓
3.3	D	Account number									✓	✓		✓	✓

Table 1: Account-holder SCV (continued)

Field Ref.	Data type	Data item	Description	Notes	Checklist – Approved forms for FCS payments and reports										
					(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 3. Account details (for each protected account for each account-holder) (continued)															
3.4	D	Product type	The type of protected account.	This field may be one of the contributing elements to be considered by the ADI when determining account category (e.g. non-prescribed or prescribed) under paragraph 4 (a) of Attachment C to APS 910.						✓	✓				
3.4.1	D	Product name	The ADI brand name for the protected product (i.e. text description of the classification code in 3.1.2).	As recoded in ADI’s systems.						✓	✓		✓		
3.5	D	Account entitlement	The account-holder’s entitlement for each account identified at item 3.1 at EOD following the FCS declaration.	It is intended that: 3.5 = 3.5.3 + 3.5.4 – 3.5.5 –3.5.6, increased or decreased to take account of clearance of transactions connected with the account.						✓	✓		✓		
3.5.1	D	Account balance – cleared funds	The portion of the account balance that represents funds that have cleared.												
3.5.2	D	Account balance – uncleared funds	The portion of the account balance that represents funds that have not cleared.												
3.5.3	D	Account balance – principal	The portion of 3.5 that represents the principal or balance of the account.								✓				
3.5.4	D	Accrued interest	The portion of 3.5 that represents the interest accrued up to declaration.								✓				
3.5.5	D	Fees, charges and duties payable	The portion of 3.5 that represents the fees, charges and duties payable at declaration.	The formulae used in this paper assume these data are recorded as non-negative values.							✓				
3.5.6	D	Withholding tax	The amount of withholding tax applicable to 3.5.4.	The formulae used in this paper assume these data are recorded as non-negative values.							✓				

Table 1: Account-holder SCV (continued)

Field Ref.	Data type	Data item	Description	Notes	Checklist – Approved forms for FCS payments and reports										
					(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 4. Account-holder aggregate account details															
4.1	C	Aggregate account-holder entitlement	The account-holder’s total of all items identified at 3.5.											✓	
4.1.1	C	Aggregate balance – cleared funds	The account-holder’s total of all items identified at 3.5.1.												
4.1.2	C	Aggregate balance – uncleared funds	The account-holder’s total of all items identified at 3.5.2.												
4.1.3	C	Aggregate balance – principal (sum of balances in all protected accounts)	The account-holder’s total of all items identified at 3.5.3.												
4.1.4	C	Aggregate accrued interest (sum of accrued interest for all protected accounts)	The account-holder’s total of all items identified at 3.5.4.												
4.1.5	C	Aggregate fees, charges and duties payable (sum of fees, charges and duties payable for all protected accounts)	The account-holder’s total of all items identified at 3.5.5.												
4.1.6	C	Aggregate withholding tax (sum of withholding taxes for all protected accounts)	The account-holder’s total of all items identified at 3.5.6.												
4.2	C	Estimate of account-holder’s aggregate FCS entitlement	An estimate of the account-holder’s FCS entitlement	Minimum of 4.1 or \$250,000.											

Table 2: Account-holder payment and reporting

Field Ref.	Data type	Data item	Description/Formulae	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 5. Account priority														
5.1	C	Aggregate entitlement for non-prescribed, non-exception accounts (NP NE)	Sum 3.5 where category is non-prescribed and non-exception.											
5.1.1	C	Account balance – principal component (NP NE)	Sum 3.5.3 where category is non-prescribed and non-exception.											
5.1.2	C	Accrued interest component (NP NE)	Sum 3.5.4 where category is non-prescribed and non-exception.											
5.1.3	C	Fees, charges and duties payable component (NP NE)	Sum 3.5.5 where category is non-prescribed and non-exception.											
5.1.4	C	Withholding tax component (NP NE)	Sum 3.5.6 where category is non-prescribed and non-exception.											
5.2	C	Aggregate entitlement for non-prescribed, exception accounts (NP E)	Sum 3.5 where category is non-prescribed and exception.											
5.2.1	C	Account balance – principal component (NP E)	Sum 3.5.3 where category is non-prescribed and exception.											
5.2.2	C	Accrued interest component (NP E)	Sum 3.5.4 where category is non-prescribed and exception.											
5.2.3	C	Fees, charges and duties payable component (NP E)	Sum 3.5.5 where category is non-prescribed and exception.											
5.2.4	C	Withholding tax component (NP E)	Sum 3.5.6 where category is non-prescribed and exception.											
5.3	C	Aggregate entitlement for prescribed, non-exception accounts (P NE)	Sum 3.5 where category is prescribed and non-exception.											
5.3.1	C	Account balance – principal component (P NE)	Sum 3.5.3 where category is prescribed and non-exception.											

