



14 January 2019

Ms Laura Llewellyn  
Financial Innovation & Payment Unit  
Treasury  
Langton Cres  
Parkes  
ACT 2600

Dear Ms Llewellyn

**RE: Treasury Laws Amendment (Mutual entities) Bill 2018 Tranche 2**

Friendly Societies of Australia (FSA) is the industry association which represents the majority of those friendly societies governed by APRA and consequently our members are directly affected by the proposed legislation.

We are aware that the formal consultation period for Tranche 2 of the legislation finished on 24 December but unfortunately various external factors and the holiday period prevented us from completing our internal consultations in a timely manner. In view of the brevity of this submission we request that you make a 'late note' of it on your record.

FSA has worked alongside the Capital Partners project team led by the Business Council of Co-operatives and Mutuals (BCCM) and the Customer Owned Banking Association (COBA) in advocating for changes to the Corporations Act to provide appropriate recognition of mutuals as a separate type of company and alternative ways for mutuals to raise capital without demutualising.

In the interests of efficiency and clarity, we refer you to the submission made by the BCCM and COBA on Tranche 2 (copy attached) and request you to record that FSA fully supports this submission.

Thank you for your forbearance in noting our position.

Please do not hesitate to contact me if you require any clarification.

Yours sincerely

A V Connon

Treasurer

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