RECIPROCITY & DATA EXCHANGE ADMINISTRATOR

Interim Exemptions and Modifications document

PRDE, paragraph 108EB

Pursuant to paragraph 108EB of the PRDE, the RDEA (as PRDE Administrator Entity) makes the following exemptions and modifications. These exemptions and modifications are generally intended to replicate the operation of the version 23 in relation to the following matters and apply on an interim basis while the RDEA considers what ongoing exemptions and modifications should apply (paragraphs numbers in this document refer to version 23 of the PRDE):

- Domestic Abuse and Elder Abuse exception (paragraph 16(d))
- Run-off exception (paragraph 31 – 32)
- Account exceptions (paragraph 33 and schedule 1)
- Repayment history information reporting exceptions (paragraph 33A and schedule 2)
- Additional exception (paragraph 33B)
- Designate entity capability (paragraph 22 – 28)
- Transitional arrangements (paragraph 52 – 57A)
- Data Supply exceptions (paragraph 58B)
- Acquisition of consumer credit accounts (paragraph 59 – 61)

For reference, you can access version 23 of the PRDE here. Note: version 23 is not the current version and should only be used in reference to the exemptions set out below (some of which refer to matters in version 23).

We have noted where the exemptions and modifications set out below differ from the relevant version 23 exceptions.

These matters will be further reviewed by the end of FY2025/26 to assess whether they should continue in the same form. Where relevant, we have identified matters that we expect could be changed following that review.

For the purposes of the exemptions and modifications in this document, references to a 'Designated Entity' and 'brand' reflect the use of that term in version 23 of the PRDE.

A. Continuation of Domestic Abuse and Elder Abuse exceptions (as per paragraph 16(d))

A CP is not required to contribute credit information if the information relates to a consumer credit account in respect of which:

a) an individual who has been provided consumer credit may be, is or was the victim of domestic abuse or Elder abuse; and
b) the CP's actions of not contributing the credit information is consistent with the overall approach taken by the CP in relation to that individual

"**Domestic abuse** " includes (but is not limited to) violence, financial abuse, coercive control, threatening and any other form of conduct causing or threatening to cause personal, physical, sexual, emotional, psychological, social, financial detriment, harm or fear to a person(s) with whom the perpetrator has or has had a domestic relationship with, such as (but not limited to) a family member, spouse, partner, de-facto, etc.

"**Elder abuse**" includes any act(s), or lack of appropriate action (including intentional or unintentional neglect) occurring within any relationship where there is an expectation of trust and which causes

harm or distress to an older person. Elder abuse includes (but is not limited to), physical, sexual, emotional, psychological or financial abuse.

Note: this exception will remain following our upcoming review. If you believe it could be refined to improve its operation, please let the RDEA know.

B. Continuation of Run-off Exception (as per paragraph 31 and 32 of version 23)

1. A CP is not required to contribute credit information about consumer credit accounts where:
   a) the accounts relate to a product that is in run-off and accordingly no new accounts of this type are being opened ("run-off account type"); and
   b) the number of accounts of the run-off account type is not more than 10,000; and
   c) the total number of accounts excepted under this paragraph does not constitute more than 3% of the total number of consumer credit accounts of the CP (including its **Designated Entities**) and any related bodies corporate that are also signatory CPs.
2. In calculating the number of accounts of the run-off account type in subparagraph 1(b), a CP and its Designated Entity or Entities (as applicable) will be treated as separate CP entities.

Note: subject to stakeholder feedback, we expect this exemption to remain, subject to considering whether:

- *it should only apply to accounts in run-off when a CP first becomes a signatory, i.e. once the reporting is started for an account, it should be continued.*
- *a CP that is relying on the exception can (or should) provide limited information for the accounts, i.e. if a portfolio is in run-off, a CP that is participating at the comprehensive Participation Level should continue to provide CCLI even though they are not reporting RHI/FHI.*

C. Continuation of Account exceptions (as per paragraph 33 and Schedule 1 of version 23, save for those marked * which are new)

A CP is not required to contribute credit information about:

