



## **Customer Owned Banking Code Compliance Committee Charter**

### **1. Purpose**

The Charter is made pursuant to the Customer Owned Banking Code of Practice (the Code), and replaces the MBCCCA Constitution. The Charter is adopted from 18 February 2014 (the date of adoption).

The Charter governs the relationship between the Customer Owned Banking Code Compliance Committee, (previously the Mutual Banking Code Compliance Committee and established under the MBCCCA Constitution) and the COBA Board.

The Charter, together with the Code, sets out the terms under which the Committee operates, for the purpose of exercising its powers, functions and duties.

### **2. Definitions**

In this Charter, unless inconsistent with the context or subject matter or otherwise stated:

COBA means the Customer Owned Banking Association.

Annual Report means the report specified in clause 13.

ASIC means the Australian Securities and Investments Commission.

Code means the Customer Owned Banking Code of Practice.

Code Subscriber means a credit union, mutual building society, mutual bank or other mutual ADI member of COBA that subscribes to the Code.

Committee means the Customer Owned Banking Code Compliance Committee.

Committee Chair means the chair of the Committee.

Committee Member means a member of the Committee, including the Committee Chair.

Compliance Manager means the person specified in clause 4.4.

Charter means this document, being the Charter of the Committee.

EDR Scheme means an External Dispute Resolution scheme to which a Code Subscriber belongs whose jurisdiction encompasses subjects addressed by the Code.

Financial Year means the 12 months ending 30 June in any calendar year.

Forum means any External Dispute Resolution scheme, court, tribunal, arbitrator, mediator, independent conciliation body, or statutory body, in any jurisdiction.

FOS means the Financial Ombudsman Service.

Founding Committee Members means the Committee Members referred to in clause 5.5.

Inquiry means an inquiry specified in clause 9.

MBCCCA means the Mutual Banking Code Compliance Committee Association.

Sanction means a sanction specified in clause 12.

## **2.1 References to an Act**

A reference to any Act or any provision of an Act includes a reference to that Act or provision as consolidated, amended or re-enacted from time to time.

## **2.2 Interpretation**

Words importing the singular include the plural and vice versa, and words importing one gender include each gender.

## **3. Establishment and commencement of Committee**

The Committee was established by, and commenced operation under, the MBCCCA Constitution.

From the date of adoption however, the Committee's relationship with the COBA Board and the terms under which the Committee operates, for the purpose of exercising its powers, functions and duties are now governed by this Charter.

## **4. Functions and independence of the Committee**

### **4.1 Purpose of the Committee**

The purpose of the Committee is to ensure that Code Subscribers meet the standards of good practice set out in the Code.

### **4.2 Independence of Committee**

COBA recognises, respects and supports the independence of the Committee.

COBA shall not intervene in the Committee's activities, except as expressly provided in this Charter.

### **4.3 Functions and responsibilities of the Committee**

Consistently with the Code, and the specific requirements, limitations and procedures set out in this Charter, the Committee shall have the following functions and responsibilities:

- (a) to establish and maintain an up-to-date register of Code Subscribers;
- (b) to monitor and report on compliance with the Code by Code Subscribers;
- (c) to investigate complaints that the Code has been breached;
- (d) to conduct own motion Inquiries into compliance with aspects of the Code;
- (e) to make determinations in relation to complaints, which the Committee has investigated, and Inquiries which the Committee has conducted;
- (f) to impose, at its discretion, Sanctions for breach of the Code;
- (g) to receive Compliance Reports, and monitor and report on Code Subscribers' adherence to minimum reporting standards;

- (h) to provide advice to COBA on:
  - (i) training and other activities necessary to assist subscribers to meet the requirements of the Code;
  - (ii) amendments that, in the Committee's view should be made to the Code or this Charter;
  - (iii) financial matters associated with the activities, or proposed activities, of the Committee; and
  - (iv) other matters as determined by the Committee.
- i) within the Committee's jurisdiction, to provide guidance on compliance with the Code to Code Subscribers and other interested persons;
- (j) to publish information and make presentations on the activities of the Committee and to promote its work;
- (k) to publish an annual report on the activities of the Committee;
- (l) to undertake other functions as determined by COBA from time to time.

