

Australian Securities and Investments Commission
Corporations Act 2001 – Paragraph 1020F(1)(c) – Declaration

Enabling legislation

1. The Australian Securities and Investments Commission makes this instrument under paragraph 1020F(1)(c) of the *Corporations Act 2001* (the *Act*).

Title

2. This instrument is ASIC Class Order [CO 11/842].

Commencement

3. This instrument commences on the date it is registered under the *Legislative Instruments Act 2003*.

Note: An instrument is registered when it is recorded on the Federal Register of Legislative Instruments (*FRLI*) in electronic form: see *Legislative Instruments Act 2003*, section 4 (definition of *register*). The FRLI may be accessed at <http://www.frli.gov.au/>.

Declaration

4. Part 7.9 of the Act applies in relation to all persons as if provisions of that Part were modified or varied as follows:

- (a) in subsection 1012B(5) omit “1012G”, substitute “1012G, 1012GA”;
- (b) after section 1012G insert:

“1012GA Product Disclosure Statement may sometimes not be provided or be provided later: quotes for general insurance products

- (1) A regulated person, in making an offer to issue, or an offer to arrange for the issue of, a general insurance product to a client, may deal with the product under this section only if:
 - (a) the offer is made by or at the same time as giving a quote to the client that is not unsolicited; and
 - (b) the offer is made in the course of a telephone call but not in the course of, or because of, an unsolicited telephone call to the client; and
 - (c) in the course of the telephone call but before the offer is made, the regulated person:
 - (i) orally communicates the following information to the client in a clear, concise and effective manner:

(A) if the insurance cover under the product is subject to exclusions or limitations:

(I) that the cover is subject to exclusions and limitations (as applicable); and

(II) that information about the exclusions and limitations (as applicable) is contained in a Product Disclosure Statement for the product;

(B) the level of insurance cover under the product may be different to the level of insurance cover under other general insurance products; and

(ii) asks the client whether the client wants to be given a Product Disclosure Statement for the product but does not influence the client's decision to elect to be given the Statement.

(2) If, in the course of the telephone call:

(a) the client informs the regulated person that the client wants to be given the Product Disclosure Statement—the regulated person must give the Statement as soon as practicable after the time the offer is made;

(b) the client informs the regulated person that the client does not want to be given the Product Disclosure Statement—the regulated person does not have to give the client the Statement in relation to the making of the offer.

Note: The regulated person may need to give a Product Disclosure Statement to the client at or before the time specified in section 1012B if, in the course of the telephone call or subsequently, the client applies for, or otherwise offers to acquire, the product, or the product is issued to the client.

(3) In this section:

quote means, in relation to a general insurance product, a statement of the cost (and not merely an estimate of the likely cost) of the product where the cost is calculated by a regulated person having regard to information given to the regulated person by a client.”.

Dated this 25th day of October 2011

Signed by Stephen Yen PSM
as a delegate of the Australian Securities and Investments Commission