

Australian Securities and Investments Commission**National Consumer Credit Protection Act 2009 –
Paragraph 109(1)(a) – Exemption****National Credit Code –
Subsection 203A(1) - Exemption****Enabling power**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under:
 - (a) paragraph 109(1)(a) of the *National Consumer Credit Protection Act 2009* (the *Credit Act*); and
 - (b) subsection 203A(1) of the National Credit Code (the *Code*).

Note: The Code is found in Schedule 1 to the Credit Act.

Title

2. This instrument is ASIC Instrument [12-1325].

Commencement

3. This instrument commences on this 14th day of November 2012.

Exemption

4. The Churches of Christ Property Trust ABN 73 068 989 953 (*the Trust*), a body corporate constituted under the *Churches of Christ in New South Wales Incorporation Act 1947* of New South Wales (the *Act*), does not have to comply with:
 - (a) subsections 29(1) and (2) of the Credit Act; and
 - (b) the provisions of the Code (other than Part 1, Part 4, Division 3 of Part 5, Divisions 4 and 5 of Part 7 and Parts 12, 13 and 14).

Note: Subsection 29(4) of the Credit Act may provide a defence to a person who engages in a credit activity on behalf of another person that is exempt from subsections 29(1) and (2) of the Credit Act in relation to the credit activity under paragraph 109(1)(a) of the Credit Act.

Where exemption applies

5. The exemptions in paragraph 4 apply to credit activities engaged in by the Trust in relation to the provision of credit to an eligible person under a credit contract, where:
 - (a) the credit is provided wholly or predominantly to purchase residential property; and

- (b) the interest rate charged under the credit contract does not exceed:
 - (i) for a credit contract with a fixed interest rate—the maximum rate that applies at the time of entering into the credit contract; or
 - (ii) for a credit contract with a variable interest rate—the maximum rate that applies from time to time; and
- (c) the credit contract does not impose:
 - (i) credit fees and charges other than the reimbursement of costs incurred by the Trust in respect of:
 - (A) property valuation fees; or
 - (B) legal fees relating to the preparation of contract documents or mortgage documents or guarantee documents; or
 - (ii) a default rate of interest.
- (d) the Trust is a member of an external dispute resolution scheme specified in ASIC Class Order [CO 10/249] or any instrument that replaces that Class Order; and
- (e) the Trust has an internal dispute resolution procedure that:
 - (i) complies with the standards and requirements specified in ASIC Class Order [CO 10/250] or any instrument that replaces that Class Order; and
 - (ii) covers disputes in relation to credit activities engaged in by the Trust; and
- (f) the Trust maintains adequate arrangements for compensating persons for loss or damage suffered because of a breach of a credit contract by the Trust or a failure to comply with the terms of this instrument that satisfy any requirements prescribed for the purposes of paragraph 48(2)(a) of the Credit Act as if the Trust were a licensee.

Interpretation

6. In this instrument:

Church of Christ has the meaning given by section 3 of the Act as at the date of this instrument.

Churches of Christ in New South Wales has the meaning given by section 3 of the Act as at the date of this instrument.

contract document has the meaning given by section 204 of the Code;

credit activity has the meaning given by section 6 of the Credit Act.

credit contract has the meaning given by section 4 of the Code.

credit fees and charges has the meaning given by subsection 204(1) of the Code.

default rate has the meaning given by section 27 of the Code.

eligible person means a person who:

- (a) as at the date the credit contract is entered into by the Trust, is a minister who has been endorsed as a religious practitioner by the Churches of Christ in New South Wales and is employed by the Church of Christ; or
- (b) is a spouse of a minister referred to in (a) who is or will be a joint debtor.

guarantee document has the meaning given by section 204 of the Code.

licensee means a person who holds an Australian credit licence.

maximum rate means the cash rate as published by the Reserve Bank of Australia from time to time plus a margin of 4% per cent per annum.

mortgage document has the meaning given by section 204 of the Code.

residential property has the meaning given by subsection 204(1) of the Code.

Dated this 14th day of November 2012



Signed by Nathania Pereira
as a delegate of the Australian Securities and Investments Commission