#### **4.4 Compliance Manager**

Pursuant to this clause:

- (a) the Committee may make arrangements for the appointment of a Compliance Manager, and may outsource this role to another organisation on a contract for services basis. The Committee must obtain the written approval of the COBA Board for any arrangement in relation to the appointment or termination of a Compliance Manager.
- (b) the Compliance Manager must report to, and be directed by, the Committee.
- (c) the Compliance Manager may undertake activities related to the functions and responsibilities of the Committee under the Code and this Charter.
- (d) the Committee may engage the Compliance Manager to undertake any activity on behalf of the Committee pursuant to the Committee's functions and responsibilities.

(e) the Committee may delegate any of its powers and functions to the Compliance Manager, including the power to undertake a compliance investigation, and to request or procure information from Code subscribers.

The powers under 4.4(d) and (e) are subject to the following restrictions:

(i) while the Compliance Manager may make recommendations to the Committee in relation to the making of a determination or the imposition of a Sanction, only the Committee may make determinations or impose Sanctions under the Code and this Charter; and

(ii) the restrictions around the Compliance Manager's capacity to make public statements as set out in clause 10.7.

## **4.5 Funding**

4.5.1 The activities of the Committee and the Compliance Manager are to be funded by Code Subscribers.

4.5.2 Each year, no less than three months before the end of the financial year, the Committee will provide COBA with a work plan and Budget for the next financial year.

4.5.3 The workplan and Budget for each financial year must be approved by the COBA Board, no less than one month before the end of the financial year.

## **5. Committee Members**

### **5.1 Number of Committee Members**

The Committee must be comprised of 3 persons appointed in accordance with clauses 5.2 to 5.4 below.

### **5.2 Committee Member with industry experience**

Subject to clause 5.5, 1 Committee Member must be a person:

(a) with relevant experience of the customer owned banking sector, (for example, as an employee or former employee of a customer owned banking institution, or as an industry adviser or representative); and

(b) appointed by the COBA Board.

### **5.3 Committee Member with consumer experience**

Subject to clause 5.5, 1 Committee Member must be a person:

(a) with relevant experience as a consumer or community representative;

(b) appointed by the Consumers Federation of Australia, or its successor or equivalent organisation;

### **5.4 Independent Committee Chair**

Subject to clause 5.5, 1 Committee Member, who shall hold office as Committee Chair, must be a person:

(a) with relevant experience in industry, commerce, law, public administration or government service; and

(b) appointed jointly by the COBA and FOS Boards, following consultation with the Australian Securities and Investments Commission.

### **5.5 Committee Members**

As at the date of adoption of this Charter, the Committee members are:

(a) Ms Anita Schut, who shall be deemed to have been appointed as a Committee Member in accordance with clause 5.2, for a term of three years;

(b) Professor Gail Pearson who shall be deemed to have been appointed as a Committee Member in accordance with clause 5.3, for a term of 1 year; and

(c) Dr Sue-Anne Wallace who shall be deemed to have been appointed as Committee Chair in accordance with clause 5.4, for a term of 2 years.

### **5.6 Tenure**

Committee Members shall hold office for a term of 3 years.

### **5.7 Re-appointment**

A person may not be appointed as a Committee member for more than two terms in aggregate.

### **5.8 Resignation**

A Committee Member may resign by giving reasonable notice according to the circumstances, but in any case not less than 3 months notice, to the COBA Board, except in extenuating circumstances.

### **5.9 Casual vacancies**

A person may be appointed to fill a casual vacancy in the office of a Committee Member. A person appointed under this clause:

- (a) must be appointed in accordance with clauses 5.2 to 5.4, and
- (b) shall hold office for the remainder of the period during which their predecessor would have held office.

### **5.10 Automatic vacancies**

The office of a Committee Member shall be automatically vacated if:

- (a) the Committee Member becomes bankrupt or makes any arrangement or composition with their creditors generally;
- (b) the Committee Member becomes prohibited by law from being a director;
- (c) the Committee Member dies, becomes of unsound mind or is otherwise legally incapacitated; or
- (d) the Committee Member's appointment is terminated under clause 5.11.

