

Credit Guide – Credit Contract / Consumer Lease

F&I MANAGEMENT PTY LTD

ABN: 58 074 537 036; Australian Credit Licence 378293; UNIT 6, 205 ALEXANDER ROAD, BELMONT WA 6104

This Credit Guide applies to F&I Management Pty Ltd ABN 58074537036, Australian Credit Licence number 378293 and its associated entities, Affiliates and any Credit Representatives it has appointed.

What is a Credit Guide?

A Credit Guide sets out important information about the services that we provide as a licensed finance broker, any fees and commissions payable to us, our responsible lending obligations and our internal and external dispute resolution procedures and how you can access them.

We are required to provide this Credit Guide to you as soon as practicable after it becomes apparent that we are likely to provide credit assistance to you.

What is Credit Assistance?

We provide credit assistance when we:

- Suggest or assist you to apply for a particular credit contract with a particular credit provider; or
- Suggest or assist you to apply for an increase to the credit limit of a particular credit contract with a particular credit provider; or
- Suggest you remain in a particular credit contract with a particular credit provider.

Which credit providers do we utilise when providing credit assistance?

We source credit products from a limited number of banks, lenders and other credit providers. Below is a short list of some of the banks, lenders and credit providers we can arrange loans with:

- AFS
- AMMF
- LIBERTY FINANCIAL
- MACQUARIE LEASING
- PEPPER ASSET FINANCE

A complete list of our approved products is available upon request.

What is a Credit Quote?

A Credit Quote sets out the fees payable by you to F&I Management Pty Ltd for providing you with credit assistance and any other services that we provide as a finance broker.

We are required to provide you with a Credit Quote and receive your signed acceptance before we provide you with credit assistance.

Your Authorised Credit Representative (ACR)

Your ACR is representing F&I Management Pty Ltd and as such, has to meet certain training, personal qualifications and competency standards as part of the industry requirement. We are regularly undertaking training and courses to maintain the required level of professionalism.

Your ACR acts as either an employee or a contractor on behalf of F & I Management Pty Ltd and the conduct of your ACR is the responsibility of F & I Management Pty Ltd as the credit licensee.

Part of what we monitor is that:

- They comply with credit legislations and the condition of their registration
- That clients are not disadvantaged by conflict of interest
- The credit activities are engaged in efficiently, honestly and fairly

You ACR is receiving a share in the income we derive from your transaction.

A copy of your ACR's profile which also outlines your ACR's method of remuneration is available upon request from your ACR.

What are the fees and charges for providing me with credit assistance?

You have requested that we provide you with credit assistance and other services. The maximum fee payable to F&I Management Pty Ltd for these services is \$1,990.00 including GST. This is a one- off fee and is payable upon approval of your application as part of the settlement of your loan or following a production of an invoice by us to you. We reserve the right for this fee even if you decide not to proceed with the loan, we managed to get an approval for you for. The maximum fee paid by F&I Management Pty Ltd to another person on your behalf is \$0.00. The actual amount of our fee will be confirmed in the Credit Proposal we present to you for acceptance prior to you entering into the credit contract/consumer lease we have obtained for you.

How will I pay for the credit assistance provided?

The actual fee depends on the extent of work we need to undertake on your behalf but will not exceed \$1,990.00 (including GST). The fee can be paid by including it in your credit contract and the credit provider will forward it to us on your behalf. You can also request for the fee to be paid separately directly to us by you. Unless otherwise requested, the fee will be included in your credit contract for the credit provider to forward to us on your behalf. We may charge you the fee for the credit assistance if we have provided you with the credit assistance and you have chosen not to accept our proposal. We will provide you with a Credit Proposal containing details of our fees and any payments made to us, if ascertainable, by credit providers prior to you entering into a credit contract.

What do I do if I am ready to receive credit assistance?

To receive credit assistance, you simply need to sign our Client Acknowledgement, Appointment and Quote Form and our Privacy authority form provided to you. In doing this you are acknowledging and accepting the maximum fees, charges and commissions associated with us providing you with credit assistance. These fees, charges and commissions will also be provided to you in our Credit Proposal.

