

1993—No. 309

**CREDIT ACT 1984—REGULATION**

(Relating to the interest threshold for application of the Act)

NEW SOUTH WALES



*[Published in Gazette No. 78 of 9 July 1993]*

HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the Credit Act 1984, has been pleased to make the Regulation set forth hereunder.

WENDY MACHIN, M.P.,  
Minister for Consumer Affairs.

---

**Commencement**

1. This Regulation commences on 16 July 1993.

**Amendments**

2. The Credit Regulation 1984 is amended:

(a) by inserting after clause 6 the following clause:

**Annual percentage rate**

6A. (1) For the purposes of section 5 of the Act, the annual percentage rate for the purposes of the Act is 8 per centum.

(2) The annual percentage rate prescribed by this clause applies in respect of:

- (a) loan contracts entered into on or after the commencement of this clause; and
- (b) continuing credit contracts, whether entered into before or after the commencement of this clause,

but not to loan contracts entered into before the commencement of this clause.

(3) This regulation does not affect the operation of the Act in respect of loan contracts entered into before the commencement of this clause.

(b) by inserting in Schedule 7 in alphabetical order the following matter:

Dutch Roman.

Swiss Roman.

---

#### EXPLANATORY NOTE

The purpose of this Regulation is to reduce the annual percentage rate for the purposes of the Credit Act 1984 from 14% to 8%. The Act does not apply to contracts for which the interest charged is not more than the annual percentage rate (see sections 30 and 49). The clause will apply to loan contracts entered into after the clause commences and to continuing credit contracts, whether entered into before or after the clause commences.

The effect of this is that the Act will now apply to new loan contracts or continuing credit contracts for which the interest charged, expressed as an annual percentage rate or an acceptable interest rate, is more than 8%.

It will continue to apply to existing loan contracts for which the interest charged, expressed as an annual interest rate or an acceptable interest rate, is more than 14%.

The Regulation also prescribes 2 additional kinds of type face to be used in documents under the Act.

The regulation is made under power conferred by sections 5 (4), 151 (2) (b) and 167.

---