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## CREDIT GUIDE

### ABOUT US

Virginia Graham and Philip Riches of Model Mortgages are licensed under the National Consumer Credit Protection Act 2009.

The details of our licence are as follows:

<b>Business Name</b>	Model Mortgages
<b>Address</b>	53 Hillside Road AVOCA BEACH NSW 2251
<b>Telephone</b>	0413 124 262
<b>Email</b>	<a href="mailto:virginia@modelmortgages.com.au">virginia@modelmortgages.com.au</a> phil@financeonthecoast.com.au
<b>Australian Credit Licence Number</b>	387460

This Credit Guide contains important information about us, the services we provide and the activities of the credit representative operating under our credit licence. It also contains:

- information about fees and charges that may be payable by you to us
- commissions that we may receive when we are acting as a credit representative
- commissions that we may pay to third parties for introduction of business, and
- information about what you should do if you have a complaint or dispute in connection with our services and activities.

We are required to provide this document to you as soon as practicable after it becomes apparent that we are likely to provide credit assistance to you. We provide "credit assistance" when we:

1. Suggest or assist you in applying for:
  - a. a particular loan with a particular lender
  - b. an increase to an existing loan with a particular lender, or
2. Recommend that you remain in an existing loan contract.



## PRELIMINARY ASSESSMENT

Prior to providing credit assistance to you, we must assess whether the particular loan is “unsuitable”. A loan will be “unsuitable” if:

1. You will be unable to repay the proposed loan or will only be able to repay the proposed loan with substantial hardship, or
2. The proposed loan does not meet your requirements and objectives.

We are required to document our findings that the proposed loan is not unsuitable by way of completion of a Preliminary Assessment. The Preliminary Assessment will set out your:

- requirements and objectives
- financial and relevant personal situation, and
- ability to repay the proposed loan.

We are also required to take reasonable steps to verify information provided by you to us.

This verification may include:

- asking you for copies of documents that demonstrate your financial situation - in some cases we may also need to sight original documents, and
- contacting third parties to assist in verifying the information that you provide.

### Obtaining a copy of the Preliminary Assessment

If we provide you with credit assistance, you may request a copy of our Preliminary Assessment anytime for up to 7 years and we must provide you with a copy of the assessment within the following timeframes:

Your request is made:	We will give you your assessment:
Before the Credit Day*	As soon as possible after we receive your request
Up to 2 years after the Credit Day	Within 7 business days after we receive your request
Between 2 to 7 years after the Credit Day	Within 21 business days after we receive your request

\*The Credit Day is the date the credit contract is entered into or the credit limit is increased.

There is no charge for requesting or receiving a copy of the Preliminary Assessment.

## FEES AND CHARGES THAT ARE PAYABLE BY YOU IN RELATION TO OUR CREDIT ASSISTANCE



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We may charge a fee for providing credit assistance to you. If applicable, details about those fees payable by you will be set out in a Credit Quote which we will give you prior to submitting your loan application.

### **Other fees and charges**

You may have to pay other fees and charges (such as application fees, valuation costs and other applicable fees) to the lender or other parties. You should review the particular loan contract documentation for further details of any such fees and charges.

### **Fixed Loans**

Please note: there can be very large break costs (payable by you) if you break a fixed loan before the agreed term. If you are considering breaking the loan term for any reason; such as sale of property, buying another property and you need more cash out, a low bank valuation of existing property etc. we urge you to reconsider a fixed rate loan.

## **HOW DO I GET PAID?**

Our aggregator receives commission from the lenders and then pays us commission in relation to loan contracts (such as Home and Investment Property Loans) for providing credit assistance.

An upfront commission is payable by lenders in relation to settled (drawn-down) loans and is calculated as a percentage of the loan amount. It is usually paid after settlement of the loan.

Trail commission is payable by lenders in relation to settled (drawn-down) loans. It is calculated monthly on the outstanding loan balance and is paid in arrears.

The upfront and trail commissions that we are paid by lenders are not payable by you. Details of commission to be received will be included in the Credit Proposal Disclosure document that we will provide you with when credit assistance is provided.

From time to time, I may receive a non-commission benefit by way of training, professional development, entertainment, gift, conference attendance, sponsorship, or entry into a competition run by a lender or my aggregator, at no extra cost to you. The nature of such arrangements are temporary, and the occurrence and amounts are often not readily ascertainable, however if they are apparent as a result of assisting you with credit assistance, this will be disclosed to you.

## **OUR LENDER PANEL - CREDIT PROVIDERS**



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We are authorised to engage in credit activities and therefore provide assistance to obtain loans for you from a panel of credit providers. The following are the credit providers through which we generally conduct the most business:

1. St George Bank
2. ANZ
3. Westpac
4. ING Direct
5. Pepper Home Loans
6. ME Bank

## OTHER PEOPLE WE DEAL WITH

### **Our aggregator**

We have approval to utilise credit providers and their loan products through the services of our aggregator 'Connective Broker Services Pty Ltd ABN 77 161 731 111 | Credit Representative 437202 is authorised under Australian Credit Licence 389328'. The aggregator charges us a fee depending on our contract arrangements, consisting of:

- a share of commission that is paid by the particular credit provider
- a membership fee for our business
- a monthly fee for each of our accredited loan writers.

Details of commission to be received will be included in the Credit Proposal Disclosure document.

### **Referrers and referral fees**

We obtain referrals from a range of sources, including accountants, financial planners, real estate agents and other people. If you were introduced or referred to us, we may pay the referrer a commission or a fee.

