



# ASX Release

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## Zip Welcomes Senate Committee Recommendations

**Zip Co Limited** (ASX: Z1P) ("**Zip**", or the "**Company**") welcomes the release of the Senate report on *credit and financial services targeted at Australians at risk of financial hardship* and supports efforts from Government to increase minimum standards across the Buy Now Pay Later (BNPL) sector.

Zip is pleased to see that the Committee has supported its Policy recommendations centred on three key pillars around responsibility, transparency and customer support, where:

- Minimum standards are set for up-front due diligence and consideration for consumers' personal financial situations.
- Customers clearly understand the products they are signing up for.
- Hardship safeguards are in place to help customers should their financial circumstances change.

Managing Director and CEO Larry Diamond said:

*"The report is an important step in establishing a balanced regulatory framework. Zip looks forward to continued engagement with Government and ASIC on any new legislation, and other industry participants to form an industry code of practice. We fully support regulation that strengthens community confidence in the BNPL sector, fosters Australian fintech innovation and protects consumers from harm."*

Moreover, the Senate Committee's recommendations are in line with Zip's current practices and the Company will continue with business as usual:

- Since inception Zip has performed a credit and identification assessment, including a credit bureau check on every application.
- Zip completes a real-time confirmation of bank transactional data to verify income and expenditure.
- Zip's business model does not rely on late payment fees or customers not being able to afford their repayments to drive revenue.
- Zip has always had hardship provisions in place, and both internal and external dispute resolution processes.

Executive Director and COO Peter Gray said:

*"From day one, Zip has always worked hard to be one of the most responsible players in the sector. We have built the business to ensure we lend responsibly and are well placed to satisfy any future changes to regulation with little or no disruption to our business."*

*When delivered responsibly – with innovative technology and the right safeguards in place – BNPL products give Australians a better way to take control of their finances and offers a true alternative to the outdated credit card.”*

In summary, Zip is pleased to see a number of our policy recommendations supported by the Senate Committee and look forward to continued engagement with Government, regulators and industry stakeholders to ensure BNPL products remain a viable alternative payment method, as well as, foster continued innovation within the industry.

Zip’s Buy Now Pay Later Policy Recommendations framework (Jan 2019) can be found here:  
[http://zipmoneylimited.com.au/files/Zip\\_Policy\\_Recommendations\\_Final.pdf](http://zipmoneylimited.com.au/files/Zip_Policy_Recommendations_Final.pdf)

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**About Zip**

ASX-listed Zip Co Limited (ASX: Z1P) or ("Zip") is a leading player in the digital retail finance and payments industry. The Company offers point-of-sale credit and digital payment services to the retail, education, health and travel industries. It operates under the Zip Pay, Zip Money and Pocketbook brands. The Company is focused on offering transparent, responsible and fairly priced consumer products. Zip's platform is entirely digital and leverages big data in its proprietary fraud and credit decisioning technology to deliver real-time consumer responses. Zip is managed by a team with over 50 years' experience in retail finance and payments and is a licensed and regulated credit provider.

For more information, visit: [www.zip.co](http://www.zip.co)