Once you have signed the Client Acknowledgement, Appointment and Quote Form and our Privacy Authority form, we will conduct a Pre- Assessment. This will enable us to determine if we have a credit product that meets your objectives and requirements which is not unsuitable for you. If there is an unsuitable credit product for you, we will prepare a Credit Proposal for you to review prior to completing the transaction. The Credit Proposal will contain information on the finalised fees, charges and commissions payable for the credit assistance.

What information is required to receive credit assistance?

Before we provide you with credit assistance, we are required to complete a Pre-Assessment. This Pre-Assessment makes enquiries about:

- your requirements and objectives for seeking a credit product.
- your financial and relevant personal situation; and
- your repayment capacity.

We may also request documentation in order to verify the information contained in your application, such as pay slips, letter of employment and bank statements.

What information is kept on my credit file and can I examine my file?

We maintain a record of your personal profile including details gathered as part of our Pre-Assessment.

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You are entitled to request a copy of our Pre-Assessment, and we must give you a copy if requested. There is no charge for requesting or receiving a copy of the Pre-Assessment:

- at any time during the first 2 years - we must provide it within 7 business days; or
- between 2 years and 7 years after it was conducted - we must provide it within 21 business days.

We are committed to implementing and promoting a Privacy Policy, which will ensure the privacy and security of your personal information.

Are commissions, fees or other benefits paid to F&I Management Pty Ltd by the credit provider?

When we provide you with credit assistance, we (or our directors, employees and authorised credit representatives) may receive commissions from the credit providers involved. We may receive the following commissions when we provide credit assistance to you:

- Upfront Commission.
- Additional Commission depending on the total volume of business we place with the credit provider.

We can provide, on request, a reasonable estimate of the commission, fees and benefits and how they are calculated and these will be included in your Credit Proposal.

Are commissions paid by F&I Management Pty Ltd to other parties?

We may pay a referral fee to people or organisations that refer clients to us who receive credit assistance from F&I Management Pty Ltd. All amounts paid to the referrer are from F&I Management Pty Ltd.'s share of the commission and benefits. You will not pay any additional amount if we pay a referral fee. A referral fee is only paid to the referrer by F&I Management Pty Ltd on settlement of a loan. We can provide, on request, a reasonable estimate of that fee and how it is calculated.

What is a Suitability Assessment?

By law, we must not provide you with a credit contract if the credit contract is unsuitable for you. If unsuitable, we cannot:

- Suggest or assist you to apply for a particular credit contract with a particular credit provider; or
- Suggest or assist you to apply for an increase to the credit limit of a particular credit contract with a particular credit provider, or
 - Suggest that you remain in your particular credit contract with your particular credit provider.

When is a credit contract unsuitable?

A credit contract will be unsuitable if:

- It is likely that you will be unable to comply with the financial obligations under the credit contract; or
- It is likely that you could only comply with the financial obligations with substantial hardship (such as having to sell your principal place of residence); or
- It is likely that the credit contract will not meet your stated requirements or objectives.

We want to ensure that the credit products you select with us are not unsuitable for your needs. Because of this, it is important that you openly and honestly discuss with us your requirements, objectives, preferences, financial situation and repayment capacity.

Best Interests Duty - Conflicts of Interest Policy

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The Best Interests Duty obligations require all brokers to prioritise their clients' interests ahead of all other interests in the event of a conflict of interest. This is known as the 'conflict priority rule'.

As a Finance or Mortgage broker/Australian Credit Licensee we will not provide credit assistance that generates revenue to ourselves, the licensee or other associated party if the credit assistance that generates that revenue is not in the client's best interests.

In order to meet our obligations under the conflict priority rule when providing credit assistance, best endeavours will be applied to capture and manage all conflicts appropriately. This will be done by:

- ensuring our client's best interests is the primary consideration for all credit assistance recommendations; and
- making any relevant notes and disclosures of potential conflicts or ownerships structures.
- disclosing to the client/s all parties involved in the credit contract and the remuneration they may receive as a result of the credit assistance that is provided to them. This will be disclosed in the Credit Guide and Credit Proposal (incorporating the Preliminary Credit Assessment).

