

Credit File Checklist

Quality Assurance & Audit Program



This checklist provides guidance on the end-to-end process of what documents & tasks are required for inclusion & completion for each credit file. The guidance is in line with the obligations on you as an Authorised Credit Representative (ACR), “mortgage broker” and/or Australian Credit Licence (ACL) holder under the NCCP Act, Responsible Lending Obligations (RLO), Best Interests Duty (BID), as well as various Yellow Brick Road (YBR) Group operating policies & procedures.

Each section of the checklist is broken up to define the different types of “review” & “action” tasks:

- **Disclosure** – Indicates that there are legislative requirements that **MUST** be correct on the relevant documentation when issuing to a client(s).
- **Action** – Indicates you **MUST** complete specific tasks in order to comply with operational policy standards and the relevant legislation/regulatory guidance (Responsible Lending, Best Interests Duty, etc).
- **Timing** – Indicates the required timing that a document **MUST** be issued to a client(s), and if applicable to obtain a signed & dated copy from the client(s) before proceeding.

It is endorsed as best practice to complete this checklist for every deal and upload it to the relevant deal in VowNet.

IMPORTANT INFORMATION:

- For each question, please only tick the box if you have completed the task outlined & provide further notes if required.
- Confirm & use the current versions of the NCCP Act Disclosure Documents provided by Vow Financial.
- Obtaining client signatures must be completed by an approved & authorised method (e.g. eSignature facility on VowNet, wet signatures, etc).
- Please upload ALL documentation to the deal on VowNet platform for auditing purposes.

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Section	Tasks	Tick	Notes
Credit Guide & Privacy Consent	Disclosure Confirm the below ACL disclosures are displaying correctly on the Credit Guide & Privacy Consent: <ul style="list-style-type: none"> • Australian Credit Licence (ACL) name • ACL number • ACL’s AFCA license number • ABN • Business address • Phone • Email • Top 6 lenders 		
	Action Have you uploaded the completed & signed Credit Guide & Privacy Consent to VowNet?		
	Timing Credit Guide & Privacy Consent been issued to client(s)? Obtained the signed & dated Credit Guide & Privacy Consent from the client(s) PRIOR to the collection of client information?		
Identification	Action Have you obtained photo identification from the client(s)? Have you verified the client's ID via 'face-to-face' meeting or Verification of Identity (VOI) tool?		
	Action Have you uploaded the completed & signed Credit Quote to VowNet?		
Credit Quote (If applicable)	Timing Credit Quote been issued to client(s)? Have you obtained the signed & dated Credit Quote from the client(s) PRIOR to providing "credit assistance"?		

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Section		Tasks	Tick	Notes
Statement of Credit Assistance (SOCA)	Disclosure	Confirm the below broker disclosures are displaying correctly on the SOCA: <ul style="list-style-type: none"> • Australian Credit Representative (ACR) number • Broker's AFCA membership number (if applicable) • MFAA or FBAA membership number • Business name • Business address • Phone • Email 		
		Confirm the below ACL disclosures are displaying correctly on the SOCA: <ul style="list-style-type: none"> • Australian Credit Licence (ACL) name • ACL number • ACL's AFCA membership number • ABN • Business address • Phone 		
Reasonable Inquiries Requirements & Objectives	Action	Confirm you have comprehensive commentary in the below fields on VowNet: <ul style="list-style-type: none"> • Reasons for seeking credit • Immediate requirements & objectives (<2 years) • Long-term requirements & objectives (2-10 years) 		
		Confirm the client's product requirements are clearly specified & subsequent commentary provided? <ul style="list-style-type: none"> • Loan type • Loan features • Loan amount • Term sought • Exit strategy; etc 		
Reasonable Inquiries Financial Situation	Action	PAYG CLIENTS <ul style="list-style-type: none"> • 2x most recent payslips, AND • 2nd form of income verification (one of the below) <ul style="list-style-type: none"> ○ PAYG/Income statement ○ Notice of assessment ○ Tax returns 		
		SELF-EMPLOYED <ul style="list-style-type: none"> • 2x most recent years financials; AND • Individual tax returns 		
		LOW DOC LOANS ONLY <ul style="list-style-type: none"> • 3-6 months of BAS statements; AND • Letter from accountant 		
		IF APPLICABLE - Documents of other forms of income? <ul style="list-style-type: none"> • Rent • Government assistance • Superannuation; etc 		
		Have you obtained a minimum of 2 months of bank statements?		

