

Article Information

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ASIC extends expiry date on non-cash payments instrument

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ASIC has amended the *ASIC Corporations (Non-cash Payment Facilities) Instrument 2016/211* to remove the March 2019 expiry date so that the instrument will continue to operate.[1] ASIC has provided this relief as the financial services regulatory regime is unintentionally broad in relation to these products.[2]

The instrument provides relief for these non-cash payment products:

1. Travellers cheques: these are exempt from the requirement to provide confirmation of transaction under the Corporations Act
2. Loyalty schemes and road toll facilities: these are not subject to the financial services laws in the Corporations Act
3. Prepaid mobile arrangement and some single use gift vouchers: these are exempt from the licensing conduct and disclosure obligations in the Corporations Act, and
4. Low value payment products: these are exempt from the licensing, conduct and disclosure obligations in the Corporations Act but are subject to alternate disclosure and dispute resolution obligations.[3]

ASIC is extending the operational period of relief given in the instrument to allow for Government policy settings for retail payment products to be clarified by the Government and the regulators.[4] Once this has been done, ASIC will review the instrument to determine whether it is operating efficiently and appropriately.[5]

[1] ASIC, '[ASIC extends relief for non-cash payment facilities](#)' (Media release 18-345MR) 16 November 2018

[2] Ibid.

[3] Ibid.

[4] Ibid.

[5] Ibid.