

Australian Securities and Investments Commission**National Consumer Credit Protection Act 2009 – Paragraph 163(1)(a) –
Exemption****Enabling legislation**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under paragraph 163(1)(a) of the *National Consumer Credit Protection Act 2009* (the *Act*).

Title

2. This instrument is ASIC Instrument 18-1021.

Commencement

3. This instrument commences on 1 January 2019.

Exemption

4. The following persons do not have to comply with section 133BS of the Act:
 - (a) Teachers Mutual Bank Limited ACN 087 650 459;
 - (b) Community First Credit Union Limited ACN 087 649 938;
 - (c) Unity Bank Limited ACN 087 650 315;
 - (d) Sydney Credit Union Limited ACN 087 650 726;
 - (e) Police Financial Services Limited ACN 087 651 661;
 - (f) Hume Bank Limited ACN 051 868 556; and
 - (g) QPCU Limited ACN 087 651 036.

Conditions

5. All persons listed in paragraph 4 must:
 - (a) credit an affected consumer's account with one or more amounts (*remediation amounts*) that, in total, are equal to or greater than the difference between:
 - (i) the interest applied to their account since 1 January 2019; and
 - (ii) the interest that would have been applied to their account since 1 January 2019 had the entity complied with section 133BS of the Act.
 - (b) ensure that remediation amounts that are referable to a particular statement period are credited to the affected consumer's account before the end of the following statement period.

- (c) publish a notice in a newspaper circulating throughout each State and Territory a notice substantially in the form of the following:

“Due to IT system constraints, the implementation of law reforms relating to charging of interest on credit card accounts has been delayed until 1 June 2019. To ensure that you have not been adversely affected, we may refund some interest charged between 1 January 2019 to 1 June 2019. This refund is to ensure that you are not charged more interest than if the law reforms had been implemented from 1 January 2019.

For more information please see the relevant website for your credit card [insert website address] or call [insert number] and speak to one of our customer service representatives.”;

- (d) include the notice in subparagraph 5(c) in an affected customer’s statement of account for any statement periods between 1 January 2019 to 1 June 2019; and
- (e) provide the notice in subparagraph 5(c) to a debtor when entering into a credit card contract.

Cessation

6. This exemption ceases to apply on 1 June 2019.

Interpretation

7. In this instrument:

Act means the *National Consumer Credit Protection Act 2009*.

affected consumer means a debtor under a credit card contract with a credit provider listed in paragraph 4, who:

- (a) has had interest applied to their account in a way prohibited by section 133BS of the Act; and
- (b) would have had a smaller amount of interest applied to their account had the credit provider complied with section 133BS of the Act.

credit card contract has the meaning given by section 133BA of the Act.

Dated this 15th day of November 2018



Signed by Laura Dunbabin
as a delegate of the Australian Securities and Investments Commission