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Memorandum

Date: 18 June 2024

To: Ministry of Business, Innovation and Employment

From: Privacy of natural persons
Direct:
Mobile:
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By Email

SUBMISSION ON FIT FOR PURPOSE CONSUMER CREDIT LEGISLATION AND EFFECTIVE FINANCIAL DISPUTE RESOLUTION

Background

1 The Ministry of Business, Innovation and Employment (*MBIE*) has sought feedback on the:

1.1 "Fit for purpose consumer credit legislation" discussion document (*Consumer Credit Discussion Document*), discussing proposed changes to the Credit Contracts and Consumer Finance Act 2003 (*CCCFA*); and

1.2 "Effective financial dispute resolution" discussion document (*Dispute Resolution Discussion Document*), discussing proposed changes to the dispute resolution scheme obligations,

(together, the *Discussion Documents*).

2 We welcome the opportunity to submit on the Discussion Documents, as the issues arising in relation to them are highly relevant to the advice we provide to many of our clients. Our submissions focus on those proposals that we consider could be materially improved.

3 Our submission does not purport to represent the views of any of our clients.

4 We would be happy to discuss any of the comments we have made with MBIE.

Summary of comments on the Consumer Credit Discussion Document

Liability positions

5 The liability settings for directors and senior managers of lenders are too onerous. If the due diligence duty is to be retained, we support removing the duty where creditors are also regulated under the Financial Markets (Conduct of Institutions) Amendment Act 2022 (*CoFI Act*) and, to the extent that the duty remains, insurance and indemnification should be allowed for all pecuniary penalties.

6 We support the repeal of section 99(1A) of the CCCFA as the potential liability under that provision is out of all proportion to the harm to borrowers. Given other enhancements to the liability provisions in the CCCFA made in 2019, adequate other protections remain to ensure lenders are incentivised to comply with their disclosure obligations.

Licencing

7 We do not support a licence or licence class for consumer credit. This proposal would increase regulatory burden, particularly given the recent fit and proper persons certifications and the current COFI Act licencing application process.

Disclosure

8 It may be appropriate to take a more targeted approach to disclosure, given the nature and extent of the increase in disclosure obligations over time (both in the types of disclosure and the amount of content required by that disclosure). We set out our suggestions for improving aspects of disclosure in paragraphs 22 to 33.

9 Electronic disclosure should be permitted as of right, instead of requiring consent, to enable modern commerce and the timely provision of disclosure information.

10 We would also like the technical issues discussed at paragraph 38 fixed. These relate to the consequences of providing ongoing statement information under clause 21(1)(b) of the CCCFA, e.g. not being able to use the variation disclosure timing concessions in sections 22(4)(b) and 23(6)(b) of the CCCFA.

11 The alternative publication requirements for the disclosure of certain unilateral variations should also be modernised.

Other

12 We do not support the extension of the high-cost credit rules to interest rates of between 30% and 50%. Under paragraph (c) of the definition of "high-cost consumer credit contract", contracts with a standard interest rate of 25% plus a default interest rate of 5% would be caught by those rules. This would be a significant shift from the original targets of the high-cost credit rules.

13 We recommend that the CCCFA amendments that were previously approved as part of the Regulatory Systems Bill process are also included in this amendment bill.

Summary of comments on the Dispute Resolution Discussion Document

14 We do not believe that requiring 'clear and prominent' information about complaints processes and the availability of the relevant external dispute resolution scheme to be included in **all** communications would support consumers to resolve issues with their financial service provider, particularly in relation to the provision of credit. Instead it is likely to obscure the message of many of the communications. We set out specific comments on such a regime in paragraph 51.

Consumer Contract Discussion Document

A1 and A2 – Options for liability settings (due diligence duty proposals)

15 As a general comment, we agree that the liability settings for directors and senior managers of lenders are too onerous, and should be relaxed. In particular, we support allowing insurance and indemnities in respect of pecuniary penalties, without any limitations. This is consistent with the more recent Deposit Takers Act 2023, which does not contain any restrictions on insurance or indemnification for pecuniary penalties. We note that that the potential pecuniary penalties are high, particularly when compared to the earnings of senior managers and directors in smaller lenders.

16 Anecdotally, we have also heard of people ceasing to hold director/senior manager roles within lenders (or not being interested in taking them on) due to the potential for personal liability and a lack of certainty about when such penalties will be levied.

