



RESERVE BANK OF AUSTRALIA

Payment Systems (Regulation) Act 1998

Exemption from Paragraphs 11 and 12 of the *Access Regime for the ATM System*

Exemption No 1 of 2012

The Reserve Bank of Australia, under paragraph 16 of the *Access Regime for the ATM System* (**Access Regime**), exempts participants in the arrangement for the provision of fee-free ATM services to people living in very remote Indigenous communities described below from the application of paragraphs 11 and 12 of the Access Regime, on and subject to the conditions in this exemption.

Certain issuers (**Issuers**) and certain operators (**ATM Deployers**) of specified ATMs in very remote Indigenous communities (**Identified ATMs**) are parties to the Implementation Agreement referred to in the application dated 29 May 2012 made to the Australian Competition and Consumer Commission by the Australian Bankers' Association Inc. for authorisation under subsection(s) 88(1A)/88(1) of the *Competition and Consumer Act 2010* and in the submission supporting that application (**Implementation Agreement**).

This exemption exempts from the application of paragraphs 11 and 12 of the Access Regime any interchange fees (however described) paid or payable between Issuers and ATM Deployers under and in accordance with the terms of the Implementation Agreement.

- (a) Subject to paragraph (b) below, this exemption ceases if the Implementation Agreement is materially amended or novated without the consent of the Reserve Bank of Australia, which it may give or withhold in its discretion. An amendment or novation is material if it has a significant impact upon the assessment of factors referred to in paragraphs 16(a) to (d) of the Access Regime. Changes that may have such an impact include:
- i. variations to the method of determining the operating costs to be paid by the Issuers to the ATM Deployers (excluding annual variations of operating costs to account for increases in the consumer price index);
 - ii. variations to the method of determining the allocation of operating costs to be paid by the Issuers to the ATM Deployers;
 - iii. variations to the criteria for an ATM to be an Identified ATM;
 - iv. increases in the number of Identified ATMs above the maximum number permitted under the Implementation Agreement;
 - v. increases to the maximum number of Identified ATMs permitted under the Implementation Agreement; or
 - vi. extension of the term of the Implementation Agreement beyond the 5th anniversary of its commencement date.
- (b) The consent of the Reserve Bank of Australia is not required for:
- i. an accession or removal of a party contemplated by and effected in accordance with the terms of the Implementation Agreement;
 - ii. an amendment to add or remove Identified ATMs in accordance with the terms of the Implementation Agreement, except where the amendment is a change set out in paragraphs (a)iv. or (a)v. above; or

- iii. an amendment to correct an obvious or minor error, or to an administrative issue or matter, including but not limited to matters such as an amendment relating to timing (i.e. implementation date and review dates), method of invoicing and/or payment, dispute resolution, notices and the nomination and appointment of representatives or delegates of the parties under the Implementation Agreement.

In granting this exemption, the Reserve Bank of Australia has had regard to:

- (a) whether granting the exemption is in the public interest;
- (b) the interests of current participants in the system;
- (c) the interests of people who, in the future, may want access to the system; and
- (d) any other matters the Reserve Bank of Australia considers relevant.

Signed



Glenn Stevens
Governor
Reserve Bank of Australia

29 August 2012