



ASIC

Australian Securities & Investments Commission

About the Australian credit licence application

A list of questions asked and information required

Contents

About the Australian credit licence application	3
Getting started	4
Details of applicant.....	5
Details of prior registration and licensing	6
Principal business address	7
Alternative address	7
Contact details	8
Business names.....	8
Delayed licence commencement date.....	8
Authorisations	9
Details of business activities	10
Credit licence fee.....	12
Details of credit activities	13
Details of credit intermediary activities.....	13
Representatives.....	14
Money held in trust.....	15
Fit and proper people.....	15
Organisational competence	17
Licences, Authorisation.....	17
Professional Memberships, Accreditation and Indemnity Insurance	17
Names.....	18
Offences.....	18
Solvency	18
Attachments.....	19
Individual supporting documents	19
Compliance arrangements	19
Compliance details	19
Conflict management.....	20
Representatives.....	21
Adequacy of resources	22
Dispute resolution and hardship applications.....	23
External Dispute Resolution Schemes.....	24
Risk management	25
Compensation arrangements	26
Supporting documents	26
Declaration	27

About the Australian credit licence application

This document is intended to help people who want to apply for a credit licence.

It outlines the questions ASIC will ask and the supporting information ASIC may require. It should be read in conjunction with Regulatory Guide 204 *Applying for and varying a credit licence* (RG 204).


These questions are taken from the current draft of the Australian credit licence application and may change before release on 1 July 2010. The online form will only present questions that apply to particular types of applicants, based on information that is provided by the applicant during the application process.

The online form will also pre-fill information from either the company register or the AFS licensee register, so it is important that these registers are updated before you begin.

When completing an application, some questions or the requirement to include additional supporting documents do not apply to particular types of applicants such as:

- current holders of an Australian financial services licence (AFSL); or
- those applicants listed below that are eligible for **streamlining**:
 - holders of WA Class A and WA Class B licences with limited authorisations;
 - APRA regulated Authorised Deposit-Taking Institutions (ADIs);
 - APRA-life insurers with limited authorisations only; and
 - general insurers who are lenders mortgage insurers only, with limited authorisations.

Legend

- Select information from screen
- ➔ Enter or attach information
-  Information may be pre-filled by ASIC

Get further information

- Go to www.asic.gov.au/credit for the latest information on credit and to download copies of the regulatory guides.
- Subscribe to ASIC updates on credit at www.asic.gov.au/credit-updates.
- Phone ASIC Infoline 1300 300 630 or email Infoline@asic.gov.au
- Go to www.asic.au/search to search the Australian Credit Register
- Regulatory Guide 204 *Applying for and varying a credit licence* (RG 204)
- Regulatory Guide 205 *Credit licensing: General conduct obligations* (RG 205)
- Information Sheet 97 *Guidance for small credit businesses* (INFO 97)
- Information Sheet 103 *Getting a credit licence* (INFO 103)
- Information Sheet 108 *How much does a credit licence cost?* (INFO 108)

Getting started

The credit licence application is a secure online transaction.

If you registered for credit online

Go to www.asic.gov.au and select 'Credit registered person' from the drop-down menu under 'Lodge online' (on the right side of the page).

You will need to use your credit registration number and the user name and password you selected when you registered for credit to log in to the application. Select CL01 to apply for a credit licence

If you are an AFS licensee registered for online access

Go to www.asic.gov.au and select 'AFS licensees' from the drop-down menu under 'Lodge online' (on the right side of the page).

You will need to use your AFS licence number and the user name and password you selected when you registered for online access to log in to the application. Select CL01 to apply for a credit licence

If you have not registered for credit

Go to www.asic.gov.au/credit and follow the links to apply for a credit licence. As part of the process you will be asked to enter a user name and password of your choice and create a 'Security question and answer' in case you forget your password.

- ➔ Credit registration number OR ➔ AFS licence number
- ➔ User name
- ➔ Password
- ➔ Security question and answer if lodging online for the first time

Details of applicant

Is the applicant registered to engage in credit activities under the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009?

Yes. If yes, enter the applicant's credit registration details.

→ Credit registration number

→ Credit registration name

No. If no, indicate what type of entity the applicant is and provide the required information.

Company (or registered Australian body)

→ ACN/ARBN/ABN AFS licence number (if applicable)

→ Company name

Body corporate (not being a company or a registered Australian body)

→ ABN (if applicable)

→ AFS licence number (if applicable)

→ Body corporate name

Partnership

→ ABN

→ AFS licence number (if applicable)

→ Partnership name

Trustees of a trust (only multiple trustees)

→ ABN

→ AFS licence number (if applicable)

→ Trust name

Natural person

→ ABN

→ AFS licence number (if applicable)

→ Family name

→ Given names

→ Date of birth (DD-MM-YYYY)

→ Place of birth (town/city) (state/country)

Is the applicant a body regulated by the Australian Prudential Regulation Authority (APRA) or registered under the Financial Sector (Collection of Data) Act 2001?