17 If the due diligence duty is to remain, we support combining options A1 and A2 (i.e. the duty should be removed where creditors are also regulated under the CoFI Act and, to the extent that the duty remains, insurance and indemnification should be allowed for all pecuniary penalties). However, if a market services licence is to be required for consumer credit providers (as proposed in section B of the Consumer Credit Discussion Document), we recommend removing the current due diligence duty completely, and instead dealing with the requirement to have appropriate policies, processes, systems and controls under the licencing regime only.

18 To the extent that lenders will also be required to comply with the CoFI Act (e.g. if they are registered banks or licensed non-bank deposit takers), we do not believe it is appropriate to apply further layers of regulation in the form of the existing due diligence duty for directors and senior managers. These entities and their directors and senior managers are already highly regulated, and will be further regulated by the CoFI Act. The additional regulation and personal liability in the form of section 59B of the CCCFA (which seeks to address many of the same policy goals as the CoFI Act regime) is therefore overlapping and excessive.

B1 and B2 – Options for regulatory model (fit and proper person vs market services licence for consumer credit)

19 We query the need for proposal B1 and, if such a licence/licence class is to be created, note that it should have a long lead time to avoid requiring duplication with the CCCFA fit and proper certification and CoFI licensing processes that have only just been completed.

20 Given that the CCCFA fit and proper person certification rules have only just been implemented, it is unclear why further change in the form of a licence is proposed. Minister Bayly's stated intention is for these changes is to reduce the excessive layering of regulation, however, this proposal increases that regulation instead. This is particularly the case given the CoFI licences are required by 31 March 2025, and those licence applications are currently underway.

21 In addition, we would expect such a licencing regime to create an additional barrier to entry into the personal banking market that would be inconsistent with the Commerce Commission's draft recommendations for improving competition in the personal banking sector, including competition for services such as home loans. The Commission's draft report in the personal banking market study contained draft findings that "regulation shapes competition in personal banking, and is the single most important factor constraining new entry and the ability of existing providers to expand and compete"[1].

C3 - Options for what and when information must be disclosed

22 We consider that it may be appropriate to take a more targeted approach to disclosure, given the nature and extent of the increase in disclosure obligations over time (both in the types of disclosure and the amount of content required by that disclosure). Such an approach should be considered from the perspective of borrowers and lenders, and consider such matters as the triggers for disclosure, the role of informed decision making and the extent of information that is actually "key" for borrowers to know at a particular time.

Initial disclosure

23 We note that the initial disclosure content requirements now require lengthy disclosures. It seems unlikely that borrowers need all of this information, particularly given the overlay of lender responsibilities in relation to informed decision-making.

24 Some of the information required is of limited use to borrowers. Examples of this include the FSPR name and number required by paragraphs (uc) and (ud) of schedule 1 of the CCCFA – while it is theoretically possible that a lender is registered on the FSPR under a different name than that disclosed as the "full name" of the creditor required under paragraph (a) of schedule 1 of the CCCFA,[2] such examples must be rare. The FSPR number requirement is also not relevant to borrowers. If borrowers value being able to search the FSPR register for their lender (and we query whether this is the case), a better requirement would be to only require disclosure of the name under which the lender is registered on the FSPR where it is different to the full name of the creditor disclosed under paragraph (a) of schedule 1 of the CCCFA. Likewise, we recommend removing the requirement to disclose the FSPR number in paragraph (uc) of schedule 1 of the CCCFA, since the FSPR can be searched either by number or by name.

Variation disclosure to borrowers and guarantors

25 We strongly support the limitation of variation disclosure to borrowers and guarantors to the change and the information required by regulation 4F, 4G or 4H of the Credit Contracts and Consumer Finance Regulations 2004 (the *CCCF Regulations*), as applicable. This is consistent with the general understanding of the intent and purpose of those regulations at the time they were introduced.

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[1] Commerce Commission, *Personal banking services market study - Draft report* (21 March 2024), page 157.

[2] In the case of unincorporated entities.

26 The assorted Commerce Commission guidance on the variation disclosure obligations provided after those regulations were enacted (containing several different interpretations as to what was required), have introduced significant uncertainty into the area. Some of that guidance cut across the express requirements of regulation 4F (e.g. required updated total interest and total payment figures for the life of the contract to be produced, in addition to the total of future interest and total of future payments). As such, we recommend making it very clear that no such alternative interpretations are possible by repealing sections 22(1)(a), 23(2)(a) and 26(2)(a) of the CCCFA (i.e. the requirements to disclose "full particulars of the change"), now that considered regulations provide specific requirements. This change should be made irrespective of any changes to section 99(1A) of the CCCFA.

