



RESERVE BANK OF AUSTRALIA

*Payment Systems (Regulation) Act 1998*

**Declaration No 1 of 2012 regarding Purchased Payment Facilities**

The Reserve Bank of Australia, pursuant to section 9(3) of the *Payment Systems (Regulation) Act 1998* ('Act'), declares that the Act does not apply to the insurance card facility described below, having determined that it is not appropriate for the Act to apply to that facility.

The Westfield insurance card facility (the 'Insurance Card Facility') is the purchased payment facility that is operated by Westfield Gift Cards Pty Limited (ACN 113 171 663) (the 'Issuer') under which a card, certificate, voucher, token, coin or other object, or a code (each a 'Device') may be purchased by or on behalf of a general insurer ('Insurer') to be provided by the Insurer to a person ('Insured') who is entitled to receive an amount from the Insurer following a claim ('Claim') on a policy of general insurance of the Insurer in satisfaction of some or all of the entitlement of the Insured to that amount, and that has the following characteristics:

1. The Issuer is the holder of stored value in relation to the Insurance Card Facility.
2. The amount that is available to an Insured, in relation to a Claim, for the making of non-cash payments through the use of the Insurance Card Facility:
  - (a) does not exceed \$5 000; and
  - (b) is determined at the time of issue of a Device under the Insurance Card Facility and cannot be increased after that time unless it is because of the reversal of a non-cash payment in the case of refund or because of a correction of an error; and
  - (c) cannot be withdrawn or accessed in whole or in part by means of a cash payment (except for the withdrawal of the full amount standing to the credit of a Device after one or more non-cash payments have been made using the Device being an amount that in the reasonable opinion of the Issuer is unlikely to be able to be conveniently used for a non-cash payment under the Insurance Card Facility by means of the Device).
3. A Device issued under the Insurance Card Facility is capable of being used to make non-cash payments on more than one occasion.
4. The Insurance Card Facility and any Device issued under the Insurance Card Facility are only promoted or marketed as an insurance card facility, or an insurance card or device.
5. The date ('Expiry Date') after which the Insurance Card Facility cannot be used for the making of non-cash payments using a Device (regardless of whether there is an amount standing to the credit of the Device at the end of that date) is:

- (a) in the case where the presentation of a Device which is an object is the means by which a person uses the Insurance Card Facility – prominently set out on the Device:
    - (i) in a manner that makes it clear that it is an expiry date; or
    - (ii) by stating:
      - (A) the date of issue of the Device; or
      - (B) a date that succeeds the date of issue of the Device by no more than three months,together with a statement on the Device, to the effect that the Device cannot be used after the expiry of a period of months or years after the date set out on the Device;
  - (b) in any other case – prominently displayed in a manner that could reasonably be expected to come to the attention of a person who is given or given use of a Device at the time it is given and at the time it is used, and makes it clear that it is an expiry date.
6. The Issuer holds an Australian Financial Services licence under the *Corporations Act 2001* which authorises the Issuer to deal in, and provide financial product advice in relation to, non-cash payment facilities which include the Insurance Card Facility (expressions used in this paragraph have the meaning given in the *Corporations Act 2001*).
7. The Issuer only promotes or markets the Insurance Card Facility and any Device to be issued under the Insurance Card Facility as being capable of being used to make non-cash payments:
- (a) at merchants that have agreed to be promoted or marketed as accepting non-cash payments made using a Device issued under the Insurance Card Facility (or at agents of such merchants), whether those payments are made at a retail outlet or online via the merchant's or agent's website; or
  - (b) at or through a website hosted or managed by the Issuer or a related body corporate (within the meaning of the *Corporations Act 2001*) of the Issuer.

Signed

Glenn Stevens  
Governor  
Reserve Bank of Australia

2 October 2012