Details of any commission or fees being paid to the referrer will be included in the Credit Proposal Disclosure document.

## DISPUTE RESOLUTION AND COMPLAINTS



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We are committed to providing you with the best possible service, however we understand there may be times where you are not satisfied. If this occurs please inform us verbally or in writing with the exact details of your complaint, so we can work towards a prompt and fair resolution.

We are mindful of the need to ensure that consumers are treated fairly and with respect during the complaints handling process. Any dissatisfaction will be handled in an efficient, timely and effective manner in accordance with ASIC regulations of Internal Dispute Resolution (IDR).

If you are not satisfied with how we handled your complaint, you may take the matter 'free of charge' to the relevant External Dispute Resolution (EDR) service provider (subject to the provider's terms of reference).

Please note that the EDR provider will request the matter be first attempted to be resolved through our IDR process. If our IDR process is still in progress, they would expect that this process be completed before any external consideration.

Our EDR service provider is the Credit and Investments Ombudsman Ltd, which can be contacted via:

- Telephone: 1800 138 422 (Monday to Friday 9am - 5pm AEST)
- Fax: 02 9273 8440
- Post: PO Box A252 South Sydney NSW 1235
- Website: <http://www.cio.org.au/>
- Online complaint form: <http://www.cio.org.au/complaint-resolution/making-a-complaint/>

## THINGS YOU SHOULD KNOW

We don't provide legal or financial advice. It is important you understand your legal obligations under the loan, and the financial consequences. If you have any doubts, you should obtain independent legal and financial advice before you enter any loan contract.

## PRIVACY STATEMENT

We are committed to protecting the privacy of your personal information. Our Privacy Policy governs how we collect, handle, use and disclose your personal information. It also deals with how you can access the personal information we hold about you, ask us to correct it, or make a privacy related complaint.

This policy explains how we respect your right to privacy in accordance with the Australian Privacy Principles contained in the Privacy Act.

### **What information do we collect and how do we use it?**



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We will collect personal information from you via telephone, when we do business with you, and through our website. This may include a broad range of information from your name, address and contact details to other information about your qualifications, employment history and financial information.

When we request your personal information, we will identify which information is necessary and which information may be provided at your option. If you choose not to supply any of the information we request, our ability to assist you may be limited.

We will use your personal information:

- to conduct our business
- to manage our business relationships with you and with others, including our Credit Providers
- to complete a transaction on your behalf
- to provide you with information about our products and services.

From time to time, we will use your contact details to send you direct marketing communications including offers, updates and newsletters that are relevant to the services we provide. We may do so by mail or electronically unless you tell us that you do not wish to receive electronic communications.

We always give you the option of electing not to receive these communications in the future. You can unsubscribe by notifying us and we will no longer send this information to you.

#### **How do we hold and protect your information?**

We strive to maintain the relevance, accuracy, completeness and currency of the personal information we hold and to protect its privacy and security. We keep personal information only for as long as is reasonably necessary for the purpose for which it was collected or to comply with any applicable legal or ethical reporting or document retention requirements.

We hold the information we collect from you on our secure database. In some cases, your file is archived and sent to an external data storage provider for a period of time. We only use storage providers located in Australia who are also regulated by the Privacy Act.

We take all reasonable steps to protect your personal information from misuse, interference, loss, unauthorised access, modification or exposure. Access to your information is restricted to those employees whose job requires that information. Access to our premises and computer systems is restricted through locks, password protection, internet firewalls and routers.

We will take reasonable steps to destroy or de-identify your personal information when your personal information is no longer required for our business functions.

#### **Will we disclose the information we collect to anyone?**



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We do not sell, trade or rent client lists or personal information to any third party. We will disclose personal information about you to our credit providers and agents where necessary to do so for the ordinary operation of our business.

In all cases we will only disclose that information that is strictly required, and take all reasonable steps to ensure that your personal information is handled in accordance with the Australian Privacy Principles. These third parties are strictly prohibited from using your personal information for any purpose other than in the pursuit of business related to our credit assistance.

Otherwise, we will not disclose personal information unless you consent, we are required to do so by law or under some unusual other circumstances which the Privacy Act permits.

**How can you access, update or correct the information we are holding?**

You have the right to access your information and if necessary, for it to be corrected. Upon receipt of your written request and enough information to allow us to identify the information, we will disclose to you the personal information we hold about you. We may incur costs in giving you that information, in which case we reserve the right to charge you for our reasonable expenses incurred in doing so.

If you believe that we are holding inaccurate, incomplete, irrelevant or out of date data about you, you may ask us to correct it. You can make a request for access to or correction of your personal information by contacting us anytime.

In some limited circumstances we may need to refuse access to your information or refuse a request for correction. If this is the case, we will advise you as soon as possible after your request and provide you with our reasons for the refusal.

**What happens if you want to complain?**

If you have concerns about whether we have complied with the Privacy Act or this Privacy Policy and would like to make a complaint, please contact us. Your complaint will be considered through our internal complaints resolution process and we will try to respond with a decision within 45 days of you making the complaint.

**Your consent**

By asking us to assist, you consent to the collection and use of the information you have provided to us for the purposes described above.

For more information on your privacy rights please visit [www.privacy.gov.au](http://www.privacy.gov.au)

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**FURTHER INFORMATION**

# Model Mortgages

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For more information regarding this document or anything else about our services, just contact us at any time. We're here to assist you.