Dispute resolution scheme disclosure

27 The requirement to disclose dispute resolution scheme information in the notice acknowledging receipt of an application for relief from the effects of unforeseen hardship (section 26B(1)(a) of the CCCFA), despite there being no dispute or complaint at that stage, is of questionable use to borrowers. It would make more sense for this obligation to be limited to the notice refusing the application for relief (currently dealt with by paragraph 12.40 of the Responsible Lending Code). We note that section 26B of the CCCFA was only introduced after the Select Committee stage of the relevant bill and therefore did not receive the scrutiny that other changes received.

Financial mentoring scheme disclosure

28 It would be clearer if the financial mentoring scheme disclosure timing rule in regulation 5A(3) of the CCCF Regulations[3] used a definition of payment reminder that explicitly dealt with over limit amounts, rather than just overdue. The current definition of "payment reminder" exists for a different purpose (debt collection disclosure) and only refers to requesting a payment that is overdue. Given that over limit amounts may not be due until they are demanded (and therefore do not become overdue until that time), there may be a difference between the two scenarios. This definition should be expanded (for the purposes of regulation 5A(3) only) to include equivalent over limit concepts.

29 This could be done by:

29.1 Amending the introduction to regulation 5A(3) as follows:

> The information required under section 26B(2)(a) of the Act must be disclosed at the time when a payment reminder (as defined in subclause (3A)) is provided by a creditor under a consumer credit contract—

[3] Regulation 5A(3) requires financial mentoring disclosure to be made at the time when a "payment reminder" is provided by a creditor under a consumer credit contract:

(a) in respect of a payment that is overdue for more than 10 working days; or

(b) if the credit limit under the contract has been exceeded for more than 10 working days.

29.2 Inserting a new regulation 5A(3A) as follows:

For the purposes of this regulation—

payment reminder—

(a) means a communication that—

(i) is made within 6 months of a default in payment or in the credit limit for the credit contract being exceeded (or if an amount is both, the earlier of those dates); and

(ii) requests an outstanding payment; but

(b) excludes—

(i) a notice demanding payment of any amount in addition to the outstanding payment:

(ii) in-person visits to the debtor, the debtor's residence, or the debtor's place of work:

(iii) communications with any person other than the debtor (other than incidental communications in the course of attempting to contact the debtor):

(iv) requesting the debtor to consent to deductions from wages (under section 5 of the Wages Protection Act 1983), from a benefit (as defined in Schedule 2 of the Social Security Act 2018), or from a student allowance established by regulations made under section 303 of the Education Act 1989:

(v) filing enforcement proceedings or lodging a claim with the Disputes Tribunal

outstanding payment—

(a) means a payment that is overdue and/or an amount that exceeds the credit limit of the credit contract; and

(b) includes default fees and default interest charges in respect of amounts described in paragraph (a); but

(c) does not include an amount payable under an acceleration clause (being an express or implied term in a credit contract which provides that, if there is a default, any amounts become payable (or may be called up as becoming payable) earlier than would be the case if there had not been a default).

Debt collection disclosure

30 As we have raised before, we query whether there are better options to address concerns about the behaviour of debt collectors than requiring debt collection disclosure. For example:

30.1 In relation to consumer credit, misrepresentation of the amount and recoverability of consumer lending debts would be a breach of the responsible lending obligations, which govern all aspects of consumer credit contracts, including debt collection whether done in-house or by a third party debt collection agency.

30.2 Existing laws, such as prohibitions in the Fair Trading Act 1986 on misleading and deceptive conduct, provide protection for the collection of a broader range of debts.

30.3 We query whether it makes sense to distinguish between 'lending debt' (arising from including the debt collection disclosure regime in the CCCFA) when addressing concerns about debt collectors' behaviour, compared to the collection of 'other debt'.

31 We remain concerned that debt collection disclosure, and particularly the extent of information required in that disclosure, does not assist borrowers to understand their situation. For example, the requirement to disclose each of the following could better be covered by a single requirement for information that will help the debtor identify the credit contract, as they all essentially cover the same point:

31.1 the full name and contact details of the creditor at the date of the credit contract (separate from those of the debt collector);

31.2 the date of the credit contract; and

31.3 information that will help the debtor identify the credit contract.

