



# ASX Release

**28<sup>th</sup> November 2018**

## **Response to ASIC Buy Now Pay Later Report**

Zip Co Limited (ASX: Z1P) ("Zip") welcomes the release of ASIC's Buy Now Pay Later industry report (the 'Report') and supports efforts from the regulator to increase standards across the sector.

The Report notes there are key differences between products in market, how consumers use them, how they are distributed and the revenue and late fee models. Given the rapid growth of Zip and other providers, we support ASIC's recommendation to grant Product Intervention Powers ("PIP") and we believe further regulation will enhance consumer trust and confidence in the sector.

Since inception Zip has performed credit and identification checks on every application and we have introduced our bank verification step into the Zip Pay product to increase the amount of data used in our assessment process. Our business model does not rely on late payment fees or customers not being able to afford their repayments to drive revenue. We believe we are well placed to satisfy any changes to regulation with little or no disruption to our business and believe it may benefit our competitive positioning.

The Report reinforces that consumers are embracing alternative payment products such as Zip Pay that deliver better customer outcomes and supports our business model as we continue to disrupt the unfriendly credit card model.

– ENDS –

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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)