1. Margin Loan accounts being a loan product where the products purchased (using the loan funds) are shares and the loan security is the shares purchased.
2. Novated Lease accounts.
3. Flexible Payment Option accounts being an account facility offered on charge card products that enables consumers, pursuant to the terms and conditions of the account, to revolve or defer payment of their outstanding balance.
4. Overdrawn deposit or transaction accounts that are not formal overdrafts.
5. Accounts that are subject to the residential investment property loans exemption in section 65C of the National Consumer Credit Protection Regulations 2010 (as varied from time to time).
6. Accounts that are created as part of the testing of a new product provided:
   - the accounts are only offered to individuals connected to the CP (e.g. staff; contractors; staff of partners or vendors involved in the product development) and are not offered to the general public;
   - the number of accounts created as part of the testing of the new product does not exceed 250; and
   - the account has not been open for more than 6 months.
7. For a period of 6 months from a CP's Effective Date, all the CP's accounts provided the CP has no more than 250 open consumer accounts.*
8. Accounts for which at least one account holder is an individual acting in the capacity as a trustee of a trust.*
9. Accounts for which at least one account holder is not an individual.*

10. Accounts in respect of which the CP has received a notice under proceeds of crime or other legislation.*

    ** Reasons for new account exceptions:*

    Exception 7: this allows a transition period for newly commenced businesses with a small number of accounts and seeks to put these businesses in a similar position to businesses that have no account as at the Effective Date (this will be reviewed as part of a broader review of transitional exemptions and modifications).

    Exception 8 and 9: these exceptions relate to the difficulty in reporting information for accounts with a trustee or with a corporate borrower (which may still technically satisfy the definition of 'consumer credit'). These exceptions were subject to consultation in H1 2025.

    Exception 10: this reflects the uncertainty that may apply to the status of the account that is subject to the notice (and is dependent on understand whether it could create problems through 'tipping-off'). This exception is subject to consultation.

D. Continuation of RHI reporting exceptions (as per paragraph 33A and Schedule 2 of version 23, save for those marked * which have been updated)

A CP is not required to contribute repayment history information in the circumstances listed below. In each month that a CP is not required to contribute repayment history information, the CP is also not required to contribute financial hardship information (if that information otherwise exists for the month).

1. The 'month' applicable to the repayment history information does not meet the 'month' definition in the Privacy (Credit Reporting) Code 2014.
2. The 'month' applicable to the repayment history information overlaps with a previous 'month'.
3. The monthly payment that is due in relation to the consumer credit is the result of a Part IX or Part X debt agreement pursuant to the Bankruptcy Act 1966 (Cth).
4. The obligation to make a monthly payment in relation to the consumer credit (the payment obligation) is in dispute in its entirety by the individual and is under investigation on the basis the balance of the consumer credit relates to an unauthorised transaction or the consumer credit was fraudulently opened in the individual's name. This exception will apply only to the time period in which there is a dispute as to liability. Once the dispute is resolved and if the individual remains liable, then RHI for the period of the dispute is no longer subject to this exception.
5. The CP has recently commenced at the **comprehensive information Participation Level** or the account has recently become subject to the National Credit Code (NCC) and the CP has agreed to a financial hardship arrangement with a customer for an account in situations in which it would not be appropriate to report financial hardship information for that account because the disclosures required under the Privacy (Credit Reporting) Code 2014 were not made, provided the CP has made reasonable endeavours to update their processes and disclosure as quickly as possible to allow it to report financial hardship information in the future.*
6. The monthly payment obligation for a jointly held account is affected by a financial hardship arrangement and an account holder ('requesting account holder') or a person acting for the requesting account holder tells the CP that they believe that the contribution of financial hardship information by the CP may trigger another account holder to cause or threaten harm to the requesting account holder or another person.
7. The National Credit Code (NCC) does not apply to the consumer credit and:
    a) the CP and the customer have agreed to an arrangement that would be a financial hardship arrangement if the NCC applied to the credit; and
    b) the payment obligation for the month is affected by that arrangement.

8. The CP holds an Australian credit licence but the consumer credit relates to a non-financial services contract (such as a telecommunications or utility debt).

Reasons for amended RHI exceptions:

Exception 5: this broadens out the existing exception (which applied to accounts subject to a hardship arrangement when the FHI reporting regime first started). This was subject to consultation in H1 2025.

E. Continuation of Additional exception (paragraph 33B of version 23)

A CP is not required to contribute the relevant credit information (including by way of updating credit information previously contributed in relation to an account) in the following circumstances:

a) a CP is not required to update default information previously contributed to reflect the accrual of interest, fees and other amounts that are owing as a result of the overdue payment (provided the default information previously contributed reflected the entire accelerated liability for the consumer credit); or
b) a CP is not required to contribute further default information following the contribution of new arrangement information of a type described in section 6S(1)(c)(i) or 6S(2)(c)(i) of the Privacy Act, i.e. where default information has previously been reported for the consumer credit and the terms and conditions of the consumer credit are subsequently varied (and the individual defaults on those varied obligations).