Table 2: Account-holder payment and reporting (continued)

Field Ref.	Data type	Data item	Description/Formulae	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 5. Account priority (continued)														
5.3.2	C	Accrued interest component (P NE)	Sum 3.5.4 where category is prescribed and non-exception.											
5.3.3	C	Fees, charges and duties payable component (P NE)	Sum 3.5.5 where category is prescribed and non-exception.											
5.3.4	C	Withholding tax component (P NE)	Sum 3.5.6 where category is prescribed and non-exception.											
5.4	C	Aggregate entitlement for prescribed, exception accounts (P E)	Sum 3.5 where category is prescribed and exception.											
5.4.1	C	Account balance – principal component (P E)	Sum 3.5.3 where category is prescribed and exception.											
5.4.2	C	Accrued interest component (P E)	Sum 3.5.4 where category is prescribed and exception.											
5.4.3	C	Fees, charges and duties payable component (P E)	Sum 3.5.5 where category is prescribed and exception.											
5.4.4	C	Withholding tax component (P E)	Sum 3.5.6 where category is prescribed and exception.											
Section 6. Account-holder FCS balance payment														
6.1	C	FCS balance – non-prescribed, non-exception accounts	5.1 or <i>pro rata</i> amount in 5.1. Refer to Figure 5 for calculations.											
6.1.1	C	FCS balance – non-prescribed, non-exception accounts – EFT payment amount	Amounts to be paid out by EFT. This is equal to 6.1 where 6.1.1.1 and 6.1.1.2 are not null.	✓			✓		✓				✓	
6.1.1.1	D	Alternate ADI account BSB	Obtained from the alternative ADI account data capture. Refer to RBA specifications for direct credit payment file format.	✓			✓							
6.1.1.2	D	Alternate ADI account number	Obtained from the alternative ADI account data capture. Refer to RBA specifications for direct credit payment file format.	✓			✓							
6.1.1.3	G	EFT reference number	Refer to RBA specifications for direct credit payment file format.	✓			✓						✓	
6.1.1.4	G	EFT payment date	Date direct credit payment file is generated.	✓			✓						✓	

Table 2: Account-holder payment and reporting (continued)

Field Ref.	Data type	Data item	Description/Formulae	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 6. Account-holder FCS balance payment (continued)														
6.1.2	C	FCS balance – non-prescribed, non-exception accounts – cheque payment amount	Amounts to be paid out by cheque.		✓				✓	✓			✓	
6.1.2.1	G	FCS cheque serial number	Refer to RBA specifications for cheque payment file format.		✓				✓				✓	
6.1.2.2	G	Cheque payment date	Date cheque payment file is generated.		✓				✓				✓	
6.2	C	FCS balance – non-prescribed, exception accounts	5.2, or <i>pro rata</i> amount in 5.2, or 0 Refer to Figure 5 for calculations.							✓			✓	
6.3	C	FCS balance – prescribed, non-exception accounts	5.3, or <i>pro rata</i> amount in 5.3, or 0 Refer to Figure 5 for calculations.							✓	✓		✓	
6.3.1	C	FCS balance – prescribed, non-exception accounts – farm management	Portion of 6.3 that relates to farm management accounts.								✓			
6.3.2	C	FCS balance – prescribed, non-exception accounts – first home saver	Portion of 6.3 that relates to first home saver accounts.								✓			
6.3.3	C	FCS balance – prescribed, non-exception accounts – retirement savings	Portion of 6.3 that relates to retirement savings accounts.								✓			
6.4	C	FCS balance – prescribed, exception accounts	5.4, or <i>pro rata</i> amount in 5.4, or 0 Refer to Figure 5 for calculations.							✓	✓		✓	
6.4.1	C	FCS balance – prescribed, exception accounts – farm management	Portion of 6.4 that relates to farm management accounts.								✓			
6.4.2	C	FCS balance – prescribed, exception accounts – first home saver	Portion of 6.4 that relates to first home saver accounts.								✓			
6.4.3	C	FCS balance – prescribed, exception accounts – retirement savings	Portion of 6.4 that relates to retirement savings accounts.								✓			

Table 2: Account-holder payment and reporting (continued)

Field Ref.	Data type	Data item	Description/Formulae	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 7. Account-holder FCS balance details														
7.1	C	FCS balance	7.1 = 6.1 + 6.2 + 6.3 +6.4										✓	
7.1.1	C	FCS balance – principal component	Sum of the principal components of 6.1, 6.2, 6.3, 6.4.											
7.1.1.1	C	FCS balance – principal component – non-prescribed, non-exception accounts	Sub component of FCS principal component that relates to non-prescribed, non-exception accounts.										✓	
7.1.2	C	FCS balance – accrued interest component	Sum of the accrued interest components of 6.1, 6.2, 6.3, 6.4.											
7.1.2.1	C	FCS balance – accrued interest component – non-prescribed, non-exception accounts	Sub component of FCS accrued interest component that relates to non-prescribed, non-exception accounts.										✓	
7.1.3	C	FCS balance –fees, charges and duties payable component	Sum of the fees, charges and duties payable components of 6.1, 6.2, 6.3, 6.4.											
7.1.3.1	C	FCS balance – fees, charges and duties payable component – non-prescribed, non-exception accounts	Sub component of FCS fees, charges and duties payable component that relates to non-prescribed, non-exception accounts.										✓	
7.1.4	C	FCS balance – withholding tax component	Sum of the withholding tax components of 6.1, 6.2, 6.3, 6.4.											
7.1.4.1	C	FCS balance – withholding tax component – non-prescribed, non-exception accounts	Sub component of FCS withholding tax component that relates to non-prescribed, non-exception accounts.										✓	
7.2	C	Account-holder aggregate account balance above FCS limit	7.2 = 4.1 – 7.1										✓	

