

LegalTalk Alert

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PRICEWATERHOUSECOOPERS 



Corporate & Commercial and Financial Services Alert

Australian credit licence pre registration ends soon

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If you provide consumer credit (or engage in associated credit activities) and want to continue doing so after 30 June 2010, you should register with the Australian Securities & Investments Commission (ASIC) by 18 June 2010 and must register before 30 June 2010. Significantly, providing consumer credit in this context now includes financing investments in residential property.

To register with ASIC, please click here <<http://www.asic.gov.au/asic/ASIC.NSF/byHeadline/Credit%20registration>>

If you register after 18 June 2010, ASIC warns that your registration application may not be processed by 30 June 2010. This means that if you register after 18 June, you risk not being able to engage in credit activities from 1 July 2010 - unless you successfully apply to ASIC for an Australian credit licence.

Importantly, while registration will delay your need to get an Australian credit licence, it does not exempt you from the need to eventually apply for such a licence. All persons engaged in consumer credit activities must be licensed on or before 31 December 2010.

Lenders with existing contracts who do not intend to enter into new contracts after 30 June 2010 can either:

- apply for an Australian credit licence, or
- become an unlicensed lender with carried over instruments.

If however, you want to become an unlicensed lender you must notify ASIC of your decision by 1 July 2010. Such lenders should go to the ASIC website and complete Form CO11 - *Notification of carried over instruments*.

If you have any questions regarding whether you need to register with ASIC or obtain an Australian credit licence, please contact:

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