Yes No

If yes, indicate what type of body. (Tick one box)

- Authorised deposit taking institution (You may be eligible for a streamlined application, see page 3.)
- General insurer (You may be eligible for a streamlined application, see page 3.)
- Registered financial corporation
- Life insurer (You may be eligible for a streamlined application, see page 3.)
- Other

Is the applicant part of a group that is applying for more than one Australian credit licence?

Yes No

If yes, provide the names of the other applicants:

→Names

Details of prior registration and licensing


Prior registration or licensing as a credit provider or broker under state or territory legislation is relevant information for ASIC in assessing your application for an Australian credit licence.

Please indicate any previously issued licence or registration that is current or was still current immediately before 1 July 2010. Tick box(es) that apply.

The applicant was:

- a Class A Finance Brokers Licensee under the Finance Brokers Control Act 1975 (WA)
→Finance broker licence number
- a Class B Finance Brokers Licensee under the Finance Brokers Control Act 1975 (WA)
→Finance broker licence number
- a Class C Finance Brokers Licensee under the Finance Brokers Control Act 1975 (WA)
→Finance broker licence number
- a Class D Finance Brokers Licensee under the Finance Brokers Control Act 1975 (WA)
→Finance broker licence number
- a Finance Broker registered under s43 of the Consumer Credit (Administration) Act 1996 (ACT)
→Finance broker registration number
- a Credit Provider licensed under s12 of the Credit (Administration) Act 1984 (WA)
→Credit provider licence number
- a Credit Provider registered under s12 of the Consumer Credit (Administration) Act 1996 (ACT)
→Credit provider registration number
- a Credit Provider registered under s15 of the Consumer Credit (Victoria) Act 1995 (VIC)
→Credit provider registration number
- none of the above

Principal business address

 This address should be the same as the:

- principal place of business notified to ASIC for a registered company; (If there is a change to the address, please notify ASIC of the change by lodging a Form 484 *Change to company details*.)
- principal business address notified to ASIC for an AFS licensee. (If there is a change to the address, please notify ASIC of the change by lodging a Form FS20 *Change of details for an Australian financial services licence*.)
 - ➔ At the office of, C/- (if applicable)
 - ➔ Office, unit, level
 - ➔ Street number and street name
 - ➔ Suburb/City State/Territory Postcode
 - ➔ Country (if not Australia)

Alternative address

If this principal business address is the applicant's residential address, does the applicant want the public register to record an alternative address at which documents can be served on the applicant because publication of the residential address will be a personal safety risk for the applicant or the applicant's family?

Yes No

If yes, provide the alternative address.

No PO Box can be accepted. This must be an address in Australia.


- ➔ At the office of, C/- (if applicable)
- ➔ Office, unit, level
- ➔ Street number and street name
- ➔ Suburb/City
- ➔ State/Territory
- ➔ Postcode

Contact details

Provide the following details for the person to whom we should direct all questions and correspondence about this application.

- ➔ Family name of key contact person
- ➔ Given name
- ➔ Email address
- ➔ At the office of, C/- (if applicable)
- ➔ Office, unit, level
- ➔ Street number and street name
- ➔ Suburb/City
- ➔ State/Territory
- ➔ Postcode
- ➔ Country (if not Australia)
- ➔ Telephone number: Comments
- ➔ Fax number: Comments

Business names

 If the applicant is an AFS licensee, the business names listed should be those notified to ASIC. To check, go to www.asic.gov.au/nni

- ➔ Business name
- ➔ Number
- ➔ State/Territory of registration

Delayed licence commencement date

Does the applicant wish to delay the commencement of its Australian credit licence?

Yes No

If yes, please enter the requested commencement date.

- ➔ Requested commencement date

Authorisations

What type(s) of credit activities does the applicant want ASIC to authorise under their Australian credit licence? Tick **one** box. The authorisation selected will dictate what questions you are presented with.