### **5.11 Termination**

A Committee member's appointment may be terminated by a resolution of the COBA Board, notice of which must be given to the Committee Chair (or, if the appointment of the Committee Chair is to be terminated, to the other Committee Members) not less than 7 days before the termination is to take effect.

However,

(a) a Committee member appointed under clause 5.3 can only have their appointment terminated with the written support of the Consumers Federation of Australia.

(b) a Committee member appointed under clause 5.4 can only have their appointment terminated with the written support of the FOS Board.

## **6 Meeting of Committee Members**

### **6.1 Meetings and proceedings of Committee**

Subject to clauses 6.2 to 6.14 inclusive, the Committee shall meet, discharge its responsibilities (as set out in clause 4.3) and convene, adjourn and otherwise regulate its meetings and proceedings in such manner as it may from time to time determine.

### **6.2 Minimum number of meetings**

The Committee shall meet at least 3 times in each period of 12 months.

### **6.3 A Committee Member may convene meeting**

A Committee Member may at any time convene a meeting of the Committee by giving to the Committee Chair a notice requesting the meeting, and stating the nature of the business the Committee Member wishes to transact at the meeting, not less than 28 days (or any other period the Committee Chair deems appropriate, which decision shall be conclusive) from the day the meeting is to be convened.

### **6.4 Notice of meeting**

The Committee Chair shall provide to each other Committee Member, not less than 21 days (or any other period the Committee Chair deems appropriate, which decision shall be conclusive) before the date fixed for holding a meeting of the Committee, a notice stating:

(a) the date and time for the holding of the meeting;

(b) a place for the holding of the meeting;

(c) if the meeting is to be held in 2 or more places pursuant to clause 6.12, the places at which the meeting will be held and the technology



that will be used to facilitate the holding of the meeting in that manner;  
and

(d) the nature of the business to be transacted at the meeting.

### **6.5 Notice of business at meeting**

A Committee Member who wishes to bring any business before a meeting of the Committee of which they have received notice may, not less than 14 days (or any other period the Committee Chair deems appropriate, which decision shall be conclusive) prior to the date of the meeting, give notice of that business to the Committee Chair. The Committee Chair must include that business in the agenda of the relevant meeting and may include other business at his or her discretion.

### **6.6 Quorum**

A quorum for a meeting of the Committee shall be all Committee Members.

### **6.7 Committee Chair to preside**

The Committee Chair shall preside over each meeting of the Committee.

### **6.8 Voting**

6.8.1 Every resolution determined at a meeting shall be determined, on a show of hands or as determined by the Committee Chair, by a simple majority.

6.8.2 Each Committee Member shall have 1 vote only on all resolutions determined at a meeting.

### **6.9 Minutes of meeting as evidence**

A declaration by the Committee Chair that a resolution has been carried or lost, and evidence in the minutes of the Committee meeting to that effect, is evidence of the fact without proof of the number, proportion or composition of votes recorded in favour of or against that resolution.

### **6.10 Conflicts of interest**

6.10.1 If a Committee Member has a material personal interest in relation to a matter that is being considered at a meeting of the Committee they must not:

- (a) be present while the matter is being considered at the meeting; or
- (b) vote on the matter,

unless:

- (c) the Committee Member informs the other Committee Members of their material personal interest;
- (d) the other Committee Members have agreed that the Committee Member's conflict of interest does not disqualify them from considering and voting on the matter; and
- (e) the other Committee members have agreed that the Committee Member may be present at the meeting and vote on the matter.

For the avoidance of doubt, a material personal interest for the purposes of this clause does not arise solely by reason of a Committee Member's current or previous employment with a Code Subscriber, or by reason of the financial institution of which a Committee Member is a member or customer.

6.10.2 The Committee minutes shall record the details of any conflict disclosed and the Committee's decision in relation to the conflict.

6.10.3 Any minutes recorded under 6.10.2 shall be made available for inspection upon request by an affected party.

6.10.4 The Committee shall keep a register of Committee member interests which shall be updated annually.

## **6.11 Multiple meetings**

A meeting of the Committee may be constituted by separate meetings of Committee Members held at the same time at different places (whether involving less than 2 Committee Members at any 1 place and whether in person or by simultaneous linking together by telephone or other method of audio or audio visual communication) which will for the purposes of this Charter be taken to constitute 1 meeting.

