



Authority to carry on banking business

Banking Act 1959

I, Brandon Kong Leong Khoo, a delegate of APRA, under subsection 9(3) of the *Banking Act 1959* (the Act), GRANT MoneySwitch Limited ACN 103 575 042 (the Company), an authority to carry on banking business in Australia.

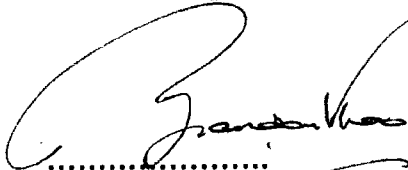
This authority is subject to the conditions, made under subsection 9(4) of the Act, that:

1. The banking business that the Company is authorised to carry on is confined to the activities of credit card acquiring in any credit card scheme that was designated as a payment system under section 11 of the *Payment Systems (Regulation) Act 1998* on 11 April 2001. For the avoidance of doubt:
 - (a) the Company may acquire debit card transactions;
 - (b) the Company must not take money on deposit;
2. The Company must hold an amount of not less than \$2 million in Tier 1 capital at all times before it commences credit and/or debit card acquiring;
3. At all times after the Company commences credit and/or debit card acquiring, the Company must hold Tier 1 capital in the greater of the following two amounts:
 - (a) \$5 million; or
 - (b) 20% of the value of the risk weighted on- and off- balance sheet credit exposures of the Company (at the time of calculation);
4. Merchant performance bonds, if any, accepted by the Company in the course of its credit card acquiring activities must be held by the Company for the benefit of the merchants in a trust account with an authorised deposit taking institution;

5. Funds awaiting settlement to merchants may but need not be kept in a trust account with an authorised deposit taking institution.

This authority commences on the day it is signed.

Dated: 26 April 2005



.....
Brandon Khoo
Executive General Manager
Specialised Institutions Division

Interpretation

In this Notice

ADI has the meaning given by in section 5 of the *Banking Act 1959*

APRA means the Australian Prudential Regulation Authority

credit card acquiring has the meaning given by paragraph 2(2)(a) of the *Banking Regulations 1966*

risk-weighted on- and off- balance sheet credit exposures has the meaning in Prudential Standard APS 112 made under section 11AF of the Act and related Guidance Notes.

Tier 1 capital has the meaning in Prudential Standard APS 111 made under section 11AF of the Act and related Guidance Notes.