Table 3: ADI aggregate data

Field Ref.	Data type	Data item	Description	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 8. ADI aggregate SCV value														
8.1	C	ADI total of account entitlement	ADI’s sum of 4.1.			✓								
8.1.1	C	ADI total of account balance – cleared funds	ADI’s sum of 4.1.1.			✓								
8.1.2	C	ADI total of account balance – uncleared funds	ADI’s sum of 4.1.2.			✓								
8.2	C	ADI total of account entitlement for account-holders with electronic banking access	ADI’s sum of 4.1 where 1.3 is an electronic banking customer.			✓								
8.3	C	ADI estimate of aggregate maximum FCS entitlement	ADI’s sum of 4.2.			✓								
8.4	C	ADI total of account balance of all deposits of the ADI (for all protected and non-protected accounts)	This is a cross check to the D2A codes for monthly data for: Banks: BSL11052 + BSL11053 (ARF 320) CUBS: BSL10911 (ARF 323).			✓								
Section 9. ADI aggregate SCV volume														
9.1	C	ADI total number of account-holders with protected accounts	ADI’s count of non-null 1.1.			✓								✓
9.1.1	C	ADI total number of account-holders with cleared funds	ADI’s count of non-null 4.1.1.			✓								
9.1.2	C	ADI total number of account-holders with uncleared funds	ADI’s count of non-null 4.1.2.			✓								
9.2	C	ADI total number of account-holders with electronic banking access	ADI’s count of 1.3 where 1.3 is an electronic banking customer.			✓								
Section 10. ADI aggregate FCS payment value														
10.1	C	ADI total FCS balances – non prescribed, non-exception accounts	ADI’s sum of 6.1.											
10.1.1	C	ADI total EFT payment amount	ADI’s sum of 6.1.1.				✓							
10.1.2	C	ADI total cheque payment amount	ADI’s sum of 6.1.2.					✓						
10.2	C	ADI total FCS balances – non prescribed, exception accounts	ADI’s sum of 6.2.						✓					
10.3	C	ADI total FCS balances – prescribed, non-exception accounts	ADI’s sum of 6.3.							✓				
10.3.1	C	ADI total FCS balances – prescribed, non-exception accounts – farm management	ADI’s sum of 6.3.1.								✓			

Table 3: ADI aggregate data (continued)

Field Ref.	Data type	Data item	Description	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 10. ADI aggregate FCS payment value (continued)														
10.3.2	C	ADI total FCS balances – prescribed, non-exception accounts – first home saver	ADI’s sum of 6.3.2.							✓				
10.3.3	C	ADI total FCS balances – prescribed, non-exception accounts – retirement savings	ADI’s sum of 6.3.3.							✓				
10.4	C	ADI total FCS balances – prescribed, exception accounts	ADI’s sum of 6.4.							✓				
10.4.1	C	ADI total FCS balances – prescribed, exception accounts – farm management	ADI’s sum of 6.4.1.							✓				
10.4.2	C	ADI total FCS balances – prescribed, exception accounts – first home saver	ADI’s sum of 6.4.2.							✓				
10.4.3	C	ADI total FCS balances – prescribed, exception accounts – retirement savings	ADI’s sum of 6.4.3.							✓				
Section 11. ADI aggregate FCS balance payment volume														
11.1	C	ADI total number of account-holders with FCS balances – non-prescribed, non-exception accounts	ADI’s count of non-null 6.1.											
11.1.1	C	ADI total number of EFT payments	ADI’s count of non-null 6.1.1.				✓							
11.1.2	C	ADI total number of cheque payments	ADI’s count of non-null 6.1.2.					✓						
11.2	C	ADI total number of account-holders with FCS balances – non-prescribed, exception accounts	ADI’s count of non-null 6.2.						✓					
11.3	C	ADI total number of account-holders with FCS balances – prescribed, non-exception accounts	ADI’s count of non-null 6.3.							✓				
11.3.1	C	ADI total number of account-holders with FCS balances – prescribed, non-exception accounts – farm management	ADI’s count of non-null 6.3.1.							✓				
11.3.2	C	ADI total number of account-holders with FCS balances – prescribed, non-exception accounts – first home savers	ADI’s count of non-null 6.3.2.							✓				
11.3.3	C	ADI total number of account-holders with FCS balances – prescribed, non-exception accounts – retirement savings	ADI’s count of non-null 6.3.3.							✓				

Table 3: ADI aggregate data (continued)

