



29 August 2024

## Protect your money and yourself

The Australian Government urges the Norfolk Island community to only use authorised banks and insurance services, to protect themselves and their assets.

Under Commonwealth law, banking and insurance businesses need to be authorised to operate, and are monitored to make sure they are following the necessary regulations. This means customers have legal protections in place.

The Australian Prudential Regulation Authority (APRA) authorises banking, insurance and superannuation businesses to operate in Australia, and supervises them to ensure that under all reasonable circumstances they keep their financial promises made to their beneficiaries (like, depositors, policyholders and superannuation fund members).

The Banking Act and the Insurance Act both extend to cover Norfolk Island, offering the community these protections.

Entrusting your money and financial business to an unauthorised operator leaves you at significant risk.

Unauthorised banks and insurers are not covered by the protections offered by the Financial Claims Scheme, which is a government-backed safety net for bank deposits and most general insurance policies up to certain limits.

There is no basis in law for such activities as unauthorised banking services.

The Australian Government notes concerns from the community about the potential disruptions and negative impacts for local residents arising from such activities.

Anyone wanting to know more about the Financial Claims Scheme or the licensing processes for banking or insurance business in Australia (including Norfolk Island), can go to APRA's website at <https://www.apra.gov.au/financial-claims-scheme-0> and <https://www.apra.gov.au/apras-licensing-process>.

*Department of Infrastructure, Transport, Regional Development, Communications and the Arts*