Easy to navigate

The Code now has 10 clear sections:

1. How the Code works
2. Your banking relationship
3. Opening an account and using our banking services
4. Inclusive and accessible banking
5. When you apply for a loan
6. Lending to small business
7. Guaranteeing a loan
8. Managing your account
9. When things go wrong
10. Resolving your complaint

Changes in banking

In addition to the new Banking Code, Australian banks are making other changes to improve customer service and earn-back trust, including:

- No longer paying product sales commissions to retail bank staff
- Dedicated Customer Advocates in banks to improve situations for customers when things go wrong
- Better protection and support for whistleblowers, and
- Better conduct and oversight of mortgage brokers.

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The New Banking Code of Practice

Commences 1 July 2019

Australian Banking Association

What is in the new Banking Code of Practice?

The new Banking Code is a set of enforceable standards that **customers**, **small businesses**, and their **guarantors** can expect from Australian banks.

Australian banks have completely re-written their Code of Practice to better meet community expectations.

This new Code is the strongest ever. It is clearer, easier to understand, and has greater protections for all bank customers:

Customers

- A plain-English, customer-friendly Code which helps customers understand their rights and obligations.
- Customers can be given lists of direct debits and recurring payments, making it easier to switch banks.
- Notice of transaction fees will be provided before they occur.
- Banks will take extra care when providing banking services to customers who are experiencing vulnerability.
- Better protections for guarantors to ensure they understand their obligations, including a cooling-off period.
- Guarantors will be notified of changes to the borrower's circumstances, including if they are experiencing financial difficulty.

Basic, low or no fee accounts

Banks offer customers a range of affordable banking products:

- These include basic, low or no fee bank accounts.
- You may be eligible – ask your bank today.

Stronger Enforcement and Compliance

The new Banking Code is the first industry code to be approved by ASIC:

- The independent *Banking Code Compliance Committee* (BCCC) will investigate alleged breaches of the Code.
- The BCCC can formally warn a bank, require them to rectify or take corrective action for serious breaches, require a bank to train staff, and report serious, systemic and ongoing issues to ASIC.
- The Code is binding on subscribers and is used by the *Australian Financial Complaints Authority* as a benchmark across the banking industry.

Credit Cards

The new Banking Code makes it easier to manage your credit cards:

- Banks will remind customers when a credit card introductory offer is about to end.
- No more unsolicited offers to increase credit limits.
- Customers can reduce their credit limits or close their card accounts online.

Small Business

The new Banking Code helps to make banking easier for small businesses:

- Simplified loan contracts with fewer conditions for total loans under $3 million.
- Provide longer notice periods for when loan conditions change.
- Improved communication and greater transparency when using valuers and insolvency practitioners.