

From 1 July 2018

The AFCA funding model has three elements:

- a membership levy
- user charge, and
- complaint fees.

Base levy

The membership levy is the fee all Financial Firms (FFs) have to pay to be a member of AFCA.

The membership levy has a \$350 minimum and a \$26,000 maximum cap.

The membership levy a particular member pays is determined by the relative size of the member's business compared to other AFCA members.

User charge

The user charge promotes and rewards high rates of resolution at the internal dispute resolution (IDR) stage. Members who have no complaints year on year do not incur the user charge. A member who has only one complaint in the relevant twelve month period will not be charged the user charge.

For members who have complaints, their user charge is based on the number and complexity of the complaints the member had closed over the 12 months prior to the calculation of the charge.

This approach rewards members who:

- increase their IDR resolution rates, and
- reduce the need for their customers to use AFCA.

Complaint fees

The complaint fee for a particular complaint is based on the stage in the process at which the complaint is resolved and the complexity of the complaint if it progresses beyond the initial investigation stage.

Further information

If you have any questions about the funding model, please contact the Finance Department at accounts@afca.org.au or on 1300 56 55 62.