## **6.12 Written resolution**

A resolution in writing signed by each Committee Member entitled to vote on the resolution has the same effect and validity as a resolution of the Committee Members passed at a duly convened meeting and any such resolution may consist of several documents in like form each signed by 1 or more Committee Members that together constitute the resolution. The resolution is passed when the last Committee Member signs.

## **6.13 Alternate representative**

A Committee Member may appoint an alternate to attend a meeting which the Committee Member is unable to attend due to illness, absence from Australia, the operation of clause 6.10 or other significant circumstances, provided that:

(a) the Committee Member has asked the person whom the relevant Committee Member proposes to appoint as an alternate if that person has any material personal interest in relation to a matter that is being considered at the relevant meeting of the Committee and the person has said they do not have such an interest; and

(b) the Committee Member's appointment of the alternate is approved, prior to the meeting (which the alternative is to attend), by written instrument by each of the other Members of the Committee.

A person appointed as an alternate may exercise all the powers of their appointer (other than the power to appoint an alternate), and is subject to all the requirements applying to the office of their appointer, at the meeting which they attend at which their appointer is not present.

## **7. Committee Chair**

### **7.1 Duties**

The Committee Chair shall do all such things as are necessary to ensure the duties and responsibilities of the Committee as specified in this Charter are effectively discharged.

### **7.2 Delegation of authority by the Committee**

The Committee may from time to time, by written resolution, assign to or vest in the Committee Chair powers and responsibilities of the Committee. A copy of the resolution of the Committee as to the authority of the Committee Chair in respect of any matter shall be accepted as conclusive proof of such authority.

## **8. Complaints about Code breaches**

### **8.1 Complaints considered by the Committee**

8.1.1 The Committee may consider any complaint alleging that a Code Subscriber has breached the Code, except that the Committee must not consider a complaint in any of the following circumstances:

(a) where the person making the complaint, or another person acting on their behalf, seeks redress for loss or detriment allegedly suffered by the person, in which case the complaint must be referred to the Code Subscriber's EDR Scheme.

(b) if the complaint, or the events and facts to which the complaint relates, have been referred to, dealt with, and/or heard in another Forum (whether as a standalone matter or as part of any process or proceeding) and the Forum may make a determination whether or not a breach of the Code has occurred. In such a case the Committee must not consider the complaint until the Forum has determined, or declined to determine (for whatever reason), whether a breach of the Code has occurred.

(i) Where the Forum referred to in 8.1.1(b) makes a determination on a Code breach, the Committee may not undertake its own investigation and must adopt the Forum's finding.

(ii) Where the Forum referred to in 8.1.1(b) does not make a determination or declines to make a determination whether a breach of the Code has occurred, then the restriction on the Committee investigating the matter under 8.1.1(b) no longer applies.

(c) to the extent that the complaint relates to a Code Subscriber's commercial judgment in decisions about lending or security. However, the Committee may consider a complaint where it is alleged that the

Code Subscriber has breached an obligation under the Code in arriving at a commercial judgment.

(d) if the Committee thinks there is a more appropriate Forum to deal with the complaint.

(e) if the Committee considers that the complaint is frivolous or vexatious.

(f) if the complaint is based on the same events and facts as a previous complaint by the complainant to the Committee, unless there is new information.

(g) if the events to which the complaint relates occurred:

(i) before the Code Subscriber to which the complaint relates became a Code Subscriber;

(ii) in relation to an entity which was not a Code Subscriber at the time of the events to which the complaint relates and was subsequently acquired by a Code Subscriber.

(h) if the complainant was aware of the events to which the complaint relates, or would have become aware of them if they had used reasonable diligence, more than 1 year before the complainant first notified the Committee or the Compliance Manager in writing.

8.1.2 The restriction at 8.1.1 (h) can be waived at the discretion of the Committee if the Committee is unanimously of the opinion that the delay was reasonable in the circumstances and the Code Subscriber will not be prejudiced by the delay.

8.1.3 The Committee may develop a policy on how it will exercise its discretion to consider complaints pursuant to 8.1.1.

