

Credit
Ombudsman
Service

Member
News
Issue 29

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In this issue of Member News we talk about COSL
Membership under the new credit legislation.

Membership
Under Credit
Legislation



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COSL Membership under the new credit legislation

As you know, the National Consumer Credit Protection Act requires individuals and businesses who wish to engage in consumer credit activities after 30 June 2010 to register with ASIC between 1 April 2010 and 30 June 2010. This applies to anyone wishing to apply for an Australian Credit Licence or ACL (e.g. a lender, broker or other intermediary).

If you are already a Member of COSL, you should proceed to register with ASIC at the earliest opportunity if you haven't done so already. Once registered, an application for an ACL must be made between 1 July 2010 and 30 December 2010.

ASIC has made it clear that unless you register by 18 June 2010, your registration may not be processed by 30 June 2010, in which case you will not be able to continue your credit activities after 30 June 2010.

The only way in which you can engage in credit activity after 30 June 2010 without registering for an ACL is if:

- you have been authorised as a credit representative of a person or business that has registered with ASIC for an ACL by 30 June 2010; or
- you are an employee or director of an ACL holder.

If you are currently not intending to apply for an ACL, but are unsure whether you will be appointed a credit representative, you should also register with ASIC. Again, you must do this no later than 18 June 2010.

In order to register with ASIC or be appointed a credit representative, you will first need to become a member of an EDR scheme approved by ASIC, such as COSL.

We are currently receiving a significant number of new membership applications. This is starting to cause some delays in our processing times (normally ten days), despite having allocated more resources.

A Few Important Points:

As we expect even more membership applications in the next few weeks, we ask that you apply for COSL membership as soon as possible.

Otherwise, we may not be able to process your COSL membership application in sufficient time for you to register with ASIC or be appointed as a credit representative, by 30 June 2010.

If you would like more information please contact the Credit Ombudsman Service

Case Management: T 02 9273 8400 E info@cosl.com.au
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