Field Ref.	Data type	Data item	Description	Checklist – Approved forms for FCS payments and reports										
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Section 11. ADI aggregate FCS balance payment volume (continued)														
11.4	C	ADI total number of account-holders with FCS balances – prescribed, exception accounts	ADI’s count of non-null 6.4.								✓			
11.4.1	C	ADI total number of account-holders with FCS balances – prescribed, exception accounts – farm management	ADI’s count of non-null 6.4.1.								✓			
11.4.2	C	ADI total number of account-holders with FCS balances – prescribed, exception accounts – first home savers	ADI’s count of non-null 6.4.2.								✓			
11.4.3	C	ADI total number of account-holders with FCS balances – prescribed, exception accounts – retirement savings	ADI’s count of non-null 6.4.3.								✓			
Section 12. ADI aggregate FCS balance value														
12.1	C	ADI total FCS balances	ADI’s sum of 7.1.										✓	
12.1.1	C	ADI total FCS balances – principal component	ADI’s sum of 7.1.1.										✓	
12.1.2	C	ADI total FCS balances – accrued interest component	ADI’s sum of 7.1.2.										✓	
12.1.3	C	ADI total FCS balances – fees, charges and duties payable component	ADI’s sum of 7.1.3.										✓	
12.1.4	C	ADI total FCS balances – withholding tax component	ADI’s sum of 7.1.4.										✓	
12.2	C	ADI total account balance above FCS limit	ADI’s sum of 7.2.										✓	
Section 13. ADI aggregate FCS balance volume														
13.1	C	ADI total number of account-holders with an FCS balance	ADI’s count of 7.1.										✓	
13.2	C	ADI total number of account-holders with account balances above FCS limit	ADI’s count of non-null 7.2.										✓	

Examples

78. A number of examples have been developed to assist ADIs by demonstrating the FCS calculations and illustrating key principles outlined earlier in the information paper.
79. Each example presents an account-holder with multiple protected accounts. Account apportionment rules, account aggregation and account priority principles are employed to determine the FCS balance and the payments due to the account-holder.
80. The examples are set out as follows:
 - a summary table outlines the principles illustrated in each example;
 - a summary of all account-holders and their accounts;
 - each unique account-holder is identified and accounts belonging to that account-holder are aggregated;
 - the data for each unique account-holder form the basis for their SCV (i.e. Table 1 of Attachment A to APS 910); and
 - account data for each unique account-holder are then used to perform FCS payment calculations.
81. Examples of reports using data from the three account-holders are then presented (it is assumed that the ADI only has the three account-holders).

Summary table of examples and principles

Example	Principles illustrated
Example 1 John Smith	• Account priority (FCS limit breached by non-prescribed, non-exception accounts) • Treatment of a joint account • Treatment of withholding tax
Example 2 Jeffrey Smith	• Account priority (FCS limit breached by a non-prescribed, exception account) • Treatment of fees, charges and duties payable • Treatment of an overdraft account
Example 3 Mary Smith	• Account priority (FCS limit breached by a prescribed, exception account) • Treatment of a joint account • Illustration of account-holder exception determining account category for payment priority

Summary of all account-holders and accounts held

Account name/ number	Account entitlement	Account balance – principal	Accrued interest*	Fees, charges and duties payable**	Withholding tax***
Mr John Smith 10001	\$170,000	\$169,200	\$1000	–	\$200
Mr John Smith 10002	\$2,000	\$2,000	–	–	–
Mr John and Mrs Mary Smith 10003	\$200,000	\$199,000	\$1,000	–	–
Mrs Mary Smith 10004	\$200,000	\$200,000	–	–	–
Mrs Mary Smith 10005	\$2,500	\$2,500	–	–	–
Mr Jeffrey Smith 10006	\$200,050	\$200,100	–	\$50	–
Mr Jeffrey Smith 10007	\$100,000	\$95,000	\$5,100	\$100	–
Mr Jeffrey Smith 10008	\$99,950	\$100,100	–	\$150	–
Mr Jeffrey Smith 10009	-\$965	-\$950	-\$10	\$5	–

* Interest that is accrued and payable up until the date of declaration

** Fees, charges and duties payable at the date of declaration in relation to that particular account

*** Withholding tax to be included against the applicable account-holder

Note There is no allowance for set-off from other accounts against protected accounts

Example 1: Calculation of FCS balance for Mr John Smith

The two tables below are selected data fields that form part of Mr John Smith's account-holder SCV, as well as information from the alternative ADI account data capture. The data fields present important account-holder and account information that is assumed for this example.

In this example, the account-holder has three protected accounts. Account details are recorded

separately for each account, as shown below. Note that Account 3 is a joint account with Mrs Mary Smith. As joint account entitlements are split equally between account-holders, Mr John Smith's Account 3 entitlement is \$100,000 (i.e. half of \$200,000).

Field Ref.	Account-holder identifier (extract only)	
1.2	Account-holder status	Active
1.3	Whether account-holder is an electronic banking customer	Y
Other	The account-holder has provided alternative ADI account data	

Field Ref.	Account details (extract only)	Account 1	Account 2	Account 3
3.1.1	Account status	Open	Dormant	Open
3.3	Account number	10001	10002	10003
3.4	Product type	Savings	Transaction	Term Deposit
3.5	Account entitlement	\$170,000	\$2,000	\$100,000
3.5.3	Principal	\$169,200	\$2,000	\$99,500
3.5.4	Accrued interest	\$1,000	–	\$500
3.5.5	Fees, charges and duties payable	–	–	–
3.5.6	Withholding tax	\$200	–	–

Using a variety of contributing information, such as those data identified in data fields 1.2, 3.1.1, 3.4 as well as the information from the alternative ADI account data capture, the accounts may be categorised as follows:

Account 1: Non-prescribed, non-exception (NP NE)