## **8.2 Process for considering complaints**

The Committee must:

(a) within a reasonable time of receiving a complaint, consider that complaint in accordance with this Charter (including clause 10.1) and any operating procedures determined by the Committee in accordance with clause 14;

(b) before making any determination in accordance with clause 8.4, give the complainant and the Code Subscriber, and any other parties which it reasonably believes may have an interest in the complaint, a reasonable opportunity to make submissions to the Committee in relation to the complaint.

However, when considering a complaint the Committee need only consider whether a Code Subscriber is responsible for serious or systemic non-compliance with the Code if it reasonably suspects that this is the case.

### **8.3 Notice of proposed determination**

Except where a Code Subscriber admits it has breached the Code, the Committee must give at least 28 days' notice to all parties about the Committee's intention to make a determination in relation to a complaint. This notice must be in writing and must state:

- (a) what determination the Committee intends to make in relation to the complaint (including any finding that the Code Subscriber is responsible for serious or systemic non-compliance with the Code;
- (b) if applicable, any sanction or sanctions that the Committee intends to impose;
- (c) briefly state the reasons for any conclusions about the merits of the complaint; and
- (d) that the parties to the complaint have an opportunity to make further submissions to the Committee within a reasonable time from receipt of the notice before a determination may be made by the Committee.

### **8.4 Notice of determination**

After the Committee has considered the submissions made by the parties to a complaint pursuant to clause 8.3, the Committee may make a determination in relation to a complaint. A determination made by the Committee must:

- (a) be in writing;
- (b) include a brief description of the complaint;

(c) include a statement that in the Committee's view the complaint was proven in whole or in part or was unfounded;

(d) if applicable, state any finding by the Committee that the Code Subscriber is responsible for serious or systemic non-compliance with the Code;

(e) if applicable, state any sanction or sanctions imposed; and

(f) include brief reasons for the conclusions and findings of the Committee.

## **9 Own motion Inquiries**

### **9.1 Grounds for Inquiry**

The Committee may conduct an Inquiry on its own motion solely for the purpose of monitoring 1 or more Code Subscribers' compliance with the Code.

### **9.2 Process for conducting Inquiries**

The Committee must:

(a) conduct the Inquiry in accordance with this Charter (including clause 10.1) and any operating procedures determined by the Committee in accordance with clause 14; and

(b) before making any determination in accordance with clause 9.4, give each Code Subscriber to which the Inquiry relates, and any other parties which it reasonably believes may have an interest in the Inquiry, a reasonable opportunity to make submissions in relation to the subject matter of the Inquiry.

### **9.3 Notice of proposed determination**

If the Committee intends to make a determination resulting from an Inquiry which includes a finding that in the Committee's view a Code Subscriber has breached the Code, the Committee must, except where a Code Subscriber admits it has breached the Code, give the Code Subscriber at least 28 days' notice of the Committee's intention. This notice must be in writing and must state:

- (a) the findings the Committee intends to make;
- (b) the reasons for the findings the Committee intends to make;
- (c) if applicable, any sanction or sanctions that the Committee intends to impose; and
- (d) that the Code Subscriber has an opportunity to make further submissions to the Committee within a reasonable time from receipt of the notice before the Committee makes a final determination.

#### **9.4 Notice of determination**

After the Committee has considered any further submissions made by a Code Subscriber pursuant to clause 9.3, the Committee may make a determination. This determination must:

- (a) be in writing;
- (b) briefly state the findings of the Committee;
- (c) if applicable, state any sanction or sanctions imposed; and
- (d) briefly state the reasons for the decision the Committee has made.

### **10 General principles and procedures**

#### **10.1 General principles**

When considering a complaint or conducting an Inquiry, the Committee must:

- (a) take into account:
  - (i) applicable law;
  - (ii) other applicable industry codes or guidelines;
  - (iii) good industry practice; and
  - (iv) fairness in all the circumstances;
- (b) accord, procedural fairness, taking into account the Committee's functions and the procedures outlined in this Charter;
- (c) ensure, as far as practicable, that:



- (i) a Code Subscriber's business is not disrupted unduly; and
- (ii) a Code Subscriber's customers are not inconvenienced unduly;  
and

d) act reasonably in all circumstances.

