

Australian Securities and Investments Commission
National Consumer Credit Protection Act 2009 – Paragraph 109(l)(a) – Exemption
National Credit Code – Section 203A – Exemption

Enabling legislation

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) section 203A of the National Credit Code (the *Code*).

Note: The Code is Schedule 1 to the Credit Act

Title

2. This instrument is ASIC Instrument **24-0582**.

Commencement

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

Exemption

4. A person (the *credit provider*) specified in paragraph 6 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 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 credit provider in relation to the provision of credit to clergy, or to joint debtors where one of the debtors is clergy, and:
 - (a) 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
 - (b) the credit contract does not impose credit fees and charges; and
 - (c) the credit provider will not charge a default rate of interest under the credit contract.

6. The exemptions in paragraph 4 apply for so long as the credit provider:
- (a) is a member of the AFCA scheme as defined in section 5 of the Credit Act; and
 - (b) has an internal dispute resolution procedure that:
 - (i) complies with the standards and requirements made or approved by ASIC in accordance with the regulations; and
 - (ii) covers disputes in relation to credit activities engaged in by the credit provider; and
 - (c) maintains adequate arrangements for compensating persons for loss or damage suffered because of a breach of a credit contract by the credit provider 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 credit provider were a licensee.

Interpretation

7. In this instrument:

clergy means person(s) who are ordained clergy, ordination candidates and lay ministers in the Anglican Diocese of Armidale.

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

credit provider means The Corporate Trustees of the Diocese of Armidale as Trustee for the Diocesan Development Fund ABN 64 984 070 512

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.

maximum rate means the rate that is calculated as the sum of:

- (a) the cash rate as published by the Reserve Bank of Australia from time to time; and
- (b) a margin of 4 per cent per annum.

Dated this 11th day of July 2024



Signed by Lisa Zhou

As a delegate of the Australian Securities and Investments Commission