Account 2: Non-prescribed, exception (NP E)

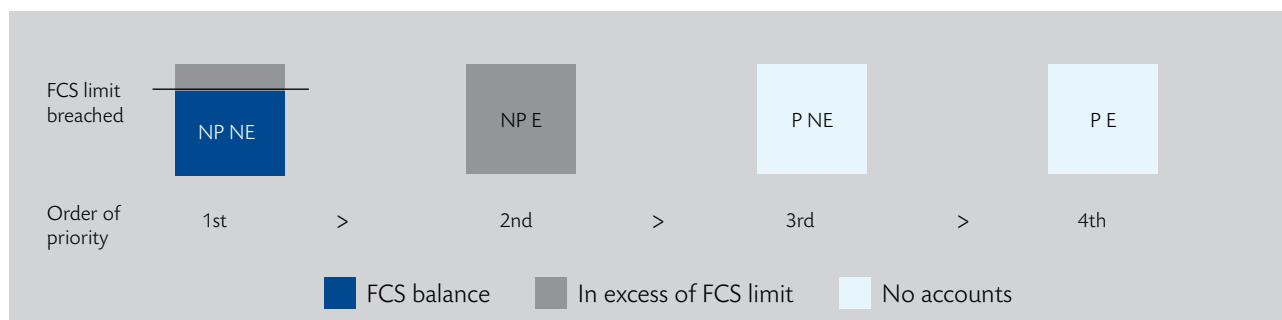
Account 3: Non-prescribed, non-exception (NP NE)

It follows that amounts in Accounts 1 and 3 are added together to obtain the aggregate entitlement for NP NE accounts (i.e. field 5.1 and its components 5.1.1, 5.1.2, 5.1.3, 5.1.4). Similarly, the account entitlement of Account 2 becomes the aggregate entitlement for the NP E account category (field 5.2 and its components). These Section 5 data fields are shown in the table below.

Field Ref. (NP NE)	Value	Field Ref. (NP E)	Value	Field Ref. (P NE)	Value	Field Ref. (P E)	Value
5.1	\$270,000	5.2	\$2,000	5.3	–	5.4	–
5.1.1	\$268,700	5.2.1	\$2,000	5.3.1	–	5.4.1	–
5.1.2	\$1,500	5.2.2	–	5.3.2	–	5.4.2	–
5.1.3	–	5.2.3	–	5.3.3	–	5.4.3	–
5.1.4	\$200	5.2.4	–	5.3.4	–	5.4.4	–

In this example, the aggregate entitlement exceeds the FCS limit in the NP NE category. Consequently, the portion of the NP NE entitlement in excess of the limit, as well as total account entitlement in the

NP E category, fall outside the scope of the FCS and form the basis of the account-holder's claim in liquidation. This is illustrated below.



The account-holder's FCS balance payment is then calculated using the formulae outlined in Figure 5: *Account-holder apportionment method* (page 14).

The results, presented below, are consistent with the FCS limit being exceeded in the (NP NE) category of accounts.

Field Ref.	Account-holder FCS balance payment (extract only)	Calculation	Result
6.1	FCS balance – non-prescribed, non-exception accounts	<i>Because</i> $(\$268,700 + \$1,500) > \$250,000$ <i>this field</i> = $\$250,000 \times \frac{\$270,000}{\$268,700 + \$1,500}$	\$249,814.95
6.2	FCS balance – non-prescribed, exception accounts	<i>Because</i> $(\$268,700 + \$1,500) > \$250,000$, <i>this field</i> = 0	–
6.3	FCS balance – prescribed, non-exception accounts	<i>Because there are no prescribed, non-exception accounts, this field</i> = 0.	–
6.4	FCS balance – prescribed, exception accounts	<i>Because there are no prescribed, exception accounts, this field</i> = 0.	–

The FCS balance payment due to Mr John Smith is \$249,814.95. The components of the FCS balance, as well as amounts above the FCS limit are outlined in Section 7 fields below. Note that because the

FCS limit is exceeded in the NP NE category, all components of the FCS balance are apportioned on a *pro rata* basis.

Field Ref.	Account-holder FCS balance details (extract only)	Result
7.1	FCS balance	\$249,814.95
7.1.1	FCS balance – principal component	\$248,612.14
7.1.2	FCS balance – accrued interest component	\$1,387.86
7.1.3	FCS balance – fees, charges and duties payable component	–
7.1.4	FCS balance – withholding tax component	\$185.05
7.2	Account-holder aggregate account balance above FCS limit	\$22,185.05

This example demonstrates the following principles:

- **The treatment of joint accounts** – joint accounts entitlements are split equally between the account-holders.
- **Account priority** – FCS limit is breached by non-prescribed non-exception accounts
- **The treatment of withholding tax** – withholding tax is calculated on the portion of the accrued interest below the FCS limit, and is deducted from the FCS payment to the account-holder. Therefore, the FCS payment to the account-holder is less than \$250,000 by the apportioned amount of withholding tax.

Example 2: Calculation of FCS balance for Mr Jeffrey Smith

In this example, the account-holder has four protected accounts, however, Account 4 (in overdraft) is excluded from the account-holder SCV,

as this account entitlement is not set-off against entitlements in other protected accounts.