## **10.2 Requests and investigations by the Committee**

The Committee may, for the purposes of considering a complaint or conducting an Inquiry, and subject to clause 10.1:

- (a) make reasonable requests for a Code Subscriber to provide access to information, documents and systems, which the Committee considers necessary to discharge its functions;
- (b) conduct market research, such as mystery shopping;
- (c) consult external experts, subject to clause 10.4; and
- (d) conduct compliance visits at the premises of a Code Subscriber.

## **10.3 Treatment of information**

(a) All information provided by or on behalf of a party (including a Code Subscriber) to the Committee (including, for the avoidance of doubt, any employee, consultant, independent contractor or agent of the Committee, including the Compliance Manager) and designated as confidential shall be deemed confidential unless it is information within the public domain.

(b) The Committee (including, for the avoidance of doubt, any employee, consultant, independent contractor or agent of the Committee, including the Compliance Manager) must return any item containing confidential information as soon as practicable after a complaint is concluded or withdrawn or any Inquiry is completed, subject to the requirement to maintain proper records of its proceedings. The Committee may instead seek the consent of the relevant party to permanently delete or destroy such items.

If a complaint is sent to another Forum then the Committee must, unless the Committee is compelled by law to provide the information, obtain the

consent of the relevant party before forwarding any information to the new Forum.

(c) The Committee must take reasonable steps to ensure that the confidentiality of confidential information is maintained, including taking reasonable steps to ensure that their employees, consultants, independent contractors or agents (including the Compliance Manager), abide by the same obligation.

#### **10.4 External expertise**

In discharging its functions the Committee may consult such external parties as the Committee thinks appropriate, provided that the Committee takes reasonable steps to ensure that any such external parties also comply with the requirements of this Charter where applicable.

#### **10.5 Rules of evidence**

The Committee shall not be bound by any legal rule of evidence unless otherwise stated in this Charter, but may in its discretion apply a rule of evidence in any particular case where it considers it appropriate.

#### **10.6 Previous determinations**

The Committee will not be bound by any of its previous determinations.

#### **10.7 Authority to give oral or written public statements**

The Committee, and each Committee Member, shall not make public statements on behalf of the Committee, except:

- (a) as contained in the Annual Report; or
- (b) as required in the performance of its functions and responsibilities as set out in clause 4.3 of this Charter.

The Compliance Manager may make public statements and representations about the operation of the Code and Committee, but may not make statements in the name of, or on behalf of, the Committee.

### **11. Enforcement**

Where a Code Subscriber has breached the Code, the Committee may:

- (a) Request that the Code Subscriber remedy the breach;
- (b) Request that a Code Subscriber take reasonable steps to prevent the breach from continuing to occur or re-occur.

The Committee may request an undertaking from the Code subscriber with respect to enforcement under clause 11(a) or (b)

## **12. Sanctions for breach of the Code**

### **12.1 Right to impose a Sanction**

The Committee alone may impose a Sanction on a Code Subscriber for breach of the Code. The right to impose a Sanction may not be delegated.

### **12.2 Sanctions the Committee may impose**

The Committee may impose one or more of the Sanctions outlined in Section E clauses 12 and 13 of the Code when making a Determination under clauses 8 and 9 of the Charter.

### **12.3 Grounds for imposing a Sanction**

Subject to this Charter and clause 12.4, the Committee may only impose a Sanction on a Code Subscriber if the Committee is satisfied that the Code Subscriber:

- (a) is guilty of serious or systemic non-compliance with the Code; or
- (b) has ignored a request from the Committee to remedy a breach of the Code or has failed to remedy that breach within a reasonable time; or
- (c) has breached an undertaking given to the Committee; or
- (d) has not taken reasonable steps to prevent a breach of the Code from continuing to occur or reoccurring after having been warned by the Committee that a Sanction might be imposed.

The Committee is under no obligation to impose a Sanction in any of the circumstances referred to in this clause. The decision to impose a

Sanction is wholly at the discretion of the Committee, subject to this Charter.