- Engage in credit activities other than as a credit provider by:
- a) providing a credit service where the licensee is not or will not be:
 - (i) where the service relates to a credit contract or proposed credit contract — the credit provider under the contract; or
 - (ii) where the service relates to a consumer lease or proposed consumer lease — the lessor; and/or
 - b) performing the obligations or exercising the rights of a credit provider in relation to a credit contract or proposed credit contract under which the licensee is not or will not be the credit provider; and/or
 - c) performing the obligations or exercising the rights of the mortgagee in relation to a mortgage or proposed mortgage which secures or will secure obligations under a credit contract under which the licensee is not the credit provider; and/or
 - d) performing the obligations or exercising the rights under a guarantee of the beneficiary of a guarantee or proposed guarantee which guarantees obligations under a credit contract under which the licensee is not the credit provider; and/or
 - e) performing the obligations or exercising the rights of a lessor in relation to a consumer lease or proposed consumer lease where the licensee is not or will not be the lessor.
- Engage in credit activities as a credit provider by:
- a) carrying on a business of providing credit being credit the provision of which the National Credit Code applies to; and/or
 - b) being a credit provider under a credit contract; and/or
 - c) performing the obligations or exercising the rights of a credit provider in relation to a credit contract or proposed credit contract as the credit provider; and/or
 - d) providing credit assistance to a consumer which relates to a credit contract or proposed credit contract under which the licensee is or will be the credit provider; and/or
 - e) being a mortgagee under a mortgage that secures or will secure obligations under a credit contract under which the licensee is the credit provider; and/or
 - f) performing the obligations or exercising the rights of a mortgagee in relation to a mortgage or proposed mortgage which secures or will secure obligations under a credit contract under which the licensee is the credit provider; and/or
 - g) being a beneficiary under a guarantee that guarantees obligations under a credit contract under which the licensee is the credit provider; and/or
 - h) performing the obligations or exercising the rights of a beneficiary under a guarantee or proposed guarantee which guarantees obligations under a credit contract under which the licensee is the credit provider; and/or
 - i) carrying on a business of providing consumer leases; and/or
 - j) being a lessor under a consumer lease; and/or
 - k) providing credit assistance to a consumer in relation to a consumer lease or proposed consumer lease for which the licensee is the lessor; and/or
 - l) performing the obligations or exercising the rights of a lessor in relation to the consumer lease as the lessor.
- Engage in all credit activities.

Details of business activities

What activities best describe the applicant's intended business under this Australian credit licence? Tick one or more box(es).

- aggregator
 assignee of debts

Will the applicant engage in credit activities only as an assignee debt collector?

- Yes No

- bank
 credit union or building society
 door to door or phone sales of goods and services
 finance broker
 financial planner or advisor
 lenders mortgage insurer

In providing mortgage insurance products, will the applicant engage in credit activities only as:

- an assignee; or
- a credit provider under the doctrine of subrogation?

- Yes No

- lessor
 mortgage broker
 mortgage manager
 other lender
 property developer or real estate agent
 responsible entity of a managed investment scheme
 securitisation manager or securitisation trustee
 seller of goods by instalments
 seller of real property by instalments
 other

➔ other intended business activity

For an applicant that is a life insurer regulated by APRA and has selected 'other' above and entered a business activity other than those presented:

Will the applicant engage in credit activities in relation to the provision of credit because of the operation of the terms and conditions of:

- a life policy (within the same meaning as in the Life Insurance Act 1995) that was entered into before 1 July 2010; or
- a document issued or given by the person in relation to a life policy (within the same meaning as in the Life Insurance Act 1995) that was entered into before 1 July 2010.

- Yes No
-

Please indicate the types of credit contracts and consumer leases to which the credit activities the applicant intends to engage in will relate. Tick one or more box(es).

- | | |
|--|--|
| <input type="checkbox"/> home loans (first mortgage) | <input type="checkbox"/> home loans (subsequent mortgage) |
| <input type="checkbox"/> vehicle loans | <input type="checkbox"/> boat loans |
| <input type="checkbox"/> other personal loans | <input type="checkbox"/> overdrafts |
| <input type="checkbox"/> credit cards | <input type="checkbox"/> car leases |
| <input type="checkbox"/> other consumer leases | <input type="checkbox"/> short-term loans (not more than 6 months in duration) |
| <input type="checkbox"/> micro-loans (less than \$3,000) | <input type="checkbox"/> other |

Credit licence fee

The credit licensing fee is calculated on the sum of five amounts:

1. The total amount of credit advanced by the applicant in the preceding financial year
- +
2. The total amount of credit assigned to the applicant in the preceding financial year
- +
3. The total value of credit in applications submitted by the applicant to credit providers and credit intermediaries in the preceding financial year which have resulted in a loan being made
- +
4. The total amount of rent payable by consumers under consumer leases entered into by the applicant in the preceding financial year
- +
5. The total amount of rent payable by consumers under consumer leases submitted by the applicant to lessors in the preceding financial year which have resulted in a consumer lease being made

See Information Sheet 108 *How much does a credit licence cost?* for more information. Information sheets are available at www.asic.gov.au/infoheets.

Is the applicant a sole trader? (see definition below)

- Yes No

Indicate the range in which the sum of the five amounts falls.

