

**Australian Securities and Investments Commission
Corporations Act 2001 — Paragraph 1020F(1)(a) — Exemption**

Enabling Legislation

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

Title

2. This instrument is ASIC Class Order [CO 05/681].

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 Instrument Act 2003*, s 4 (definition of *register*). The FRLI may be accessed at <http://www.frli.gov.au/>.

Exemptions

Interest rates in Product Disclosure Statements

4. A regulated person does not have to comply with Division 2 of Part 7.9 of the Act to the extent that a Product Disclosure Statement required to be given under that Part in relation to a deposit product must specify the interest rate for the deposit product (see section 1013C of the Act). This exemption may only be relied on:
 - (a) for the giving of a Product Disclosure Statement (the *relevant PDS*) prepared before 1 July 2006; and
 - (b) if paragraph 5 is complied with.
5. The responsible person for the relevant PDS must take reasonable steps to:
 - (a) ensure that the relevant PDS clearly and prominently states how a person may find out the interest rate (the *current interest rate*) that applies to the deposit product at the time of an inquiry; and
 - (b) have in place means by which a person may find out the current interest rate, being means that are simple and involve no charge imposed by the responsible person or its associates, and little inconvenience to the person, having regard to the kinds of persons likely to hold or consider acquiring the deposit product.

Termination values in periodic statements

6. An issuer of a deposit product does not have to comply with subsection 1017D(1) of the Act to the extent that a periodic statement required to be given by that subsection must include the termination value of the deposit product in accordance with paragraph 1017D(5)(b) of the Act. This exemption may only be relied on:
 - (a) for the giving of a periodic statement prepared before 1 July 2006; and
 - (b) if paragraph 7 is complied with.
7. The issuer must take reasonable steps to:
 - (a) display at each of its branches in an area likely to be accessed by members of the public, a clear and prominent notice (the **notice**) explaining how a person (the **holder**) who holds a deposit product may find out the termination value (the **current termination value**) of the deposit product at the time of an inquiry; and
 - (b) if the issuer has an Internet website—make the notice available on the site in a manner reasonably likely to come to the attention of:
 - (i) holders of deposit products of that kind; and
 - (ii) other persons seeking information about deposit products of that kind; and
 - (c) have in place means by which the holder may find out the current termination value, being means that are simple and involve no charge imposed by the issuer or its associates, and little inconvenience to the holder, having regard to the kinds of persons likely to be holders.

The issuer does not have to comply with paragraphs (a) and (b) if it has taken reasonable steps to ensure that each holder has been given the notice in writing.

Interpretation

8. In this instrument:

branch means in relation to an issuer of a deposit product, a place of business in this jurisdiction at which the issuer regularly provides a financial service in relation to the deposit product to a person who is a retail client and present at the place other than by appointment.

deposit product has the meaning given by section 761A of the Act.

issuer has a meaning affected by section 761E of the Act.

regulated person has the meaning given by section 1011B of the Act.

responsible person has the meaning given by subsection 1013A(3) of the Act.

retail client has the meaning given by section 761G of the Act.

Dated this 24th day of June 2005

Signed by Brendan Byrne
as a delegate of the Australian Securities and Investments Commission