32 There are other difficulties with this disclosure coming from the fact that it must be provided *before* debt collection starts and therefore cannot contain or accompany a "debt collection" (i.e. an act to recover or attempt to recover any money that is owing by a debtor under a credit contract as a result of the debtor's breach of the contract). Among other things, that means that the messaging of the debt collection disclosure needs to state the amount to be collected, but cannot provide details about how to pay that amount or the debt collection disclosure itself would constitute a "debt collection". This is not helpful for borrowers.

33 In addition, the definition of "debt collection" is extremely broad and can require debt collection disclosure to be made at an earlier stage than it would otherwise make sense to. For example, if a lender wants to contact a guarantor to inform them of a payment default, debt collection disclosure would need to be made before this occurs – we query whether it is intended that debt collection disclosure be made at such an early stage.

D2 – Options for how information must be disclosed

Electronic disclosure issues

34 We recommend removing the out of date restrictions on the use of electronic methods to provide information:

34.1 In particular, the CCCFA should allow disclosure information to be provided electronically without obtaining prior borrower consent, if the borrower has provided an email address (or equivalent). This reflects the reality of modern-day commerce; and

34.2 Electronic disclosure by default would allow borrowers to receive disclosure information in a timely manner. The current CCCFA default methods are 'post', despite the inherent time delay this creates, and 'in person', which is increasingly irrelevant to how borrowers interact with lenders.

35 We note that the pre-consent requirement for electronic disclosure causes ongoing issues for lenders, particularly at the initial disclosure stage. Such a consent needs to be obtained as part of the loan application stage, as initial disclosure needs to be made before the loan contract is entered into. This results in lenders adopting awkward work-arounds to obtain consents from customers, limiting channels that can be used by joint customers to non-electronic ones or not permitting joint borrowers for particular products. It is strongly preferable in the modern era that electronic disclosure is treated the same way as posting and providing in person disclosure, and be available to lenders as of right. This would require the repeal of sections 32(4)(b) and 32(5) of the CCCFA.

36 If officials are not comfortable in permitting electronic disclosure as of right, we suggest that, at a minimum, an equivalent to section 220(2)(b) of the Contract and Commercial Law Act 2017 (i.e. that "consent may be inferred from a person's conduct") should be included in the CCCFA.

37 We do not believe that repealing section 35(1A) of the CCCFA will necessarily assist in making it easier to use electronic disclosure methods in practice. We note that section 32(4)(a) will still require that "information is readily accessible so as to be usable for subsequent reference".

Other issues with electronic disclosure

38 Other technical problems with electronic disclosure that we would like to see addressed are that:

38.1 A lender who has provided continuing disclosure information by internet banking using the concession in section 21(b) of the CCCFA, should not be required to provide copies of all continuing disclosure statements if the borrower subsequently decides to elect a different disclosure method (currently required by section 21(3) of the CCCFA). Section 21(3) could be limited to the situation where a statement has not been provided due to one of the reasons listed in section 21(2) e.g. the lender could not reasonably locate the borrower. Alternatively, section 21(3) could be restricted to the situation where the borrower requests such continuing disclosure statements.

38.2 The timing concessions for making variation disclosure in sections 22(4)(b) and 23(6)(b) of the CCCFA do not apply if a lender provides continuing disclosure information by internet banking using the concession in section 21(b) of the CCCFA (as it is not a "continuing disclosure statement" if information is provided by this method) – there is no compelling reason to disapply the variation disclosure timing concession in that situation.

Alternative publication requirements

39 We note that the alternative publication requirements (which can be used to disclose certain interest rate and fee variations instead of personal notice) are out of date and inconsistent with more recent requirements for public notices. The CCCF Regulations require lenders to provide that notice by doing **each of** the following:

> *(a) displaying the information at all of the creditor's places of business that are accessed by the public so that the information is reasonably visible (at all reasonable times) to persons entering those places of business; and*
>
> *(b) advertising the information at least once in the daily newspapers published in all of the following areas in which the creditor carries on business: Whangarei, Auckland, Hamilton, Rotorua, Hawkes Bay, New Plymouth, Palmerston North, Wellington, Nelson, Christchurch, Dunedin, and Invercargill; and*
>
> *(c) if the creditor has a website, posting the information on the creditor's website in a form that is publicly accessible (at all reasonable times).*[4]

40 A more practical option would be to remove the daily newspaper requirement or make it optional, given that this is less likely to inform borrowers than in the past when physical newspapers were more prevalent. This would be consistent with the Legislation Act 2019 definition of "public notification, public notice, or a similar expression" as requiring only one of the Gazette, newspaper(s) of the area and the person's website.

