

Guidelines in obtaining a consent of exemption

1. This Guideline sets out the factors that the Australian Prudential Regulation Authority (APRA) intends to use in exercising its powers under the *Banking Act 1959* (the Banking Act) to consent to financial businesses using or to exempt them from the prohibition against using the following words or expressions:
 - the word 'bank', 'banker' or 'banking'; or
 - the expression 'building society', 'credit union' or 'credit society'; or
 - any other word or expression specified in a determination in force under s. 66(5); or
 - any other word or expression (whether or not in English) that is of like meaning to a word or expression covered by any of the previous dot points; or
 - the expression 'authorised deposit-taking institution' or 'ADI'.
2. A reference to a word or expression includes a reference to the word or expression being used:
 - as part of another word or expression; or
 - in combination with other words, letters or symbols.
3. The Banking Act restricts the use of these words or expressions in an attempt to assure the public that a financial business that describes itself as a bank, building society, credit union or authorised deposit-taking institution is in fact authorised as such.
4. APRA will notify the Australian Securities & Investments Commission (ASIC) of new, varied or revoked consents.

Statutory exceptions

5. Under s. 66, an authorised deposit-taking institution ('ADI') may use the word 'banking' to refer to the fact that it has been granted an authority under the Banking Act. For example, an ADI may, in its letterhead, refer to itself as being authorised under the *Banking Act 1959* to carry on banking business.
6. Section 66A allows an ADI to assume or use the expressions 'authorised deposit-taking institution' or 'ADI' in relation to its business.
7. Section 66A does not restrict the use of the letters 'ADI' as part of another word (such as 'traditional').