- Less than \$100 million and the licensee is a 'sole trader'
- Less than \$100 million and the licensee is not a 'sole trader'
- \$100 million or more but less than \$200 million
- \$200 million or more but less than \$600 million
- \$600 million or more but less than \$1,000 million
- \$1,000 million or more but less than \$1,400 million
- \$1,400 million or more but less than \$1,800 million
- \$1,800 million or more but less than \$2,100 million
- \$2,100 million or more

A sole trader is:

- a natural person; or
- a person (other than a natural person) that has only one representative that engages in credit activities on its behalf.

If you have only one representative (e.g. a director) who engages in credit activities, and also other people (e.g. employees) who engage in other sorts of conduct on your behalf, such as clerical work, you may be a 'sole trader'.

Details of credit activities

This question will be presented depending on the authorisations requested by the applicant

Does the applicant intend to provide credit as an original credit provider?

- Yes No

If yes, answer the following questions.

Which of the following best describes the applicant's principal intended distribution model? Tick one box.

- employee sales representative(s)
 related company(ies)
 independent or franchisee sales representative(s)

How does the applicant intend to receive most credit applications? Tick one box.

- physical branches/over the counter
 visits to consumer's homes or workplaces
 telephone
 mail
 internet
 other

Does the applicant intend to cross-sell products, other than credit contracts or consumer leases, to its client base or refer its clients to issuers of other products?

- Yes No

If yes, is it likely the applicant will receive a commission or payment for such activity?

- Yes No

Details of credit intermediary activities

This question will be presented depending on the authorisations requested by the applicant

Does the applicant intend to act as an intermediary between a credit provider and a consumer for the purposes of securing credit for the consumer?

- Yes No

If yes, answer the following questions.

Which of the following best describes the applicant's principal intended distribution model? Tick one box

- employee sales representative(s)
 related company(ies)
 independent or franchisee sales representative(s)

How does the applicant intend to arrange most credit applications? Tick one box.

- physical branches/over the counter
- mail
- visits to consumer's homes or workplaces
- internet
- telephone
- other

Does the applicant intend to cross-sell products, other than credit contracts or consumer leases, to its client base or refer its clients to issuers of other products?

- Yes No

If yes, is it likely the applicant will receive a commission or payment for such activity?

- Yes No

Representatives

How many representatives engaging in credit activities does the applicant have, or intend to have, from the date of commencement of its credit licence? Tick one box.

- 1
- 2 to 5
- 6 to 10
- 11 to 20
- 21 to 30
- 31 to 50
- 51 to 100
- 101 to 500
- Over 500

Approximately how many **authorised** credit representatives does the applicant expect to have by the first anniversary of the grant of its Australian credit licence? Tick one box.

- None
- 1
- 2 to 5
- 6 to 10
- 11 to 20
- 21 to 30
- 31 to 50
- 51 to 100
- 101 to 500
- Over 500

If 1 or more authorised credit representatives is selected, where will the applicant's authorised credit representatives most likely be located?

- Australia wide
- ACT
- NSW
- NT
- QLD
- SA
- TAS
- VIC
- WA
- Overseas

Money held in trust

Division 3 of Part 2.5 of the National Consumer Credit Protection Act 2009 requires an Australian credit licensee that receives money for or on behalf of another person in the course of providing credit services, to appoint an auditor to audit the trust account.

Is the applicant likely to receive money for or on behalf of another person in the course of providing credit services?

Yes No

If yes, will the applicant be holding these amounts in a trust account maintained with an Australian ADI?


Yes No

If yes, on what date does the applicant's financial year end?

Fit and proper people


To obtain an Australian credit licence the applicant must identify the people involved in its credit business and provide ASIC with information to demonstrate that each is a 'fit and proper person'.

The applicant must complete this information for ALL of the people identified below:


- If the applicant is a company or other body corporate, including a company or other body corporate that is acting in the capacity as trustee of a trust, the applicant must identify all directors, all company secretaries and any senior managers who will perform duties in relation to credit. 
- If the applicant is a partnership comprised of individuals, the applicant must identify the partners who will perform duties in relation to credit. If the partner is a body corporate, details of all the officeholders of the body corporate must be given.
- If the applicant is a trust with individuals as trustees, the applicant must identify the trustees who will perform duties in relation to credit. If the trustee is a body corporate, details of all the officeholders of the body corporate must be given.
- If the applicant is a natural person, the applicant must provide ASIC with information about themselves.


 If the applicant, or a partner or a trustee is a company registered with ASIC, these details will be pre-filled online. (Update these details using a Form 484 *Change to company details*)

For each person:

➔ Family name 

➔ Given name 

➔ Date of birth 

➔ Place of birth (town/city) (state/country) 

Is this person...?: Tick one box.

a non-executive officer

a trustee

an executive officer

a senior manager who is an employee

an individual applicant or partner

a senior manager who is an external service provider

What is the job title of this person?

