



TRIP1

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Banking Amendment Regulations 2003 (No. 1)¹

Statutory Rules 2003 No. ²

185

I, GUY STEPHEN MONTAGUE GREEN, Administrator of the
Commonwealth of Australia, acting with the advice of the
Federal Executive Council, make the following Regulations
under the *Banking Act 1959*.

Dated 17 JUL 2003 2003

G S M Green

Administrator

By His Excellency's Command

NICK MINCHIN
Minister for Finance and Administration
for the Treasurer

1 Name of Regulations

These Regulations are the *Banking Amendment Regulations 2003 (No. 1)*.

2 Commencement

These Regulations commence on 23 July 2003.

3 Amendment of *Banking Regulations 1966*

Schedule 1 amends the *Banking Regulations 1966*.

Schedule 1 Amendments

(regulation 3)

[1] Regulation 2

substitute

2 Interpretation

(1) In these Regulations:

Act means the *Banking Act 1959*.

constitutional corporation means a corporation to which paragraph 51 (xx) of the Constitution applies.

credit card acquiring has the meaning given by subregulation (2).

credit card issuing has the meaning given by subregulation (2).

credit card transaction means the purchasing of goods or services from a merchant on credit using a credit card.

holder of the stored value, in relation to a purchased payment facility, has the meaning given by the Payment Systems Act.

merchant means a person who provides goods or services to another person and accepts payment for the goods or services by credit card.

participant, in a payment system that is a credit card scheme, means a constitutional corporation that is a participant in the system in accordance with the rules governing the operation of the system.

Note This definition is similar to paragraph (a) of the definition of **participant** in the Payment Systems Act.

payment system has the meaning given by the Payment Systems Act.

Payment Systems Act means the *Payment Systems (Regulation) Act 1998*.

purchased payment facility has the meaning given by the Payment Systems Act.

- (2) For these Regulations, an action of a person in the course of participation in a payment system that is a credit card scheme is:
- (a) **credit card acquiring** if the person pays, or accepts liability to pay, a merchant (either directly or through another person) for goods or services obtained, or to be obtained, by another person from the merchant in a credit card transaction; and
 - (b) **credit card issuing** if the person issues a credit card to another person (a **customer**) and:
 - (i) receives payments from the customer for amounts owed by the customer, under the terms governing the credit card, for credit card transactions; or
 - (ii) pays, or accepts liability to pay, a credit card acquirer (either directly or through another person) for amounts paid or payable by the acquirer to a merchant for the customer's credit card transactions.

[2] After regulation 3

insert

4 Banking business: credit card issuing and acquiring

For subparagraph (b) (ii) of the definition of *banking business* in subsection 5 (1) of the Act, the activities of credit card acquiring and credit card issuing are banking business, if performed by a participant in a credit card scheme that was designated as a payment system under section 11 of the Payment Systems Act on 11 April 2001.

Note Instruments designating the Bankcard Scheme, the VISA system and the Mastercard system were published in the *Gazette* (Special Gazette S 130) on 12 April 2001.

Notes

1. These Regulations amend Statutory Rules 1966 No. 157, as amended by 2000 No. 114.
2. Notified in the *Commonwealth of Australia Gazette* on / 2003.

23 July