

2002

THE LEGISLATIVE ASSEMBLY  
FOR THE AUSTRALIAN CAPITAL TERRITORY

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(As presented)

(Ms Kerrie Tucker)

## Fair Trading Amendment Bill 2002

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### **A Bill for**

An Act to amend the *Fair Trading Act 1992*

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The Legislative Assembly for the Australian Capital Territory enacts as follows:

**1 Name of Act**

This Act is the *Fair Trading Amendment Act 2002*.

**2 Commencement**

This Act commences on the day after its notification day.

**3 Act amended**

This Act amends the *Fair Trading Act 1992*.

**4 Unsolicited debit and credit cards  
Section 28 (4), definition of *credit card***

*substitute*

*credit card* means any article commonly known as a credit card, and includes any article by the use of which—

- (a) money may be borrowed under an agreement between the lender and the borrower; and
- (b) a person may obtain, on credit, goods or services, whether from the issuer of the credit card or someone else.

**5 Cash card use disclosure  
Section 28A**

*renumber as section 28B*

**6 New section 28A**

*insert*

**28A Unsolicited credit contracts and increases in credit limits**

- (1) A credit provider must not enter into a credit contract with a debtor unless the credit provider has carried out a satisfactory assessment process.

- 1       (2) A credit provider must not increase the amount of credit available  
2           under a credit contract unless—
- 3           (a) the debtor has requested the increase in writing, or the credit  
4               provider has offered the debtor the increase and the debtor has  
5               accepted the offer in writing; and
- 6           (b) the credit provider has carried out a satisfactory assessment  
7               process.
- 8       (3) In this section:
- 9           ***credit contract***—see the *Consumer Credit (Australian Capital*  
10           *Territory) Code*, section 5 (Meaning of *credit contract*)
- 11          ***credit provider***, in relation to a credit contract, means a person who  
12          provides credit under the credit contract in the course of a business  
13          of providing credit or as part of or incidentally to any other business  
14          of the credit provider, and includes a prospective credit provider.
- 15          ***debtor*** means a person (other than a guarantor) who is liable to pay  
16          for (or to repay) credit, and includes a prospective debtor.
- 17          ***satisfactory assessment process***, in relation to a debtor, means an  
18          assessment of the debtor’s financial situation sufficient to satisfy a  
19          diligent and prudent credit provider that the debtor has a reasonable  
20          ability to repay the amount of credit provided or to be provided.

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## Endnote

### Republication of amended laws

- 1       For the latest republications of amended laws, see [www.legislation.act.gov.au](http://www.legislation.act.gov.au).