F. Continuation of Designated Entity capability (paragraph 22 – 28 of version 23)

Under version 23 of the PRDE, a CP could nominate a division or group of divisions of a CP to participate, in some respects, as if they are a 'separate' CP (subject to operating under a separate brand and meeting other conditions). This meant the nominated Designate Entity could, in comparison to the 'primary' CP:

- Operate at a different Participation Level (previously known as 'Tier Level'); and
- Maintain services agreements with different CRBs.

The Khoury report recommended removing the Designated Entity provisions from the PRDE.

Version 24 of the PRDE has removed the Designated Entity provisions. However, under this exemption and modification document, a CP (whether an existing or new signatory) is permitted to continue to rely on the Designated Entity provisions as set out in version 23 of the PRDE until at least 30 June 2026. Prior to 30 June 2026, the RDEA will review whether this allowance should be extended (although the expectation is that it will not be required).

To rely on the Designated Entity provisions, the CP (and its Designated Entity) must satisfy all the relevant conditions and requirements relating to Designated Entities in version 23.

For reference, the primary provisions from version 23 of the PRDE are extracted in Appendix A to this exemption and modification document.

G. Modified transitional provisions (based on paragraph 52 – 57A of version 23)

Version 23 of the PRDE contained 'transitional provisions' (primarily in paragraph 53 – 57) that have supported CPs onboarding into the PRDE data sharing regime. Paragraph 109 (version 23) requires the periodic independent review to consider the continued operation of those transitional provisions. The Khoury report (in Recommendation 7(e)) recommended that consideration be given to simplifying the PRDE by replacing the transitional arrangements with a relief regime. That relief regime has been created under paragraph 108EB of version 24.

The RDEA will develop new transitional relief provisions (and will consider requests from new signatories for individual transitional relief). However, under this exemption and modification document, a CP (whether a new signatory or an existing signatory changing Participation Level) is permitted to rely on the transitional provisions set out in version 23 of the PRDE until at least 30 June 2026 (or until the new transitional relief provisions have been developed and approved) save for the additional condition of the CP having more than 250 open consumer accounts as at its effective date.

For reference, the primary provisions from version 23 of the PRDE are extracted in Appendix B to this exemption and modification document.

H. Continuation of data supply exceptions (paragraph 58B)

In accordance with the Khoury report Recommendation 7(e), paragraph 58B from version 23, which allow for exceptions to the general data supply requirement in paragraph 58, have been removed.

The RDEA will consider developing new exceptions to the paragraph 58 data supply requirements (and will consider requests from signatories for individual relief). However, under this exemption and modification document, a CP (whether a new signatory or an existing signatory changing Participation Level) is permitted to rely on the exceptions set out in paragraph 58B of version 23 of the PRDE until at least 30 June 2026 (or until the new data supply exceptions have been developed and approved).

For reference, the paragraph 58B version 23 of the PRDE is extracted in Appendix C to this exemption and modification document.

Note: paragraph 58A (of version 23) included an additional data exception relating to a requirement under 58(c) to supply 3 months of RHI/FHI data before receiving the contribution of comprehensive information. That 3 month requirement has been removed from version 24 and, so, paragraph 58A has also been removed (and has not been included in this document).

I. Continuation of relief for acquisition of consumer credit accounts (paragraph 59 – 61)

In accordance with the Khoury report Recommendation 7(e), paragraphs 59 to 61 from version 23, which set out a process for reporting accounts that have recently been acquired from another CP, and which provide temporary relief from contribution obligations, have been removed.

The RDEA will review whether a general allowance for account acquisitions should be developed under paragraph 108EB (and will consider requests from signatories for individual relief). However, under this exemption and modification document, a CP is permitted to rely on the exceptions set out in paragraphs 59 to 61 of version 23 of the PRDE until at least 30 June 2026 (or until new account acquisition exceptions have been developed and approved).

For reference, the primary provisions from version 23 of the PRDE are extracted in Appendix D to this exemption and modification document.