→ Job title

What industry category(ies) best describes this person's area of experience? You may select more than one

- | | |
|---|---|
| <input type="checkbox"/> Accounting | <input type="checkbox"/> Business development |
| <input type="checkbox"/> Credit risk assessment | <input type="checkbox"/> Finance/Mortgage broking |
| <input type="checkbox"/> Financial planner/adviser | <input type="checkbox"/> Insurance |
| <input type="checkbox"/> Legal/compliance/risk management | <input type="checkbox"/> Lending |
| <input type="checkbox"/> Loan management | <input type="checkbox"/> Management |
| <input type="checkbox"/> Securitisation | <input type="checkbox"/> Other |

If the applicant selects '**Other**' and also selected 'finance broker' or 'mortgage broker' under **Details of business activities**:

Is this person currently completing a mentoring programme with the Mortgage and Finance Association of Australia?

- Yes No
-

Does the applicant rely on this person to demonstrate that it is competent to engage in credit activities (responsible manager)?

- Yes No

If yes, this information is required for all responsible managers of applicants.

Educational qualifications

You must provide details of this person's educational qualifications relevant to your responsibilities for this Australian credit licence.

→ Institution

→ Course name

→ Year of completion

Previous employers

You must provide details of this person's previous employers where experience relevant to this application was gained.

→ Employer

→ Job title including Division (if applicable)

→ Period of time with this employer

Is this person an officeholder of a body corporate that is a partner of an applicant that is a partnership; or a trustee of an applicant that is a multiple trustee; or an applicant other than a company or registered Australian body?

Yes No

If yes, provide details of the body corporate.

→ACN/ARBN/ABN

→Body corporate name

Organisational competence

The following information is not required for streamlined applicants.

Statement of Personal Information

This information must be supplied for each 'fit and proper person' identified in this application—unless the applicant is eligible for streamlining.

Licences, Authorisation

Within the last 10 years, within Australia and/or overseas, have you ever been refused the right, or been restricted in the right, to carry on any trade, business or profession for which an authorisation (licence, certificate, registration or other authority) is required by law?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been subject to disciplinary action in relation to any such authorisation?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been the subject of any investigations or proceedings that are current or pending and which may result in disciplinary action being taken in relation to any such authorisation?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been engaged in the management of any companies/businesses that have had a Corporations Act 2001 (or previous corresponding laws) licence cancelled?

Yes No

Professional Memberships, Accreditation and Indemnity Insurance

Within the last 10 years, within Australia and/or overseas, have you ever been reprimanded, or disqualified or removed, by a professional or regulatory body or external dispute resolution scheme in relation to matters relating to your honesty, integrity or business conduct?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever had any past, present or pending claim made against a Professional Indemnity Insurance Policy in relation to advice you have tendered?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been refused Professional Indemnity Insurance?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been denied accreditation by a lender, mortgage manager or mortgage insurer?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever had your accreditation cancelled or suspended by a lender, mortgage manager or mortgage insurer, other than for volume reasons, or had your membership of an aggregator or franchise group terminated, or is similar action pending against you?

Yes No

Names

Within the last 10 years, within Australia and/or overseas, have you ever carried on business under any name other than the name or names shown in this application?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been known by any name other than the name or names shown in this application?

Yes No

Offences

Within the last 10 years, within Australia and/or overseas, have you ever been the subject of administrative, civil or criminal proceedings or enforcement action, which were determined adversely to you (including by you consenting to an order or direction, or giving an undertaking not to engage in unlawful or improper conduct) in any country?

Yes No

Solvency

Within the last 10 years, within Australia and/or overseas, have you ever been declared bankrupt or insolvent under administration, or is there any such action pending?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been engaged in the management of any companies/businesses that have had an external administrator appointed, or which have entered into a compromise, or scheme of arrangement, with its creditors?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been engaged in the management of any companies/businesses that were declared insolvent?

Yes No

Within the last 10 years, within Australia and/or overseas, have you ever been engaged in the management of any companies/businesses that were declared the equivalent of insolvent under the law of an external territory or country other than Australia?

Yes No

Attachments

The following information is not required for streamlined applicants.

If you have answered yes to any question, please attach an explanation of each matter.

In addition, please provide the following:

- the judgment and if it has been satisfied;
- for a declaration of bankruptcy or insolvency:
 - date of the declaration and district in which it was made;
 - bankruptcy number.

For a deed of arrangement, assignment or where creditors have accepted a composition under Part X of the Bankruptcy Act 1966:

- date of the deed of arrangement, assignment or the special resolution accepting composition and the district in which it was made
- name and address of the trustee of the deed of arrangement, assignment or of the composition
- identifying number used in relation to the deed of arrangement or assignment or the composition in the office of the Registrar in Bankruptcy.