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Section		Tasks	Tick	Notes
Verification	Action	PAYG CLIENTS		
		<ul style="list-style-type: none"> Have you confirmed the legitimacy of the payslips? 		
		SELF EMPLOYED ONLY		
		<ul style="list-style-type: none"> Have you confirmed the legitimacy of the business financials? 		
		Have you confirmed the legitimacy of the bank statements?		
		Have you cross checked the client's pay slips & bank statements to confirmed salary credit deposits?		
		Have you cross checked the client's bank statements or used BankStatements.com to verify the client's living expenses?		
		Have you cross checked the client's credit report to verify the client's liabilities?		
		Have you removed any tax file numbers (TFNs) that may be visible on documentation?		
Have you correctly completed the "Verifications completed" on the 'Compliance comments and documents' tab on VowNet?				
Uploaded all supporting documentation to VowNet? (Include client financial documents, credit reports, communications, notes, other evidence, etc)				
Preliminary Assessment	Disclosure	Have you correctly completed the client's funding position?		
		Have you correctly completed a product comparison assessment? (Best practice: 3 products)		
		Have you correctly completed the VowNet loan serviceability calculator?		
	Action	Have you correctly completed the lender's loan serviceability calculator?		
		Have you correctly disclosed any conflicts of interest? For example: <ul style="list-style-type: none"> Receiving a benefit from a referrer for the lead White-label products by your aggregator; etc 		
Best Interests Duty (BID)	Action	Have you confirmed the products align with the client's best interests?		
	Disclosure	Have you provided comprehensive commentary in the below fields on VowNet? <ul style="list-style-type: none"> Broker Analysis Options & Recommendation Borrowing Power Deposit/Equity Credit History Security (Property) Living Expenses 		
		IF APPLICABLE - Have you provided comprehensive commentary in the below fields on VowNet? <ul style="list-style-type: none"> Fixed Rate (include "rate lock" discussions) Interest Only Interest in Advance Line of Credit 		
Refinance Analysis (If applicable)	Action	Have you confirmed the client(s) will be better off financially by refinancing?		
		Have you correctly completed the refinance analysis fields on VowNet?		
	Disclosure	Is the financial benefit displaying correctly?		

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Credit Suitability	Action	Is the client's proposed monthly financial position displaying a surplus?		
		Have you confirmed the recommended product is "not unsuitable"?		
		Have you signed & dated the credit suitability statement?		
	Timing	Have you signed & dated the credit suitability statement BEFORE or AT THE SAME TIME as providing the Statement of Credit Assistance (SOCA) to the client(s)?		
Credit Proposal	Disclosure	Confirm the below disclosures are displaying correctly on the SOCA: <ul style="list-style-type: none"> • Loan amount • Lender • Product • Loan term • Interest rate • Rate type • Loan repayments • Repayment type • Lender's fees & charges 		
		Are the commission displayed correctly? (e.g. Aggregator > ACL > Broker Business > Broker > Referrer)		
	Timing	Statement of Credit Assistance (SOCA) been issued to client(s)?		
		Have you obtained the signed & dated copy of the SOCA from the client(s) PRIOR to submitting the loan application to the lender?		
	Action	Have you uploaded the completed & signed Statement of Credit Assistance (SOCA) document to VowNet?		
Lender Application	Action	Are the client details consistent with those on the SOCA document?		
		Have you uploaded the completed & signed lender application form to VowNet?		
Supporting Documents	Action	PURCHASE LOANS <ul style="list-style-type: none"> • Uploaded the contract of sale to VowNet? 		
		REFINANCE LOANS <ul style="list-style-type: none"> • Uploaded refinance statements to VowNet? • Uploaded property council rates notice to VowNet? 		
		DEBT CONSOLIDATION LOANS <ul style="list-style-type: none"> • Uploaded credit card statements to VowNet? • Uploaded personal loan statements to VowNet? • Uploaded home loan statements to VowNet? 		
General	Action	Do you have a Referral Register?		
		IF APPLICABLE - Is the referrer for this deal on your Referral Register?		
		Do you have a Conflicts of Interest Register?		
		IF APPLICABLE - Are any conflicts for this deal on your Conflicts of Interests Register?		
		Do you have an Alternative Remuneration Register?		
		ACL HOLDERS ONLY - Do you have a Complaints Register?		
		ACL HOLDERS ONLY - Do you have an Incident/Breach Register?		