



## STATEMENT

PayID is an optional new payment addressing service that enables users to elect something easy to remember - like a phone number, email address or an ABN - that can be securely linked to a participating bank, credit union or building society account. It has been designed to simplify payments because it enables users to provide their PayID instead of a BSB and account number when they require a person or business to transfer money into their account.

PayID has also been designed to provide more reassurance during the payments process. A key benefit of PayID is the payee confirmation step that enables the payer to see the name that the PayID is registered to before confirming the payment.

The payee confirmation step is aimed at reducing the number of mistaken payments, as well as some cases of fraud, which is why it has been, or is currently being, adopted in other countries around the world with real-time payments systems. For instance, the UK system Paym was launched in April 2014, although it only supports the use of mobile phone numbers rather than other alternatives like email and ABN/ACN.

It's also important to remember that a PayID cannot be used to withdraw money from an account and a PayID on its own cannot be used to create a false identity.

When a person chooses to create a PayID they do so with their full consent, informed by the terms and conditions of their financial institution which outlines how the PayID service operates and should be used. At the same time participating financial institutions are also required to have measures in place to ensure PayID is not used by customers or customer applications to mine data for fraudulent purposes.

If a person is not comfortable creating a PayID using their phone number, there are other PayID types, such as an email address, they could use. Or they can decide not to use the PayID service and instead continue to use their BSB and account number and still receive the benefits of faster payment offered by Osko without the added benefits of PayID.

We are aware that a person on Twitter has performed a small number of PayID look-ups and tweeted these details publicly in a bid to start a discussion about PayID and privacy issues. While unfortunate for the individuals involved, the discussion highlights the choice and benefits to be considered by users when they opt in to create a PayID.

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**Contact:**

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