E1, E2 and E3 – Options for penalties for incomplete disclosures by lenders

41 We support option E3, as in many cases the potential liability under section 99(1A) of the CCCFA is out of all proportion to the harm to borrowers. The size of the penalty is a consequence of the time taken to discover an issue and bears no relationship to the harm caused. We also note that statutory and ordinary damages, along with other remedies, would remain in place, providing both incentives on lenders to comply and proportionate consequences in the event of a breach. We note that even if any of the alterations discussed in options A1 and A2 are made, the liability provisions of the CCCFA remain significantly enhanced compared to pre-20 December 2019.

[4] Regulation 5 of the CCCF Regulations.

42 If option E1 is adopted, we strongly recommend removing or redrafting the concept of "have potential to mislead". For example, an error with a financial service providers register number has the potential to mislead, but it is not relevant for borrowers and their decision making. Our preference would be to remove the limb altogether. If such a concept is to remain, a better formulation would be "has the potential to mislead *as to a material particular*". However, we note that any materiality based formulation runs the risk of causing disputes and differences of opinion as to what is material. This uncertainty is unhelpful.

43 We strongly disagree with capping a total liability on the basis of turnover (a potential formulation for option E2 – having a limit on total liability under section 99(1A)). This would need to be limited to the turnover on consumer credit contracts to not penalise business with other income streams (e.g. motor vehicle dealers whose main income source is the sale price for the vehicles). This is likely to cause unnecessary complications and unlikely to achieve the intended outcome of ensuring the consequences of such a breach are in proportion to the harm.

44 Any provision which creates uncertainty about the enforceability of the costs of borrowing for consumer credit contracts can adversely affect a lender's ability to obtain funding. This is because such funding typically relies on those contracts for security (e.g. under a securitisation arrangement). In turn, this uncertainty could unnecessarily increase the costs of funding and mean that customers are charged higher interest rates than they otherwise would need to be charged.

F1 - Options for changing the high-cost credit provisions

45 We do not support option F1 (expanding the definition of a high-cost consumer credit contract to contracts with an interest rate of 30% or higher). Given paragraph (c) of the definition of "high-cost consumer credit contract" requires the total rate of interest to be used (i.e. the standard interest rate **plus** the default interest rate), it would not be uncommon for personal loans to have such an interest rate, particularly in a high-interest rate environment. In other words, a contract with a standard interest rate of 25% and a default interest rate of 5%, would be a "high-cost consumer credit contract" under option F1. While this is most likely to be in the non-bank sector, these are still mainstream lending options and not considered part of the policy concern that the high-cost credit provisions were intended to address. Given how restrictive the high-cost credit rules are, it is unclear why borrowers of such loans need these protections, and this would be a significant shift from the original targets of the high-cost credit rules.

Other changes to the CCCFA

46 We note that other technical changes were previously approved in 2019 and 2021 to be included in the third Regulatory Systems Amendment Bill. However, these changes were not included in the Regulatory Systems (Economic Development) Amendment Bill when it was introduced to Parliament. We support their inclusion in the amendment bill for the CCCFA that will be produced as a result of the Consumer Credit Discussion Document.

10. Which of the options we have described above [in paragraphs 40 to 50 of the Dispute Resolution Discussion Document] would be most effective to support consumers to resolve issues with their financial service provider?

47 We do not believe that requiring 'clear and prominent' information about complaints processes and the availability of the relevant external dispute resolution scheme to be included in **all** communications will be effective to support consumers to resolve issues with their financial service.

48 We do not agree that this will assist consumers, as it is likely to require inappropriate prominence to be given such information when there is no complaint or issue with the financial service provider. In particular, we note that the Electricity Authority requirement cited as an example does not require the information in all communications. Instead the Electricity Authority requirement is limited to certain types of communications (about terms and pricing, along with billing and debt communications) and in response to queries, and contains exceptions.[5] Even 'queries' in the financial service providers context is likely to be too broad, as there does not need to be any complaint and a query can be very minor e.g. about when a payment due on a statutory holiday will be made.