Individual supporting documents

The following information is not required for streamlined applicants.

The following documents must be provided for each 'fit and proper person' identified in this application—unless the applicant is eligible for streamlining:

- a national criminal history check on the person not more than 12 months old;
- a credit history report not more than 3 months old.

Compliance arrangements

Compliance details

To obtain an Australian credit licence the applicant must demonstrate it has processes in place to adequately monitor compliance with the licence conditions and credit legislation (see ASIC's Regulatory Guide 205 Credit licensing: General conduct obligations.)

These may be specific to the entity applying for the licence or may cover a corporate group.

Does the applicant have, or will it have from the date of commencement of its credit licence, arrangements and systems to ensure compliance with the obligations under the Australian credit licence?

Yes No

Does the applicant have, or will it have from the date of commencement of its credit licence, a written plan that documents those arrangements and systems?

- Yes No

If yes, who prepared, or will prepare, this written plan? Tick one box.

- internal compliance
 external compliance
 other

Do the applicant's current or proposed compliance arrangements specify how often compliance with procedures is monitored and reported on?

- Yes No

Is there a person(s) internal to the business who will be responsible for ongoing monitoring and reporting in relation to the applicant's level of compliance and for maintaining the adequacy of the applicant's compliance arrangements from the date of commencement of its credit licence?

- Yes No

Conflict management

Does the applicant have, or will it have from the date of commencement of its credit licence, conflict management arrangements and systems to ensure that its clients will not be disadvantaged by any conflicts of interest that may arise wholly or partly in relation to the credit activities engaged in by the applicant or its representatives?

- Yes No

When engaging in credit activities under this Australian credit licence, will any functions be outsourced?

- Yes No

If yes, what function(s) will be outsourced? Tick box(es) that apply.

- | | |
|--|---|
| <input type="checkbox"/> All functions | <input type="checkbox"/> General management |
| <input type="checkbox"/> Accounting | <input type="checkbox"/> Human resource management |
| <input type="checkbox"/> Administration | <input type="checkbox"/> Legal |
| <input type="checkbox"/> Call centre | <input type="checkbox"/> Loan administration |
| <input type="checkbox"/> Compliance monitoring and supervision | <input type="checkbox"/> Marketing |
| <input type="checkbox"/> Computing/Information technology | <input type="checkbox"/> Training |
| <input type="checkbox"/> Credit assessment | <input type="checkbox"/> Risk management |
| <input type="checkbox"/> Debt collection | <input type="checkbox"/> Verification of borrower information |
| <input type="checkbox"/> Distribution | (e.g. income and employment) |

Representatives

To obtain an Australian credit licence the applicant must demonstrate it has adequate arrangements to:

- comply with credit legislation and Australian credit licence conditions
- supervise and monitor the activities of any representatives and ensure that any breaches are identified and remedied
- ensure that any representatives are adequately trained and competent. See ASIC Regulatory Guide 206 Credit licensing: Competence and training.

The following question does not apply to current Australian financial services licensees.

Does the applicant have, or will it have from the date of commencement of its credit licence, a written policy that details the minimum training requirements for its representatives?

- Yes No

The following question does not apply to current Australian financial services licensees.

Does the applicant have, or will it have from the date of commencement of its credit licence, a training register that records training programs attended by its representatives?

- Yes No

Does the applicant have, or will it have from the date of commencement of its credit licence, a documented process for monitoring and supervising its representatives including its credit representatives?

- Yes No

The following question does not apply to current Australian financial services licensees.

Does the applicant have, or will it have from the date of commencement of its credit licence, a recruitment process for the appointment of representatives that includes the following? Tick box(es) that apply.

- | | |
|--|--|
| <input type="checkbox"/> Criminal history check | <input type="checkbox"/> ASIC banned and disqualified persons register check |
| <input type="checkbox"/> Credit/bankruptcy check | <input type="checkbox"/> Independent reference check |
| <input type="checkbox"/> Character declaration | <input type="checkbox"/> Conflict of interest declaration |
| <input type="checkbox"/> Employment contract | <input type="checkbox"/> Verification of qualifications |

Does the applicant intend to engage in mortgage broking activities (see definition in RG 206 Credit licensing: Competence and training)?

- Yes No

If yes, does the applicant have, or will it have from the date of commencement of its credit licence, processes in place to ensure that all mortgage broking representatives (those who will suggest to or assist consumers to borrow money secured by real property) will have a minimum of Certificate IV in Financial Services (Finance/Mortgage Broking) on or before 30 June 2014?

- Yes No

If the applicant expects to have one or more authorised credit representatives by the first anniversary of the grant of its credit licence:

Does the applicant have, or will it have from the date of commencement of its credit licence, processes in place to ensure that credit representatives are members of an approved External Dispute Resolution Scheme?

