

**Australian Securities and Investments Commission
National Consumer Credit Protection Act 2009 – Paragraph 163(1)(a) –
Exemption**

Enabling legislation

1. The Australian Securities and Investments Commission (ASIC) makes this instrument under paragraph 163(1)(a) of the *National Consumer Credit Protection Act 2009* (the Act).

Title

2. This instrument is ASIC Instrument [21-0906].

Commencement

3. This instrument commences on the day it is signed.

Exemption

4. TAL Life Limited ACN 050 109 450 (**TAL Life**) does not have to comply with Divisions 3 and 4 of Part 3-2 of the Act.

Where this exemption applies

5. This exemption applies where:

(a) TAL Life:

- (i) enters a credit contract with a consumer who will be the debtor under the contract; or
- (ii) increases the amount of credit under a credit contract with a consumer who is the debtor under the contract;

in accordance with a request or direction by the consumer:

- (iii) under the terms and conditions of a life policy that was entered into before the date of this instrument by TAL Life and the consumer; or
- (iv) to whom representations were made by TAL Life, from the transfer date, or Asteron, prior to the transfer date, in relation to a life policy that was entered into before the date of this instrument by TAL Life and the consumer; and

- (b) at the time of entering the credit contract or increasing the amount of credit under the credit contract, the provision of the credit would not cause the

current balance of the consumer's account in relation to the credit contract to exceed 70% of the surrender value of the life policy; and

- (c) TAL Life has agreed with the consumer in writing that TAL Life will only have recourse to money that is payable by TAL Life to the consumer under the terms and conditions of the life policy as security for the obligations of the consumer under the credit contract.

Conditions

6. TAL Life must:

- (a) as soon as practicable after it becomes apparent to TAL Life that it is likely to enter a credit contract or increase the amount of credit under a credit contract, with the consumer, give the consumer a written notice that contains the following information:
 - (i) a statement that TAL Life does not have to comply with the responsible lending obligations under the Act because of this instrument and a summary of those obligations that, but for this instrument, would otherwise apply;
 - (ii) a statement that the consumer should consider obtaining independent advice in relation to the credit contract; and
 - (iii) a clear and prominent explanation of the consequences or potential consequences to the consumer in relation to the life policy of entering into the credit contract, or increasing the amount of the credit, including that, if the consumer is in default under the credit contract, the default may result in the life policy lapsing or the total value of the life policy being significantly reduced; and
- (b) include the following information in each periodic statement of account required to be provided, on or after the transfer date, to the consumer in accordance with Division 5 of Part 2 of the National Credit Code:
 - (i) the clear and prominent explanation referred to in subparagraph 6(a)(iii);
 - (ii) a recommended periodic payment amount determined by TAL Life in relation to the provision of the credit under the credit contract; and
 - (iii) a statement that the consumer may contact TAL Life to obtain details about the value of the life policy and applicable premiums, together with the relevant contact details of TAL Life.

Interpretation

7. In this instrument:

- (a) for the purposes of subparagraph 5(b), the surrender value of the life policy is to be worked out as at the day the credit contract is entered or the amount of credit is increased.
- (b) *Asteron* means Asteron Life and Superannuation Limited (ACN 073 979 530).
- (c) *life policy* has the meaning given by section 9 of the *Life Insurance Act 1995*.
- (d) *National Credit Code* means Schedule 1 to the Act.
- (e) *surrender value* means the surrender value of a life policy calculated in accordance with the prudential standards made under Division 1 of Part 10A of the *Life Insurance Act 1995*.
- (f) *transfer date* means 1 October 2021.

Dated this 1st day of November 2021



Signed by Brendon Banks
as a delegate of the Australian Securities and Investments Commission