

AUSTRALIAN CAPITAL TERRITORY
CREDIT ACT 1985
DECLARATION

Under Section 19 of the Credit Act 1985 I DECLARE:

CITATION

1. This Declaration may be cited as Credit Order No. 68 - National Mutual Continuing Credit Contract.

DEFINITIONS

2. In this Declaration:
 - (a) "average daily percentage rate" means the rate obtained by dividing the yearly percentage rate by 365.25;
 - (b) "unpaid daily balance", in respect of each day of a billing cycle, means the amount owed under the contract by the debtor at the end of that day, less any amount that consists of:
 - (i) a credit charge relating to the amount owed at the end of any other day in the billing cycle; or
 - (ii) a credit charge for the immediately preceding billing cycle, if the period allowed under the contract for payment of that charge has not expired.

APPLICATION OF DECLARATION

3. This Declaration applies to a continuing credit contract:
 - (a) which is entered into by the National Mutual Life Association of Australasia Limited on the security of a life insurance policy;

- (b) the credit charge on which is calculated by applying the average daily percentage rate to the unpaid daily balance of the account; and
- (c) which gives the National Mutual Life Association of Australasia Limited the right to deduct from the proceeds of the policy any net balance due under the contract at the termination of maturity of the policy.

GENERAL EXEMPTION

4. Sections 50(2), 52, 54(2), 55(1), 59(1)(b), 59(1)(f), 60(1)(a) and 61(6)(c) of the Credit Act 1985 and clause 1(n) of Schedule 7 to that Act, do not have effect in relation to continuing credit contracts to which this Declaration applies.

PARTIAL EXEMPTION

5. (1) Section 62 (1) of the Credit Act 1985:
- (a) in so far as it suspends any right of action claimed by the credit provider in respect of a queried amount or other matter and any related credit charges, has effect in relation to contracts to which this Declaration applies only to the extent of effecting a suspension of that right for two months after the credit provider gives the debtor a written notification setting out the decision of the credit provider in relation to the query concerned; and
 - (b) in so far as it suspends any obligation on the part of the debtor to pay the queried amount and any related credit charges, has effect in relation to contracts to, which this Declaration applies only to the extent of effecting a suspension of that obligation while the right of action of the credit provider is suspended in accordance with paragraph (a) of this subclause.
- (2) Section 62(3) of the Credit Act 1985 in so far as it permits a debtor to apply to the Tribunal for a determination to be made with respect to a queried amount or other matter, has effect in relation to

contracts to which this Declaration applies only to the extent of permitting an application to be made to the Tribunal if it is made within two months after the credit provider gives the debtor a written notification setting out the decision of the credit provider in relation to the query concerned.

CONDITIONS OF EXEMPTION

6. (1) The operation of this Declaration is subject to the condition that, in relation to contracts to which this Declaration applies, the credit provider must not apply, as a billing cycle for the purposes of section 61 or Schedule 7, a period exceeding 6 months.
- (2) The operation of this Declaration is subject to the further condition that, if a proposed variation of a continuing credit contract to which this Declaration applies would, on taking effect:
- (a) increase the credit charge under the contract; or
 - (b) increase the chargeable amount that would otherwise be due for the billing cycle during which the variation takes effect; or
 - (c) abridge the time for repayment under the contract;
- the variation must not be made so as to take effect at any time within two months after notice of the variation has been given to the debtor.

Date 23 October 1991

TERENCE CONNOLLY
ATTORNEY-GENERAL