#### **12.4 Imposing “naming” Sanction**

The Committee may only name a Code Subscriber pursuant to clause 12.2:

(a) if both clause 12.3(a) and at least one of clause 12.3(b), 12.3(c) and 12.3(d) are satisfied; and

(b) by naming the Code Subscriber, and specifying the reasons for which it is naming the Code Subscriber, in its Annual Report.

### **13 Reporting by Committee**

#### **13.1 Collection of information for Annual Report**

The Committee must, for each period for which it must prepare an Annual Report, collect and record the following information in relation to its operations for inclusion in the Annual Report for the period:

(a) the number of enquiries it has dealt with;

(b) the number of complaints within its jurisdiction it has received and resolved;

(c) the number of complaints within its jurisdiction it has received but that remain unresolved, together with details of their age and status;

(d) the number of referrals of complaints it has made to an EDR Scheme or other Forum;

(e) the number of Inquiries it has commenced and/ or completed during the period, and details of the age and status of uncompleted Inquiries;

(f) information on the time taken to determine complaints and conduct Inquiries;

(g) a profile of current and resolved complaints which identifies the relevant:

(i) provisions of the Code;

(ii) types of products or services;

- (iii) underlying cause of the complaints; and
  - (iv) compliance measures implemented by Code Subscribers
- (h) a profile of current and completed Inquiries which identifies the relevant:
- (i) provisions of the Code;
  - (ii) types of products or services;
  - (iii) underlying cause of the complaints; and
  - (iv) compliance measures implemented by Code Subscribers
- (i) the impact that any identified lack of compliance with the Code provisions may have or is having on customers (including the relative importance of any Code provision that has or may have been breached); and
- (j) compliance initiatives undertaken by Code Subscribers.

The Committee may at its discretion also collect, for inclusion in its Annual Report, information about benefits and disadvantages to customers resulting from Code Subscribers' compliance with the Code.

### **13.2 Publication of Annual Report**

From 1 January 2014, the Committee must publish an Annual Report within 6 months after the end of each Financial Year.

Each Annual Report must include a fair and adequate summary and analysis of the information specified in clause 13.1. It may include any other matters the Committee thinks fit that are consistent with the functions of the Committee under the Code and this Charter.

### **13.3 Provision and lodgement of Annual Report**

The Committee must provide a copy of the Annual Report to:

- (a) each Code Subscriber;
- (b) the COBA Board;
- (c) the FOS Board;

- (c) the Consumers Federation of Australia; and
- (d) the Australian Securities and Investments Commission.

The Committee must make copies of the Annual Report available to the public, and may do so by publishing the Annual Report on its website. To the maximum extent permitted by law, Annual Reports of the Committee may be provided and made available in electronic form.

## **14 Policies, guidelines, reporting forms and operating procedures**

### **14.1 Development of policies, guidelines, reporting forms and operating procedures**

The Committee may develop:

- (a) policies and guidelines on the administration of the Code;
- (b) compliance reporting and other forms; and
- (c) operating procedures related to the activities of the Committee and/or the Compliance Manager

that are consistent with this Charter and the Code.

In conjunction with COBA, the Committee will consult with Code Subscribers in developing these policies, guidelines, and reporting forms. The Committee may also consult with other organisations and individuals with an interest in the Code, as the Committee sees fit.

The Committee will consult with COBA in the development of operating procedures.

## **15 Immunity from liability**

15.1 The Code Subscribers agree to release and indemnify (to the extent the assets of the Committee are inadequate) the Committee to hold them harmless against all losses, damages, costs, actions, claims, demands and liabilities incurred or suffered by the Committee arising out of the Committee's performance of its functions and activities in accordance with this Charter, other than with respect to any wilful or reckless acts, omissions or gross negligence on the part of the Committee.

15.2 The Committee must effect and maintain at all relevant times the following insurance, which must in all circumstances fully cover any claim made at any time in respect of an event occurring:

- (a) professional indemnity insurance; and
- (b) insurance against any liability which may arise under the general law.

## **16 Notices**

All notices given for the purposes of this Charter must be:

- (a) in writing; and
- (b) delivered by facsimile, electronic mail or prepaid ordinary post.

## **17 Alteration to Charter**

This Charter may be altered at any time by COBA following consultation with the Committee.