



ASIC
Australian Securities &
Investments Commission

ASIC Corporations (Incidental Retail Cover) Instrument 2022/716

I, Rhys Bollen, delegate of the Australian Securities and Investments Commission, make the following legislative instrument.

Date 12 August 2022

Rhys Bollen

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Part 1—Preliminary

1 Name of legislative instrument

This is the *ASIC Corporations (Incidental Retail Cover) Instrument 2022/716*.

2 Commencement

This instrument commences on the day after it is registered on the Federal Register of Legislation.

Note: The register may be accessed at www.legislation.gov.au.

3 Authority

This instrument is made under paragraphs 926A(2)(c), 951B(1)(c), 992B(1)(c), 994L(2)(c) and 1020F(1)(c) of the *Corporations Act 2001*.

4 Definitions

In this instrument:

Act means the *Corporations Act 2001*.

Part 2—Declaration

5 Meaning of retail client and wholesale client

Parts 7.6 (other than Divisions 4 and 8), 7.7, 7.8, 7.8A and 7.9 of the Act apply in relation to a general insurance product as if section 761G of the Act were modified or varied as follows:

(a) in paragraph (5)(b)(viii), omit “.”, substitute “; and”;

(b) after paragraph (5)(b), insert:

“(c) the general insurance product is not an incidental product.”;

(c) in subsection (12), before the definition of *small business*, insert:

“*incidental product* means a general insurance product (*first product*) in relation to which all the following apply:

(a) the first product is provided under a contract of insurance that includes another general insurance product (*wholesale product*) that is provided to the person as a wholesale client;

Note: See subsection 764A(1A) in relation to contracts of insurance that provide a kind of cover and subsection 764A(1B) in relation to contracts of insurance that provide a kind of cover in relation to 2 or more kinds of assets.

(b) the first product is incidental to the wholesale product;

(c) the first product is included in the contract of insurance and there has been no separate decision or election in relation to the first product by the person acquiring the wholesale product;

(d) the issuer of the first product and of the wholesale product does not offer the first product as a standalone general insurance product on the same terms;

(e) no separate premium is payable by the person acquiring the wholesale product for inclusion of the first product in the contract of insurance.”.

Part 3—Repeal

6 Repeal

This instrument is repealed three years after the day this instrument commences.