Appendix A

Designated entities

22 A CP may nominate one or more **Designated Entities** where permitted to by paragraphs 23 to 28.

23 A CP must choose a supply **Tier Level** for each **Designated Entity** and contribute credit information consistent with that choice. The CP is not required to choose the same **Tier Level** for all its **Designated Entities**.

24 If a CP nominates **Designated Entities**, the CP must notify the PRDE Administrator Entity of its **Designated Entities** so that the PRDE Administrator Entity can make this information available to signatories. The CP must also provide a copy of the notification to each CRB with which it has a **services agreement**.

24A A CP and CRB may agree that a **services agreement** does not apply to a division or group of divisions of the CP that operate one or more distinct lines of business, and which operate under their own brand or brands. Notwithstanding anything else in this PRDE, and subject to the CP nominating relevant **Designated Entities** under paragraph 22, the CP is not required to contribute, nor permitted to receive the supply of, **partial information** or **comprehensive information** from that CRB in respect of that division or group of divisions.

For example, CP1 operates under the 'CP1' brand and, through a distinct line of business, the 'ABC' division/brand. ABC division has been nominated as a **Designated Entity** under paragraph 22. CP1 has a **services agreement** with CRB1 in respect of CP1 branded loans but that agreement is stated to not apply to the ABC division. On that basis CP1 is permitted to receive the supply of credit information from CRB1 and must contribute credit information to CRB1 for all CP1 branded loans (each at the relevant **Tier Level**). However, the ABC division is treated as if it were a separate signatory that does not have a **services agreement** with CRB1 (i.e. credit information in relation to ABC accounts is not required to be contributed to CRB1 and the ordinary restrictions regarding supply and on-supply apply in relation to the ABC division).

Designated Entity requirements

25 A CP may nominate as a **Designated Entity** a division or group of divisions of the CP that operate one or more distinct lines of business, each of which operate under their own brand or brands, provided that (and for so long as) the specified entity meets the requirements of paragraph 26.

26 A CP that nominates a **Designated Entity** must have in place documented controls to prevent on-supply of **partial information** or **comprehensive information** between the CP and the **Designated Entity**, or between the **Designated Entity** and another **Designated Entity** of the CP where on-supply would not be permitted by this PRDE if the CP and those **Designated Entities** were treated as separate signatories. For the avoidance of doubt, any credit information received by the CP in respect of the **Designated Entity** is also subject to the restrictions on on-supply of information by the CP under paragraphs 11 and 43.

27 If a CP chooses to nominate a **Designated Entity**, whether as a result of acquisition, or the result of internal creation of the **Designated Entity**, the CP must notify the

PRDE Administrator Entity of its proposed **Designated Entity** and identify how it satisfies the **Designated Entity** criteria.

28 If a **Designated Entity** ceases to meet the criteria in paragraphs 25 or 26, the CP must:

a) Notify the PRDE Administrator Entity and advise any change in the supply **Tier Level** for the CP;

b) Where this means that the CP will now be supplying at a different **Tier Level** for the former **Designated Entity**, advise each CRB with which it has a **services agreement** of the new supply **Tier Level**.

Appendix B

Transitional arrangements

53 Subject to the materiality and other exceptions set out in paragraphs 29 to 33A and the transitional provisions set out in paragraphs 54 to 64, a CP will contribute credit information about their consumer credit accounts at their chosen **Participation Level** before obtaining their first supply of credit reporting information at the relevant **Participation Level** from a CRB.

Note: This is the text of the transitional arrangement from version 23 of the PRDE. These arrangements still apply under this Exemptions and Modification document provided that the CP has more than 250 open consumer accounts as at its effective date. CPs that have 250 or less open accounts as at that date should consider whether item 7 in Section C (Account Exceptions) applies to them.

54 For CPs that become a signatory to the PRDE:

a) at the time of the **Effective Date**, they must contribute the credit information for at least 50% of the accounts for the nominated **Participation Level** that they are required by this PRDE to contribute prior to obtaining supply of credit reporting information at this nominated **Participation Level** from a CRB;

b) within 12 months of the **Effective Date**, they are required to contribute all of the credit information for the accounts at the nominated **Participation Level** to fully comply with their obligations under this PRDE.

