

## **Sub-sections 167(1) and (2) of the Financial Sector Regulation Act**

### Administrative penalties

(1) The responsible authority for a financial sector law may, by order served on a person, impose on the person an appropriate administrative penalty, that must be paid to the financial sector regulator, if the person—

- (a) has contravened a financial sector law; or
- (b) has contravened an enforceable undertaking accepted by the responsible authority.

(2) In determining an appropriate administrative penalty for particular conduct—

(a) the matters that the responsible authority must have regard to include the following:

- (i) The need to deter such conduct;
- (ii) the degree to which the person has co-operated with a financial sector regulator in relation to the contravention; and
- (iii) any submissions by, or on behalf of, the person that is relevant to the matter, including mitigating factors referred to in those submissions; and

(b) without limiting paragraph (a), the matters that the responsible authority may have regard to include the following:

- (i) The nature, duration, seriousness and extent of the contravention;
- (ii) any loss or damage suffered by any person as a result of the conduct;
- (iii) the extent of any financial or commercial benefit to the person, or a juristic person related to the person, arising from the conduct;
- (iv) whether the person has previously contravened a financial sector law;
- (v) the effect of the conduct on the financial system and financial stability;
- (vi) the effect of the proposed penalty on financial stability;
- (vii) the extent to which the conduct was deliberate or reckless.