

**BANKING IN AUSTRALIA:  
UNREGULATED AND UNPROTECTED**

**PART 1:**

Links weakness of the Code of Banking Practice, the Code Compliance Monitoring Committee and the Financial Ombudsman Service with systemic flaws in the self-regulation regime of Australian banks. It asks whether the practices of leading banks constitute criminal behavior.

**PART 2:**

Notes the relationship between [Code] subscribing banks and customers has been damaged by the failure of regulators to prosecute banks that have breached the APRA, ASIC and ACCC Acts.<sup>1</sup>

**PART 3:**

Reports information that ASIC has that explains how the Australian banks misled customers. Whilst Bank of America and others US banks have been prosecuted for illegal behavior, no action has been taken to investigate unlawful bank conduct in Australia.

**PART 4:**

Explains how regulators, in 2016, allege two banks, ANZ and Westpac - and possibly NAB – “disadvantaged customers by manipulating the nation’s benchmark interest rate, the bank bill swap rate. This distorts lending and borrowing costs for households and businesses.

**PART 5:**

Refers to federal regulators being negligent in circumstances where the practices of banks may amount to criminal conduct. There is evidence that senior executives of the banks generated profits unlawfully.

**PART 6:**

Self-regulated banking, introduced in 2001, allowed the banks to sell contracts without full disclosure. By concealing the Constitution of the CCMC, bank contracts could be termed toxic, as important and relevant contract terms were withheld from customers.

Prepared for:  
Greg Tanzer  
ASIC Commissioner  
GPO Box 9827  
MELBOURNE VIC 3001