55 For CPs that are existing signatories to this PRDE and nominate to obtain supply of credit reporting information (and to contribute credit information) at a different **Participation Level** (whether for itself or, if applicable, any **Designated Entity**) or which nominates a **Designated Entity** after its **Effective Date** (which operates at a different **Participation Level** to the CP):

a) they must notify their nomination of the different **Participation Level** to the PRDE Administrator Entity and to a CRB with which they have **services agreements** not less than 30 calendar days before commencing contribution of credit information at the different **Participation Level**. The notification of the change in **Participation Level** will be provided to the PRDE Administrator Entity so that it can make this information available to CRBs and CPs;

b) at the time of notifying their nomination, and if nominating to a higher **Participation Level**:

(i) they must contribute the credit information for at least 50% of the accounts for the **Participation Level** they are required by this PRDE to contribute prior to obtaining supply of credit reporting information at the higher **Participation Level** from a CRB;

(ii) within 12 months of nomination of the **Participation Level**, they must contribute all of the credit information for the accounts they are required to contribute to fully comply with their obligations under this PRDE.

56 CPs can nominate to contribute at a different **Participation Level** in accordance with paragraph 55, although the full contribution of credit information in accordance with paragraph 54 has not occurred.

For example, on signing the PRDE at the start of January 2015, a CP may nominate to obtain supply at **negative information Participation Level** with full contribution required by the end of December 2015 (to be compliant for January 2016). The CP subsequently nominates to obtain supply at **comprehensive information Participation Level** at the start of June 2015. Contribution at each **Participation Level** will run from the date of each nomination so that the CP will provide full contribution of **negative information Participation Level** in December 2015, six months before it is required to provide full contribution of **comprehensive information Participation Level** by the end of May 2016 (to be compliant for June 2016).

57 CPs must notify the PRDE Administrator Entity upon attainment of full compliance, in accordance with subparagraphs 54(b) and 55(b)(ii) above. Such notification may be provided at any time before the expiry of the 12 month period and will be published to other signatories.

57A For the purposes of paragraphs 54 and 55, if the CP has nominated any **Designated Entities** as at the **Effective Date** (under paragraph 54) or at the date the nomination is made (under paragraph 55), the CP must contribute the credit information (for itself and in respect of the **Designated Entity**) that would be required under the relevant paragraph as if the CP and each of those **Designated Entities** were separate signatory CPs. For the avoidance of doubt, this means that when, for example, assessing the proportion of accounts supplied under paragraph 54(a) or 55(b)(i) for a **Designated Entity** only those accounts using the **Designated Entity**'s brand are to be counted in both the number of accounts supplied and number of accounts available to be supplied.

Appendix C

58B A CP that is an existing signatory and which enters a **services agreement** (‘new **services agreement**’) with a new CRB (i.e. a CRB with which it currently does not have a **services agreement**) is required to immediately contribute all credit information for the accounts at the nominated **Participation Level** prior (subject to any transitional period under paragraphs 54, 54A or 55). However, the CP is not required to contribute credit information for accounts that have previously been closed or repayment history information or financial hardship information for any months before the CP enters into the new **services agreement**. If the CP has contributed default information for a consumer credit account to another CRB before entering into the new **services agreement**, the CP is not required to contribute default information for that account to the new CRB.

Appendix D

Acquisition of consumer credit accounts

59 Where a CP acquires consumer credit accounts from another CP, the CP may, for a period of 90 calendar days (the review period), from the date of acquisition, review these accounts for compliance with the PRDE. If the CP intends to rely on paragraph 60 (i.e. to not contribute all the credit information that would otherwise be required in relation to those accounts), the CP must notify the PRDE Administrator Entity of the acquisition of these consumer credit accounts, including the date of acquisition, within 10 business days of this acquisition. The PRDE Administrator Entity will make this information available to CRBs and CPs

60 At the expiry of the review period, and subject to the run-off exception in paragraph 31, the CP:

a) must contribute the credit information for at least 50% of the acquired consumer credit accounts for the **Participation Level** they are required by this PRDE to contribute;

b) within 12 months, they must contribute all of the credit information for the acquired consumer credit accounts.

For the avoidance of doubt, the CP is not required to supply repayment history information or financial hardship information for any months before the CP begins to contribute credit information under subparagraphs (a) and (b).

61 The provisions relating to acquisition of consumer credit accounts only apply to acquired consumer credit accounts, and do not affect all other CP contribution obligations contained in this PRDE. A CP should consider whether it would be required by the Privacy Act to contribute credit information for accounts that have previously had credit information contributed (e.g. payment information or updating consumer credit liability information) notwithstanding the review period and transitional period allowed for under paragraphs 59 and 60.