**Australian Securities and Investments Commission**

**National Consumer Credit Protection Act 2009 –**

**Paragraph 163(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 163(1)(a) of the *National Consumer Credit Protection Act 2009* (the ***Act***); and

    (b) subsection 203A(1) of the National Credit Code (the ***Code***).

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

**Title**

2. This instrument is ASIC Instrument 26-0411.

**Commencement**

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

**Exemptions**

4. Pepper Finance does not have to comply with:

    (a) Division 3 (other than section 132) and Division 4 of Part 3-2 of Chapter 3 of the Act; and

    (b) sections 14, 16 and 17 of the Code;

    in relation to the offering of, or entry into, a Replacement Contract.

**Where exemptions apply**

5. Subject to paragraphs 6 to 9, the exemptions in paragraph 4 apply in relation to the offering of, or entry by Pepper Finance into, a Replacement Contract with a consumer where each of the following is satisfied:

    (a) Pepper Money Limited (ACN 094 317 665) has entered into an agreement with Westpac to purchase the RAMS Portfolio, being existing credit contracts originated under arrangements with RAMS Financial Group Pty Ltd under which Westpac is the credit provider;

    (b) under the agreement:

        (i) the RAMS Portfolio is to be transferred by means of:

(A) assignment of Westpac's rights and benefits under the RAMS Credit Contracts to Pepper Finance; and

(B) assignment of the benefit of mortgages and guarantees in respect of the RAMS Credit Contracts to Pepper Finance; and

(ii) Pepper Finance, or Pepper Money as servicer, has systems and processes to provide the redraw and line of credit features that a consumer had under the RAMS Credit Contracts; and

(c) the Pepper Parties have entered into an irrevocable Deed Poll, which is for the benefit of, and enforceable by, both ASIC and each consumer who enters into a Replacement Contract and each guarantor who guarantees, or agrees to guarantee, the consumer's obligations under a Replacement Contract as part of the transfer of the RAMS Portfolio, and under which the Pepper Parties undertake, jointly and severally, to compensate each such consumer or guarantor who:

(i) suffers loss or damage as a result of a contravention by Westpac of any of the following:

(A) Division 3 (other than section 132) and Division 4 of Part 3-2 of Chapter 3 of the Act; and

(B) sections 14, 16 and 17 of the Code; and

(ii) has not recovered from Westpac the loss or damage that person has suffered as a result of Westpac's contravention; and

(iii) suffers that loss or damage in relation to the Replacement Contract, on or after Pepper Finance becomes a party to the Replacement Contract.

**Conditions**

6. If Pepper Finance relies on an exemption in paragraph 4 in relation to a proposed or actual Replacement Contract, Pepper Finance must comply with the conditions in paragraphs 7, 8 and 9 in relation to the Replacement Contract.

7. At the same time as any offer is made to the consumer in relation to a Replacement Contract, Pepper Finance must ensure that the consumer is provided with written notice that:

(a) Pepper Finance has become the credit provider under the RAMS Credit Contract by way of assignment;

(b) if the consumer would like to have access to a redraw or line of credit facility after the assignment, the consumer must ask Pepper Finance and, before the consumer can access the redraw or line of credit feature:

(i) the consumer must enter into a Replacement Contract with Pepper Finance and agree that it will be secured by the Transferred Mortgage (if any); and

(ii) where an existing Transferred Guarantee relates to the RAMS Credit Contract, the redraw or further advance will not be made unless the guarantor:

(A) has agreed to guarantee the consumer's obligations under the Replacement Contract; and

(B) has been provided with a copy of the Replacement Contract together with a Form 8 of the *National Consumer Credit Protection Regulations 2010* (the ***Regulations***) and the guarantor information statement contained in Form 9 of the Regulations; and

(c) the terms and conditions of the Replacement Contract will be the same as the terms and conditions of the RAMS Credit Contract, except to the extent necessary to provide that:

(i) the credit provider under the Replacement Contract will be Pepper Finance; and

(ii) changes may be made to the extent necessary to ensure that the Replacement Contract can operate on Pepper Money's loan system, provided those changes do not materially disadvantage the consumer or any guarantor; and

(iii) to the extent that the RAMS Credit Contract was subject to the ePayments Code immediately before its assignment to Pepper Finance, the ePayments Code will not apply to the Replacement Contract; and

(iv) to the extent that the RAMS Credit Contract was subject to the Banking Code of Practice immediately before its assignment to Pepper Finance, the Banking Code of Practice will not apply to the Replacement Contract; and

(d) Pepper Finance, as assignee of Westpac's rights under the RAMS Credit Contract, may be subject to rights exercisable by the consumer or guarantor under subsection 188(2) of the Code in relation to the RAMS Credit Contract, any Transferred Mortgage and any Transferred Guarantee, to the extent those rights existed at the time of the assignment;

(e) the Pepper Parties have entered into the Deed Poll referred to in paragraph 5(c), which provides consumers and guarantors with additional rights to recover any loss or damage:

(i) suffered as a result of a contravention by Westpac of Division 3 (other than section 132) and Division 4 of Part 3-2 of Chapter 3 of the Act; or sections 14, 16 and 17 of the Code;

(ii) that the consumer or guarantor has not recovered from Westpac; and

(iii) that is first suffered in relation to the Replacement Contract, on or after Pepper Finance becomes a party to the Replacement Contract;

(f) the consumer may obtain a copy of the Deed Poll free of charge on request;

(g) sets out details of who the consumer should contact if the consumer suffers loss or damage in relation to a Replacement Contract; and

(h) sets out a consumer's rights generally under section 72 of the Code and details of who the consumer should contact if the consumer wishes to give a hardship notice.