Yes No

Adequacy of resources

To obtain an Australian credit licence the applicant must demonstrate it has adequate financial, human and information technology (IT) resources available to engage in the credit activities authorised by its licence and to carry out supervisory arrangements.

Questions about adequacy of resources do not need to be answered by the following APRA-regulated organisations:

- ADIs;
- general insurer;
- life insurers.

The following question does not apply to current Australian financial services licensees.

Does the applicant have, or will it have by the date of commencement of its credit licence, a written plan that sets out measures to ensure that its financial resources are adequate?

Yes No

Does the applicant have, or will it have by the date of commencement of its credit licence, a business planning process that includes consideration of the employees and other representatives needed to engage in the credit activities under this licence?

Yes No

The following question does not apply to current Australian financial services licensees.

Does the applicant have, or will it have from the date of commencement of its credit licence, IT systems to support its business processes?

Yes No

If yes, answer the following questions.

What process best describes how the applicant undertakes, or will undertake, IT development and support?

In house Contracted supplier

Does the applicant have, or will it have from the date of commencement of its credit licence, a documented disaster recovery plan in the event of loss of data or failure of computer hardware?

Yes No

At a minimum, how often will the applicant backup its IT information?

- Continuously Annually
 Daily Less frequently than annually
 Weekly Never
 Monthly

Dispute resolution and hardship applications

To obtain an Australian credit licence the applicant must demonstrate it has a dispute resolution system in place that comprises:

- *internal dispute resolution procedures that meet ASIC's approved standards and requirements set out in Regulatory Guide 165 Licensing: Internal and external dispute resolution (RG 165); and*
- *membership of one or more ASIC approved External Dispute Resolution Scheme(s) that can deal with complaints about the credit activities the applicant engages in under its Australian credit licence.*

The following question does not apply to current Australian financial services licensees.

Does the applicant have, or will it have from the date of commencement of its credit licence, an internal dispute resolution procedure in place?

- Yes No

If the applicant intends to provide credit, does it have, or will it have from the date of commencement of its credit licence, documented policies and procedures for receiving and assessing requests to vary credit contracts upon the grounds of hardship?

- Yes No Not applicable

The following question does not apply to current Australian financial services licensees.

What best describes the role of the person with responsibility for internal dispute resolution? Tick one box.

- Chief Executive Officer General Manager
 Complaints Manager Operations Manager
 Compliance Officer/Manager Partner/Proprietor
 Customer Services Manager Other
 Director

The following question does not apply to current Australian financial services licensees.

Does the applicant's internal dispute resolution procedure meet, or will it meet from the date of commencement of its credit licence, the standards and requirements set out in ASIC's Regulatory Guide 165 Licensing: Internal and external dispute resolution (RG 165)?

- Yes No

The following question does not apply to current Australian financial services licensees.

Is this, or will this, procedure be documented?

Yes No

The following question does not apply to current Australian financial services licensees.

Is a guide to this procedure or a document setting out this procedure available for clients; or will it be available from the date of commencement of its credit licence?

Yes No

The following question does not apply to current Australian financial services licensees.

Does the procedure specify, or will it from the date of commencement of its credit licence, that for unresolved complaints, information must be provided about the relevant External Dispute Resolution Scheme?

Yes No

External Dispute Resolution Schemes

Is the applicant a member of one or more External Dispute Resolution Schemes?

Yes No

If yes, enter the details of the External Dispute Resolution Scheme(s) of which the applicant is a member.

Financial Ombudsman Service (FOS)

→ Membership Number

→ Commencement date

Credit Ombudsman Service Ltd (COSL)

→ Membership Number

→ Commencement date

Risk management

To obtain an Australian credit licence the applicant must demonstrate that it has an adequate risk management system. The following questions relate to the risk management process the applicant currently has, or will have by the date of commencement of its Australian credit licence

Questions about risk management do not need to be answered by the following APRA–regulated organisations:

- ADIs;
- general insurer;
- life insurers..

The following question does not apply to current Australian financial services licensees.

Does the applicant's risk management process include the identification, analysis, evaluation, treatment and communication of the risks associated with the applicant's business?

Yes No

The following question does not apply to current Australian financial services licensees.

Does the applicant's risk management process provide for monitoring and reporting risk management issues?

Yes No

The following question does not apply to current Australian financial services licensees.

Is the applicant's risk management process documented?

Yes No

The following question does not apply to current Australian financial services licensees.

Has the applicant assessed the risks associated with its business and established the probability of these risks occurring?

Yes No

The following question does not apply to current Australian financial services licensees.

Has the applicant prioritised these business risks?

Yes No

The following question does not apply to current Australian financial services licensees.

Has the applicant established which risks need to be further treated?

