



ASIC
Australian Securities &
Investments Commission

ASIC Corporations (Design and Distribution Obligations—Reissued Life Policies Class Exemption) Instrument 2023/183

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

Date 14 March 2023

Rhys Bollen

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Part 1—Preliminary

1 Name of legislative instrument

This is the *ASIC Corporations (Design and Distribution Obligations—Reissued Life Policies Class Exemption) Instrument 2023/183*.

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 paragraph 994L(2)(b) of the *Corporations Act 2001*.

4 Definitions

In this instrument:

Act means the *Corporations Act 2001*.

owner, in relation to a life policy, has the same meaning as in subsection 10(2) of the *Life Insurance Act 1995*.

Part 2—Exemption

5 Exemption for the reissue of life policies originally issued before 5 October 2021

(1) Part 7.8A of the Act does not apply in relation to a contract (the **reissued policy**) that constitutes a life policy in relation to which all of the following apply:

(a) the reissued policy (whether individually or together with one or more other reissued policies) replaces one or more contracts (each a **previous policy**) that each constitutes a life policy that was issued before 5 October 2021;

Note: 5 October 2021 is the day on which the exemption in section 5 of *ASIC Corporations (Deferral of Design and Distribution Obligations) Instrument 2020/486* ceased to have effect.

- (b) the reissued policy is issued at the request of the owner of the previous policies and the owner will also be the owner of the reissued policy, unless to correct an administrative error in a previous policy;
- (c) the only differences between the terms and effect of the reissued policy (either individually or together with one or more other reissued policies) and the previous policies are to give effect to:
- (i) the replacement of the previous policies; or
 - (ii) a matter referred to in paragraph (d);
- (d) the reissued policy is issued for one or more of the following reasons:
- (i) to correct an administrative error in a previous policy;
 - (ii) to reinstate a previous policy after the previous policy lapses due to non-payment of premium;
 - (iii) to exercise an option to buy back cover following payment of a sum insured;
 - (iv) to remove or reduce a cover option other than the sum insured;
 - (v) to change an income protection policy from agreed value to indemnity based cover;
 - (vi) to combine two or more previous policies into a single policy covering all the previous policies;

- (vii) to separate a previous policy into two or more standalone policies, each providing separate coverage.

6 Exemption for the reissue of life policies originally issued on or after 5 October 2021

- (1) Part 7.8A of the Act does not apply in relation to a contract (the ***reissued policy***) that constitutes a life policy in relation to which all of the following apply:
 - (a) the reissued policy replaces a contract (the ***previous policy***) that constitutes a life policy that was issued on or after 5 October 2021;
 - (b) the reissued policy is issued at the request of the owner of the previous policy and the owner will also be the owner of the reissued policy, unless to correct an administrative error in the previous policy;
 - (c) the only differences between the terms and effect of the reissued policy and the previous policy are to give effect to:
 - (i) the replacement of the previous policy; or
 - (ii) a matter referred to in paragraph (d);
 - (d) the reissued policy is issued for either or both of the following reasons:
 - (i) to correct an administrative error in the previous policy;
 - (ii) to reinstate the previous policy after the previous policy lapses due to non-payment of premium.

Part 3—Repeal

7 Repeal

This instrument is repealed at the start of the day that is 5 years after the day this instrument commences.