

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 18-1181.

Commencement

3. This instrument commences on 1 January 2019.

Exemption

4. Auswide Bank Ltd ACN 087 652 060 (Auswide) does not have to comply with section 133BS of the Act:

Conditions

5. Auswide 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:

“New laws simplifying the way interest is charged on credit card accounts come into effect on 1 January 2019. Due to IT system constraints, the implementation of these law reforms 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 or until such time as Auswide Bank achieves compliance with the requirements of the Act; 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 who has entered into a credit card contract with Auswide, 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 20th day of December 2018



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