Field Ref.	Account-holder identifier (extract only)	
1.2	Account-holder status	Active
1.3	Whether account-holder is an electronic banking customer	N

Field Ref.	Account details (extract only)	Account 1	Account 2	Account 3	Account 4
3.1.1	Account status	Open	Frozen	Open	Open
3.3	Account number	10006	10007	10008	10009
3.4	Product type	Savings	Term deposit	First Home Saver	Transaction
3.5	Account entitlement	\$200,050	\$100,000	\$99,950	-\$965
3.5.3	Principal	\$200,100	\$95,000	\$100,100	-\$950
3.5.4	Accrued interest	–	\$5,100	–	-\$10
3.5.5	Fees, charges and duties payable	\$50	\$100	\$150	\$5
3.5.6	Withholding tax	–	–	–	–

Using information such as those identified in data fields 1.2, 3.1.1, 3.4, the accounts can be categorised as follows:

Account 1: Non-prescribed, non-exception (NP NE)

Account 2: Non-prescribed, exception (NP E)

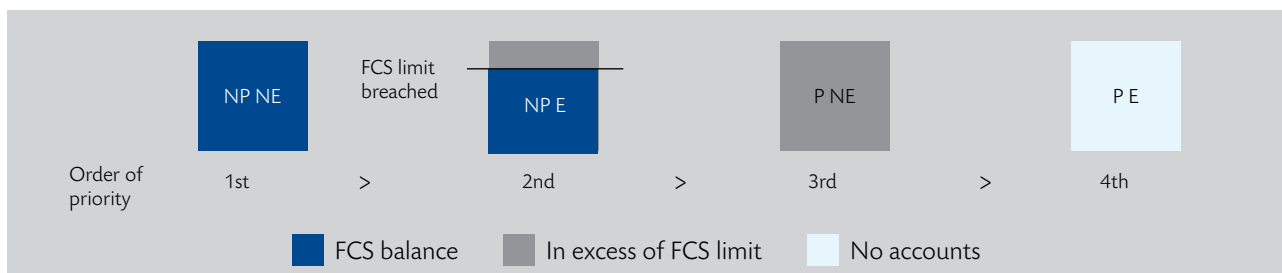
Account 3: Prescribed, non-exception (P NE)

Section 5 data fields are shown in the table below.

Field Ref. (NP NE)	Value	Field Ref. (NP E)	Value	Field Ref. (P NE)	Value	Field Ref. (P E)	Value
5.1	\$200,050	5.2	\$100,000	5.3	\$99,950	5.4	–
5.1.1	\$200,100	5.2.1	\$95,000	5.3.1	\$100,100	5.4.1	–
5.1.2	–	5.2.2	\$5,100	5.3.2	–	5.4.2	–
5.1.3	\$50	5.2.3	\$100	5.3.3	\$150	5.4.3	–
5.1.4	–	5.2.4	–	5.3.4	–	5.4.4	–

The aggregate entitlement exceeds the FCS limit in the NP E category. Consequently, entitlement in the NP NE category is paid in full and amounts in the NP E category are apportioned. Amounts in

the P NE category fall outside the scope of the FCS and form the basis of the account-holder's claim in liquidation. This is illustrated below.



The account-holder's FCS balance payment is calculated using formulae outlined in Figure 5: *Account-holder apportionment method* (page 14).

Field Ref.	Account-holder FCS balance payment (extract only)	Calculation	Result
6.1	FCS balance – non-prescribed, non-exception accounts	<i>Because</i> $\$200,100 < \$250,000$, <i>this field</i> = $\$200,050$	\$200,050.00
6.2	FCS balance – non-prescribed, exception accounts	<i>Because</i> $\$200,100 < \$250,000$ <i>and</i> $(\$200,100 + \$95,000 + \$5,100) > \$250,000$, <i>this field</i> = $(\$250,000 - \$200,100) \times \frac{\$100,000}{\$95,000 + \$5,100}$	\$49,850.15
6.3	FCS balance – prescribed, non-exception accounts	<i>Because</i> $(\$200,100 + \$95,000 + \$5,100) > \$250,000$, <i>this field</i> = 0	–
6.4	FCS balance – prescribed, exception accounts	<i>Because there are no prescribed exception accounts, this field</i> = 0.	–

The FCS balance payment due to Mr Smith is \$249,900.15. Of this payment, \$200,050 is made via pre-positioned RBA cheque, and the remaining \$49,850.15, which relates to the exception category, is processed for cheque payment manually at a later date once the exception is resolved.

The components of the FCS balance, as well as amounts above the FCS limit are shown in the Section 7 fields below. Note that whilst components are paid in full in the NP NE category, the components of the NP E category, where the FCS limit is breached, are on a *pro rata* basis.