Yes No

The following question does not apply to current Australian financial services licensees.

Are relevant representatives of the applicant provided with risk management training?

Yes No

Compensation arrangements

Does the applicant have professional indemnity insurance that complies with ASIC's policy on compensation and insurance arrangements for Australian credit licensees?

Yes No

If no, does the applicant have a process to ensure that it will have professional indemnity insurance that complies with ASIC's policy on compensation and insurance arrangements for Australian credit licensees in place when the Australian credit licence takes effect?

Yes No

If no, why is the applicant not intending to have professional indemnity insurance for the credit activities under its Australian credit licence? Tick one box.

General insurance company

Life insurance company

Authorised deposit-taking institution

Exempted by reg 12(3)(c) or (d) of the National Consumer Credit Protection Regulations

*ASIC approved guarantee from a related company or institution

*ASIC approved alternative arrangements

Other, please specify

➔ other reason for not having professional indemnity insurance

*ASIC's approval of a guarantee or alternative arrangement(if required)

In order to obtain ASIC's approval of a guarantee provided by a related company that is a general insurance company, a life insurance company or an authorised deposit taking institution, or ASIC's approval of an alternative compensation arrangement, you will be required to apply in writing. Refer to RG 204 Applying for and varying a credit licence on ASIC's website for guidance.

Has ASIC's approval been obtained?

Yes No

Supporting documents

Supporting documents do not need to be supplied by streamlined applicants.

The applicant must **attach** a summary business description that contains:

- an overview of the business, with particular reference to the credit activities in which the applicant is engaged, or intends to engage, under this licence including credit products, credit assessment processes (where relevant), distribution model, remuneration structure (more detail is specified in RG 204 Applying for and varying a credit licence);
- details of how the business is or will be operated including whether the applicant's business is operated from a single office or whether it operates from multiple offices and if so, how geographically diverse the business is;
- if there are outsourced operations, details of who performs these and in what location, if other than the principal business address; and

- any other information that would be material in assisting ASIC to understand the nature of the applicant's business and the credit activities in which it intends to engage. This may affect the conditions of any licence granted to the applicant.

Declaration

Tick all boxes that apply

The applicant must declare that each of the following statements is true for the applicant and each person listed below (together referred to as 'the person' for the purposes of this Statement):

- if the applicant is a company or other body corporate — each director, secretary and senior manager of the applicant who would perform duties in relation to the credit activities to be authorised by the licence; or
- if the applicant is a partnership — each partner who would perform duties in relation to the credit activities to be authorised by the licence; or
- if the applicant is a multiple trustee — each trustee who would perform duties in relation to the credit activities to be authorised by the licence.

The applicant declares that:

- The person's registration under the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 or Australian credit licence or Australian financial services licence has never been suspended or cancelled. (Not required for streamlined applicants)
- A banning order or disqualification order under Part 2-4 of the National Consumer Credit Protection Act 2009 has never been made against the person.
- An order under the Crimes (Criminal Organisations Control) Act 2009 (NSW) or the Serious and Organised Crime (Control) Act 2008 (SA) has never been made against the person.
- A banning order or disqualification order under Division 8 of Part 7.6 of the Corporations Act 2001 has never been made against the person. (Not required for streamlined applicants)
- The person has never been banned from engaging in a credit activity under a law of a state or territory. (Not required for streamlined applicants)
- The person has never been insolvent. (Not required for streamlined applicants)
- The person has never been disqualified from managing corporations under Part 2D.6 of the Corporations Act 2001. (Not required for streamlined applicants)
- The person has had no criminal convictions within the last 10 years. (Not required for streamlined applicants)

If the applicant is unable to declare any of these applicable statements as true for any person, attach an explanation.

The applicant declares that:

- to the best of its knowledge, the information supplied in this application is complete and accurate (it is an offence to provide false or misleading information to ASIC); and
- if granted the licence, it will comply with its obligations as a credit licensee.

Are you a lodging agent preparing and submitting this application on behalf of the applicant?

Yes No

If yes, I declare that I have been authorised by the applicant to make these declarations on the applicant's behalf.

Where an applicant:

- is a credit provider, lessor, mortgagee or beneficiary of a guarantee in relation to a carried over instrument (engages in the first credit activity) immediately before 1 July 2010, and
- intends to engage in a credit activity other than the first credit activity (the second credit activity) on or after 1 July 2010;

the applicant also declares that the application is an application to engage in the first credit activity and the second credit activity.

The applicant acknowledges that:

- ASIC may take action to verify the information provided in this application, and
- ASIC may contact the applicant during the assessment stage to require supplementary information before we can complete our assessment of the application.

➔Name

➔Capacity (e.g director, secretary, partner, trustee, natural person, agent, other (please specify))

➔Signature

➔Date signed