

14 August 2025

██████████  
Senior Manager, Licensing  
Australian Prudential Regulation Authority

Via email: [licensing@apra.gov.au](mailto:licensing@apra.gov.au)

Dear ██████████

**APRA Consultation on Banking Act 1959 Section 66 Instruments**

COBA thanks APRA for the opportunity to provide feedback on its minor proposals on instruments relating to section 66 of the *Banking Act 1959* (the Act) consultation.

COBA supports APRA's proposal to remake without change the Section 66 Banking Instrument *Banking (restricted word or expression) determination No. 1 of 2015 (BOD2015)*, prior to the 1 October 2025 sunset date. We agree with APRA's view that allowing a non-APRA regulated financial business to use the expression 'credit co-operative' is likely to mislead the public into believing that the business is a prudentially regulated ADI. As such, the expression 'credit co-operative' should continue to be restricted for the purposes of section 66 of the Act.

Financial co-operatives – or customer-owned banks – have a long history in Australia, reinvesting profits to benefit the customers and communities they serve. As customer-owners, members of financial co-operatives benefit from better services and competitive rates, while also supporting a banking model that invests in their communities. Customer-owned banks forge a different path which prioritises people over shareholder returns and collective prosperity over individual gain. As the champion of the customer-owned banking model, the term 'co-operative' is meaningful for COBA, and for the sector more broadly. The use of this term by non-cooperatives would be misleading. We therefore support allowing APRA to restrict the use of this expression.

We thank APRA for taking our views into account. Please do not hesitate to contact ██████████, Policy Advisor (██████████) if you have any questions about our submission.

Yours sincerely

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