49 In respect of consumer credit contracts, this requirement would also cut across the current, generally sensible approach[6], taken to providing/disclosing complaints and dispute resolution scheme information contained in the CCCFA and Responsible Lending Code. For example, in respect of consumer credit contracts, there are already obligations requiring:

49.1 dispute resolution scheme information to be provided:

(a) to borrowers in the initial disclosure statement before the contract is entered into (section 17 and paragraphs (ua) and (uaa) of schedule 1 of the CCCFA);

(b) to guarantors before the guarantee is given (for existing lending) or within 5 workings days of the contract being entered into for a subsequent lending contract (section 25 and paragraphs (ua) and (uaa) of schedule 1 of the CCCFA);

(c) to borrowers and guarantors on the transfer of the loan contract to a new lender (section 26A of the CCCFA); and

(d) to borrowers on various events listed in section 26B(1) of the CCCFA, including in respect of any complaint that is not resolved within two

[5] See clauses 11.30A and 11.30D of the Electricity Industry Participation Code 2010.

[6] The one such disclosure obligation which is of questionable use from a timing perspective is the requirement to disclose dispute resolution scheme information in the notice acknowledging receipt of an application for relief from the effects of unforeseen hardship (section 26B(1)(a) of the CCCFA), despite there being no dispute or complaint at that stage. See paragraph 27 above.

working days (or longer if it was not practicable to provide the disclosure earlier).

49.2 dispute resolution scheme and internal complaints information be provided to borrowers in a debt collection disclosure before debt collection starts or within 10 working days of a person becoming a debt collector (section 132A of the CCCFA and regulation 23(1)(f) of the CCCF Regulations) – this obligation also applies to some non-consumer credit contracts;

49.3 internal complaints and/or dispute resolution scheme information to be made accessible or provided to borrowers and guarantors as set out in non-binding guidance in the Responsible Lending Code, including:

(a) providing that information when an unforeseen hardship application is refused (paragraph 12.40);

(b) reminding the borrower of the borrower's right to use the lender's internal complaints process if a borrower has complained about how the lender is dealing with them (paragraph 12.51); and

(c) providing information about the external dispute resolution scheme (including contact details) if the internal complaints process does not resolve the complaint to the customer's satisfaction (paragraph 12.54).

These requirements are in addition to any contained in the relevant scheme rules.

50 We also note that lending (both consumer and non-consumer) involves a range of communications over time, using various methods. While it makes sense to have such an obligation in respect of complaints, adding such content to, for example, a notice confirming details of an interest rate fix, detracts from the actual point of the notice and is not relevant to the interaction. In some cases, competing information would be required to be 'clear and prominent' e.g. debt collection disclosures already require financial mentoring information to be on the first page, if complaints and dispute resolution scheme information also needed to be 'clear and prominent', the first page of the disclosure will be crowded and may not be able to cover more important information from a borrower perspective, such as the amount to be collected and identifying the relevant contract.

51 If an obligation to provide internal complaints and dispute resolution scheme information is to be introduced, it should:

51.1 not apply in respect of the financial service of being a creditor under a credit contract (both in respect of non-consumer credit contracts and consumer credit contracts). Statutory disclosure obligations already apply to consumer credit contracts (and, in respect of debt collection disclosure, also to certain non-consumer credit contracts) which are likely to be adversely impacted by these requirements due to the need for competing information to have prominence. In addition, lending generally requires a range of interactions for

which the disputes and complaints information is not appropriate, as there are no issues with the lender;

51.2 should only be required to be made to "retail clients" as defined in the Financial Service Providers (Registration and Dispute Resolution Scheme) Act 2008 (i.e. excluding those customers who do not trigger a requirement to have an external dispute resolution scheme);

51.3 should not need to be made by financial service providers that are excluded from the requirement to be a member of a dispute resolution scheme; and

51.4 contain, at a minimum, similar limitations and exclusions to those in clauses 11.30A and 11.30D of the Electricity Industry Participation Code 2010 However, rather than requiring the information in response to "queries", the information should be required in response to "complaints" about the financial service only. Providing internal complaints and dispute resolution scheme information in response to "queries" is too broad in the financial services context e.g. a query about what will happen at the end of a term deposit would trigger the requirement to provide complaints and dispute resolution scheme information, despite such information being irrelevant to the interaction. Instead, it would more appropriately be restricted to unresolved "complaints" like the current dispute resolution scheme disclosure. Consideration should also be given to the practicality of including such content in verbal or SMS queries and/or communications.

General

52 As indicated above, we are happy to discuss any of our comments in this submission with you.

Privacy of natural persons

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