Field Ref.	Account-holder FCS balance details (extract only)	Calculation	Result
7.1	FCS balance	–	\$249,900.15
7.1.1	FCS balance – principal component	\$200,100 + \$47,357.64	\$247,457.64
7.1.2	FCS balance – accrued interest component	\$0 + \$2,542.36	\$2,542.36
7.1.3	FCS balance – fees, charges and duties payable component	\$50 + \$49.85	\$99.85
7.1.4	FCS balance – withholding tax component	–	–
7.2	Account-holder aggregate account balance above FCS limit	\$400,000 - \$249,900.15	\$150,099.85

This example demonstrates the following principles:

- **Account priority** – FCS limit breached by a non-prescribed exception account.
- **The treatment of fees, charges and duties payable** – fees, charges and duties payable are calculated on a *pro rata* basis where the account

entitlement breaches the FCS limit. Field 7.1.3 constitutes the \$50 payable from Account 1 and a *pro rata* amount of \$49.85 from Account 2.

- **The treatment of an overdraft account** – overdrafts are not set-off against balances in protected accounts.

Example 3: Calculation of FCS balance for Mrs Mary Smith

In this example, the account-holder has three protected accounts. As joint account entitlements are split equally between account-holders, Mrs Mary

Smith's Account 3 entitlement is \$100,000 (i.e. half of \$200,000).

Field Ref.	Account-holder identifier (extract only)	
1.2	Account-holder status	Deceased
1.3	Whether account-holder is an electronic banking customer	N

Field Ref.	Account details (extract only)	Account 1	Account 2	Account 3
3.1.1	Account status	Open	Open	Open
3.3	Account number	10004	10005	10003
3.4	Product type	Retirement savings	Transaction	Term deposit
3.5	Account entitlement	\$200,000	\$2,500	\$100,000
3.5.3	Principal	\$200,000	\$2,500	\$99,500
3.5.4	Accrued interest	–	–	\$500
3.5.5	Fees, charges and duties payable	–	–	–
3.5.6	Withholding tax	–	–	–

Using information such as those identified in data fields 1.2, 3.1.1, 3.4, the accounts can be categorised as follows:

Account 1: Prescribed, exception (P E)

Account 2: Non-prescribed, exception (NP E)

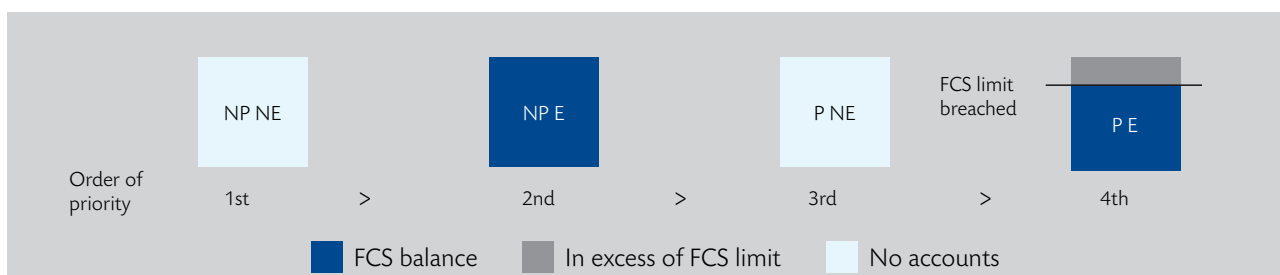
Account 3: Non-prescribed, exception (NP E)

Section 5 data fields are calculated and presented in the table below.

Field Ref. (NP NE)	Value	Field Ref. (NP E)	Value	Field Ref. (P NE)	Value	Field Ref. (P E)	Value
5.1	–	5.2	\$102,500	5.3	–	5.4	\$200,000
5.1.1	–	5.2.1	\$102,000	5.3.1	–	5.4.1	\$200,000
5.1.2	–	5.2.2	\$500	5.3.2	–	5.4.2	–
5.1.3	–	5.2.3	–	5.3.3	–	5.4.3	–
5.1.4	–	5.2.4	–	5.3.4	–	5.4.4	–

The aggregate entitlement exceeds the FCS limit in the P E category. Consequently, entitlement in the NP E category is paid in full, whereas some amounts

in the P E category fall outside the scope of the FCS. This is represented below.



Applying FCS calculations as outlined in Figure 5: *Account-holder apportionment method* (page 14) yields the following key results:

Field Ref.	Account-holder FCS balance payment (extract only)	Calculation	Result
6.1	FCS balance – non-prescribed, non-exception accounts	<i>Because there are no non-prescribed, non-exception accounts, this field = 0.</i>	–
6.2	FCS balance – non-prescribed, exception accounts	<i>Because $(\\$102,000 + \\$500) < \\$250,000$, this field = \$102,500</i>	\$102,500.00
6.3	FCS balance – prescribed, non-exception accounts	<i>Because there are no prescribed, non-exception accounts, this field = 0.</i>	–
6.4	FCS balance – prescribed, exception accounts	<i>Because $(\\$102,000 + \\$500) < \\$250,000$ and $(\\$102,000 + \\$500 + \\$200,000) > \\$250,000$, this field = $(\\$250,000 - \\$102,500) \times \frac{\\$200,000}{\\$200,000}$</i>	\$147,500.00

The FCS balance payment due is \$250,000. However, as this amount is an exception, it is processed for cheque payment manually at a later date, once the exception is resolved.

The components of this balance, as well as amounts above the FCS limit are shown in the Section 7 fields below.