8. Before entering into any Replacement Contract with a consumer, Pepper Finance must ensure that the consumer is provided with written notice that:

(a) the making of a payment under any existing direct debit or other third-party recurring debit arrangement in connection with the RAMS Credit Contract will not constitute acceptance of, or result in entry into, a Replacement Contract;

(b) existing recurring debit arrangements (including direct debit or other scheduled payment arrangements) established in respect of the RAMS Credit Contract may not continue following the transfer; and

(c) consumers may need to review, update or re-establish equivalent recurring debit arrangements with Pepper Finance to ensure that repayments or other periodic payments continue under the Replacement Contract, and that information will be made available to assist them in doing so.

9. Before entering into any Replacement Contract with the consumer, Pepper Finance must ensure that each guarantor who is a party to a Transferred Guarantee is provided with written notice that:

(a) Pepper Finance has become the beneficiary under the Transferred Guarantee by way of assignment; and

(b) the matters referred to in paragraphs 7(b) and (c) apply, with any necessary changes, in relation to the guarantor; and

(c) Pepper Finance, as assignee of Westpac's rights under the RAMS Credit Contract and the Transferred Guarantee, may be subject to rights exercisable by the guarantor under subsection 188(2) of the Code in relation to the RAMS Credit Contract and the Transferred Guarantee, to the extent those rights existed at the time of the assignment;

(d) The Pepper Parties have entered into the Deed Poll referred to in paragraph 5(c), which provides consumers and guarantors with additional rights to recover loss or damage:

(i) suffered as a result of a contravention by Westpac of Division 3 (other than section 132) and Division 4 of Part 3-2 of Chapter 3 of the Act, or section 14, 16 and 17 of the Code; and

(ii) that the consumer or guarantor has not recovered from Westpac; and

(iii) that is first suffered in relation to the Replacement Contract, on or after Pepper Finance becoming a party to the Replacement Contract;

(e) the guarantor may obtain a copy of the Deed Poll free of charge on request;

(f) sets out details of who the guarantor should contact if the guarantor suffers loss or damage in relation to a Replacement Contract; and

(g) sets out where and how the guarantor may make a complaint in relation to the Replacement Contract or the Transferred Guarantee, including details of the internal and external dispute resolution arrangements that apply.

**Interpretation**

10. In this instrument:

***Code*** means the National Credit Code as set out in Schedule 1 to the Act.

***consumer*** has the meaning given in section 5 of the Act.

***credit contract*** has the meaning given in section 5 of the Act.

***Deed Poll*** means the irrevocable deed poll executed by the Pepper Parties referred to in paragraph 5(c).

***guarantee*** has the meaning given in section 5 of the Act.

***guarantor*** has the meaning given in section 204 of the Code.

***mortgage*** has the meaning given in section 5 of the Act.

***Pepper Finance*** means Pepper Finance Corporation Limited (ACN 094 317 647).

***Pepper Money*** means Pepper Money Limited (ACN  094 317 665).

***Pepper Parties*** means Pepper Finance and Pepper Money.

***RAMS Credit Contract*** means a credit contract between a consumer and Westpac that formed part of the RAMS Portfolio and which was assigned to Pepper Finance.

***RAMS Portfolio*** means a portfolio of home loan contracts originated under arrangements between Westpac and RAMS Financial Group Pty Ltd (ACN 105 207 538) which Pepper Money agreed to purchase from Westpac on 3 November 2025.

***Replacement Contract*** means a credit contract that:

(a) is entered into between Pepper Finance and a consumer to replace the RAMS Credit Contract; and

(b) includes a redraw facility, or line of credit facility; and

(c) is on the same terms and conditions as the RAMS Credit Contract, including the same credit limit, with the exception that:

   (i) the credit provider will be Pepper Finance; and

   (ii) changes may be made to the extent necessary to ensure that the redraw facility or line of credit facility can operate on Pepper Money's loan system, provided those changes do not materially disadvantage the consumer or any guarantor; and

   (iii) to the extent that the RAMS Credit Contract was subject to the ePayments Code immediately before its assignment to Pepper Finance, the ePayments Code will not apply to the Replacement Contract; and

   (iv) to the extent that the RAMS Credit Contract was subject to the Banking Code of Practice immediately before assignment to Pepper Finance, the Banking Code of Practice will not apply to the Replacement Contract.

***Transferred Guarantee*** means a guarantee entered into between a third party and Westpac in respect of which the third party guarantees a consumer's obligations under a RAMS Credit Contract that has been assigned to Pepper Finance.

***Transferred Mortgage*** means a mortgage that secures a RAMS Credit Contract that has been assigned to Pepper Finance.

***Westpac*** means Westpac Banking Corporation (ACN 007 457 141).

Dated this 9th day of July 2026.

Signed by Robert Allen
as a delegate of the Australian Securities and Investments Commission