

**Australian Securities and Investments Commission**  
**National Consumer Credit Protection Act – Subsection 163(1) - Declaration**  
**National Credit Code – Subsection 203A(1) – Exemption**

**Enabling powers**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 163(1) of the *National Consumer Credit Protection Act 2009* (the *Act*) and subsection 203A(1) of the National Credit Code (the *Code*).

Note: The Code is Schedule 1 to the *National Consumer Credit Protection Act 2009*.

**Title**

2. This instrument is ASIC Instrument 20-0746.

**Commencement**

3. This instrument commences on the date it is signed.

**Declaration**

4. The provisions to which Part 3-7 of the Act applies apply in relation to National Australia Bank Limited ACN 004 044 937 (*NAB*) as if Part 1 of Schedule 6 to the *National Consumer Credit Protection Regulations 2010* (the *Regulations*) were modified or varied as specified as follows:
  - (a) in the table with the heading “Description of credit card” omit “Annual fee”, substitute “Annual/monthly fee\*\*”;
  - (b) after the table with the heading “Description of your credit card” insert “\*\*The monthly fee for the [New Card Product] will not be payable where there is no amount owing and the card has not been used during the relevant statement period.”

**Where the modification applies**

5. The modification in paragraph 4 applies if under the terms of the credit card contract:
  - (a) the annual percentage rate in relation to an amount of the outstanding balance is 0% per annum; and
  - (b) there is no default interest payable; and
  - (c) there is no annual fee payable; and
  - (d) the minimum monthly repayment is the lesser of either:

- (i) an amount that is 3.8% of the upper limit of the applicable credit limit range specified in the Financial Table in the Letter of Offer to the debtor, where that amount has been rounded down to the nearest multiple of \$5; or
  - (ii) the outstanding account balance at the end of the statement period; and
- (e) where the outstanding balance in a given month is greater than \$0 a monthly fee is payable; and
  - (f) where a monthly fee is payable, the amount of the monthly fee is calculated based on the credit limit of the credit card contract.

### **Exemption**

6. NAB does not have to comply with:

- (a) subsection 34(6) of the Code; and
- (b) regulation 79B of the Regulations;

in relation to a periodic statement of account (*statement of account*) prepared and given under Division 5 of Part 2 of the Code in relation to a credit card contract.

### **Where the exemption applies**

7. The exemption in paragraph 6 applies if:

- (a) under the terms of the credit card contract:
  - (i) the annual percentage rate in relation to an amount of the outstanding balance is 0% per annum; and
  - (ii) there is no default interest payable; and
  - (iii) there is no annual fee payable; and
  - (iv) the minimum monthly repayment is the lesser of either:
    1. an amount that is 3.8% of the upper limit of the applicable credit limit range specified in the Financial Table in the Letter of Offer to the debtor, where that amount has been rounded down to the nearest multiple of \$5; or
    2. the outstanding balance at the end of the statement period; and

- (v) where the outstanding balance in a given month is greater than \$0 a monthly fee is payable; and
  - (vi) where a monthly fee is payable, the amount of the monthly fee is calculated based on the credit limit of the credit card contract; and
- (b) the statement of account includes a warning and details in the form specified in Schedule 1 to this instrument, unless:
- (i) the total outstanding balance shown on the statement is \$50 or less; or
  - (ii) there is no outstanding balance; or
  - (iii) a payment arrangement is in effect which replaces the normal monthly minimum payments.

Dated this 29<sup>th</sup> day of July 2020

A handwritten signature in blue ink, appearing to read 'Gerard Andrews', with a large, sweeping flourish at the end.

Signed by Gerard Andrews  
as a delegate of the Australian Securities and Investments Commission

### Schedule 1

1. If the time to pay off the closing balance, making only the minimum payment each month, is more than 2 years, the form of the warning and details referred to in paragraph 5(b) is as follows:

**Minimum Repayment Warning:** If you make only the minimum payment each month, you will pay more in monthly credit fees and it will take you longer to pay off your balance. For example:

If you make no additional charges using this card and each month you pay ...	You will pay off the closing balance shown on this statement in about ...	And you will end up paying an estimated total of monthly credit fees of ...
Only the minimum payment	[period]	[total fees 1]
[repayment 2]	2 years	[total fees 2], a saving of [fee saving]

**Having trouble making repayments?** If you are having difficulty making credit card repayments, please contact us on [phone number]. We may be able to assist you.

2. If the time to pay off the closing balance, making only the minimum payment each month, is 2 years or less, the form of the warning and details referred to in paragraph 5(b) is as set out in paragraph 1 of this Schedule, but the item for [repayment 2] is not required.
3. In this Schedule:

**[period]** means the time, in years and months, needed to repay the closing balance, making the minimum repayment each month until the balance is repaid, calculated on the assumption that:

- (a) the debtor pays the amount of the minimum payment mentioned in the statement of account each month; and
- (b) no other purchases or advances are added to the outstanding balance.

Note: The tolerances and assumptions in section 180 of the Code will apply to the calculation.

**[repayment 2]** means monthly repayment required to pay off the closing balance in 2 years.

**[fee saving]** is the difference between [total fees 1] and [total fees 2].

*[total fees 1]* means the total monthly credit fees payable if the debtor is making the minimum repayment each month until the balance is repaid.

*[total fees 2]* means the total monthly credit fees that the debtor would be charged if the debtor made payments of [repayment 2] to pay off the closing balance in 2 years.