To manage our conflict obligations, we will identify what potential conflicts may apply. These may include:

- referral relationships.
- holding multiple roles – acting as a broker and a financial planner.
- any of our related parties who are involved in the credit contract or a related transaction.
- benefits that parties may receive as a result of the client proceeding with our recommendations (including our licensee if applicable);
- any tiered serving arrangements with the client.
- non-volume-based remuneration arrangements offered by Personal Loan and Consumer Asset Finance providers.
- ownership structures that may be related to the credit assistance a client receives from us as a broker; and
- the prospect of a commission clawback from a lender.

The conflict priority rule means we cannot further the interests of any party (including our own interests or our associate's interests, which extends to third parties such as referrers) over furthering

the interests of a client. As a Finance or Mortgage broker/Australian Credit Licensee we cannot comply with this rule with disclosure alone and cannot manage this by having a client consent to a conflict which furthers the interest of another party above the clients' interests.

We will manage a list of our potential conflicts, how those potential conflicts will be managed and relevant disclosures we will include in compliance documents in a Conflicts of Interest Register.

This policy and the Conflicts of Interest Register will be managed periodically by our Compliance Manager and Responsible Manager.

Target Market Determination (TMD)

The target market determination seeks to offer consumers, distributors, and staff with the understanding of the class or type of consumers of which the products we distribute have been designed, having regard to the requirements, objectives and financial needs of the target market.

Terms to which this TMD applies:

This TMD applies to the secured and unsecured loans we distribute which are issued by the credit providers we hold accreditations with.

Target Market:

Secured Loans

Based on the key attributes of the secured loans products we distribute, consumers in the target market for these secured loans are consumers who wish to borrow funds for personal purpose including but not limited to:

- Vehicle, Motorcycle, watercraft, or caravan purchases or refinance of existing secured debts.
- Borrow between \$1,500.00 and no limit
- Repay a secured loan over a term of between 12 and 84 months making repayments of principal and

interest

- Use or offer a vehicle, motorcycle, watercraft or caravan to secure a loan
- Are of the age of 18 years old and over
- Are an Australian citizen, permanent or temporary resident
- Real property and land
- Repay a real property and land loan over a term of 12 and 480 months making repayments of either interest only or principal and interest

Unsecured Loans

Based on the key attributes of the unsecured products we distribute, consumers in the target market for these unsecured loans are consumers who wish to borrow funds for personal purpose including but not limited to:

- Travel
- Debt consolidation
- Home improvements
- Medical expenses
- Education courses
- Household furnishings and appliances
- Are of the age of 18 years old and over
- Are an Australian citizen, permanent or temporary resident
- Borrow between \$5,000.00 and \$100,000.00

Distribution channels

The secured loans and unsecured loans we distribute will be distributed through:

- Our website
- Our associated entities, affiliates, and any Authorised Credit Representative we have appointed (partners)
- Our partners websites
- Authorised referrers
- The products we distribute will also be advertised from time to time in accordance with the target market.

The products we distribute can only be distributed to consumers who:

- Meet our credit providers eligibility requirements
- Have appropriate borrowing capacity
- In accordance with responsible lending guidelines
- By third party authorised distributors

What should I do if I have a complaint about the Credit Licensee?

If you have a complaint or concern about the service provided to you by the licensee, please contact their Complaints Resolution Manager. As part of the Internal Dispute Resolution policy, they will investigate the matter and endeavour to address it as quickly as possible.

Complaints Resolution Manager for F&I Management Pty Ltd

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Unit 6, 205 Alexander Road, Belmont WA 6104

Ph 1300 944 300 Email: gill@westcorp.com.au

Our aim is to completely resolve any issues you raise. If, despite our best efforts, you believe your complaint has not been satisfactorily dealt with you can refer your complaint to an independent External Dispute Resolution Scheme. We belong to the following external, independent dispute resolution scheme, which can be contacted as follows:

Australian Financial Complaints Authority (AFCA)

AFCA is a free and independent dispute resolution service to you.

Mail: GPO Box 3 Melbourne Vic 3001

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

A copy of AFCA's dispute resolution policy is available at www.afca.org.au or by request to F&I Management Pty Ltd.