Data field	Account-holder FCS balance details (extract only)	Calculation	Result
7.1	FCS balance	–	\$250,000.00
7.1.1	FCS balance – principal component	\$102,000 + \$147,500	\$249,500.00
7.1.2	FCS balance – accrued interest component	\$500 + 0	\$500.00
7.1.3	FCS balance – fees, charges and duties payable component	–	–
7.1.4	FCS balance – withholding tax component	–	–
7.2	Account-holder aggregate account balance above FCS limit	–	\$52,500.00

This example demonstrates the following principles:

- **Account priority** – FCS limit breached by a prescribed, exception account.
- **The illustration of account-holder status determining account category** – the account-holder's status is such that an immediate

payment may not be possible, and a manual exception processing may be required, therefore all accounts held are categorised as exception accounts.

- **The treatment of joint accounts** – joint accounts balances are split equally between the account-holders.

Example of reports

Presented below are illustrations of reports outlined in the *Approved forms for payments and reports: Financial Claims Scheme for authorised deposit-taking institutions* (August 2013 version). The reports are populated with the data aggregated from the three account-holders (assumed to constitute the declared ADI) in the examples above.

SCV summary report

Declared ADI,TA,31072013,31072013

974500,974500,,272000,750000,1000000,3,3,0,1

EFT payments and summary report

Declared ADI,TA,31072013,31072013

001,,Mr,Smith,,John,249814.95,010100,12340001,987654321123456785,130731

249814.95,1

Cheque payments and summary report

Declared ADI,TA,31072013,31072013

002,,Mr,Smith,,Jeffrey,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,200050.00,654321,20130731

200050.00,1

Exception and summary report

Declared ADI,TA,31072013,31072013

002,Active,Individual,,Mr,Smith,,Jeffrey,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Term deposit,Frozen,Term deposit,000100,10007,Term deposit,TermSavers,100000.00,,200050.00,49850.15,,0

003,Deceased,Individual,,Mrs,Smith,,Mary,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Everyday,Open,Everyday,000100,10005,Transaction,EverydaySavers,2500.00,,102500.00,,147500.00

003,Deceased,Individual,,Mrs,Smith,,Mary,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Term deposit,Open,Term deposit,000100,10003,Term deposit,TermSavers,100000.00,,102500.00,,147500.00

152350.15,2

Prescribed accounts and summary report

Declared ADI,TA,31072013,31072013

003,Deceased,Individual,,Mrs,Smith,,Mary,,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Retirement Savings,Open,Retirement Savings,000100,10004,Retirement Savings,RetirementSavers,
200000.00,200000.00,,,,,,147500.00,,,147500.00

,,,147500.00,,,147500.00,,,,,1,,,1

FCS account-holder statement

Declared ADI,TA,31072013,31072013

001,,Mr,Smith,,John,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Savings,000100,10001,Savers,170000.00,272000.00,249814.95,987654321123456785,130731,,,,,249814.95,248612.14,1387.86,,185.05,22185.05

001,,Mr,Smith,,John,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Everyday,000100,10002,EverydaySavers,2000.00,272000.00,249814.95,987654321123456785,130731,,,,,249814.95,248612.14,1387.86,,185.05,22185.05

001,,Mr,Smith,,John,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Term deposit,000100,10003,TermSavers,100000.00,272000.00,249814.95,987654321123456785,130731,,,,,249814.95,248612.14,1387.86,,185.05,22185.05

002,,Mr,Smith,,Jeffrey,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Savings,000100,10006,Savers,200050.00,400000.00,,,,,200050.00,654321,20130731,49850.15,,,249900.15,200100.00,,50.00,,150099.85

002,,Mr,Smith,,Jeffrey,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Term deposit,000100,10007,TermSavers,100000.00,400000.00,,,,,200050.00,654321,20130731,49850.15,,,249900.15,200100.00,,50.00,,150099.85

002,,Mr,Smith,,Jeffrey,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,First home saver,000100,10008,FirstHomeSavers,99950.00,400000.00,,,,,200050.00,654321,20130731,49850.15,,,249900.15,200100.00,,50.00,,150099.85

002,,Mr,Smith,,Jeffrey,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Everyday,000100,10009,EverydaySavers,-965.00,400000.00,,,,,200050.00,654321,20130731,49850.15,,,249900.15,200100.00,,50.00,,150099.85

003,,Mrs,Smith,,Mary,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Retirement savings,000100,10004,RetirementSavers,200000.00,302500.00,,,,,102500.00,,147500.00,250000.00,,,,,52500.00

003,,Mrs,Smith,,Mary,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Everyday,000100,10005,EverydaySavers,2500.00,302500.00,,,,,102500.00,,147500.00,250000.00,,,,,52500.00

003,,Mrs,Smith,,Mary,,100,Town Street,Sydney,NSW,2000,Australia,,,,,,,,,Term deposit,000100,10003,TermSavers,100000.00,302500.00,,,,,102500.00,,147500.00,250000.00,,,,,52500.00

3

Other payment summary data report

Declared ADI,TA,31072013,31072013

749715,745570,4430,100,185,224785,3,3

Cross reference list report

Declared ADI,TA,31072013,31072013

001,000100,10001

001,000100,10002

001,000100,10003

002,000100,10006

002,000100,10007

002,000100,10008

002,000100,10009

003,000100,10003

003,000100,10004

003,000100,10005



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