

Guide to consumer credit provider licence requirements

This guide is for businesses that are intending to apply for a consumer credit provider licence.

It explains our expectations as a regulator, the policies and processes you need to have in place to comply with the Financial Markets Conduct Act 2013 (FMC Act) and regulations, and the criteria you'll need to meet to be eligible to apply for a licence for the market service of acting as a creditor under a consumer credit contract. We encourage you to work your way through the questions, and identify and address any gaps before you apply.

Examples in this guide are only for illustration; they are not exhaustive and are not intended to impose or imply particular rules or requirements. This guide does not constitute legal advice. We encourage you to seek your own professional advice, as it is your responsibility to determine your obligations.

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Document history

Version 1

Establishment of the licence guide

Do you need a licence?

If you are an entity offering credit to consumers that is in the business of providing credit under consumer credit contracts, you need a consumer credit provider licence. To help determine whether you will need a licence, refer to our [website](#).

If you are currently a consumer credit provider with a certification from the Commerce Commission (or exempt from certification because you are licensed or authorised by the FMA or the Reserve Bank of New Zealand), at the date of transfer of responsibility for consumer credit from the Commerce Commission to the FMA, you will be deemed to hold a consumer credit provider licence. Your Financial Service Providers Register (FSPR) record will be updated automatically, and you will not need to apply for a licence, pay a licence application fee or provide any licensing information. However, you are still expected to comply with the licence obligations and should use this guide to review and strengthen your systems, processes, procedures and controls.

Before you apply

Use the checklist below to ensure you have all the information you need to complete your application.

Do you have a RealMe login?

You need a RealMe login to use our online application form. If you don't already have one, go to [Create your RealMe login](#) and follow the instructions provided. You should allow at least five days for your login to be set up.

Are you and any authorised bodies correctly registered on the Financial Service Providers Register (FSPR)?

All licence applicants and Authorised Bodies must be registered on the FSPR before applying for a consumer credit provider licence. You, as the licence applicant, will need to select the financial service of "Consumer credit contract – licensee" on the FSPR. Any authorised bodies will need to select "Creditor under a credit contract - Authorised Body - Licensed" on the FSPR. You will need to enter your Financial Service Provider (FSP) number and the FSP number of any authorised bodies as part of your licence application.

Visit the [FSPR website](#) for more information.

Your RealMe login belongs to you. It is a personal and individual login, not a shared login. If you are the person designated to manage business applications and filings for your company, other people should not log in as you.

The Ministry of Business, Innovation and Employment (MBIE) advises that it can take two to five working days to process your FSPR registration. Once your registration is approved it will take up to 24 hours before you can use it in your licence application. Please ensure you have allowed enough time to register correctly on the FSPR.

While updating your FSPR records, it's a good idea to check that you are correctly registered for all of the financial services you provide, and that your directors and senior managers are listed correctly. Certain information in the consumer credit provider licence application will be auto-filled from the FSPR. If any auto-filled information is incorrect, the relevant FSP registration will need to be updated. Any changes made to the FSPR will automatically be applied within 24 hours. You should not submit your application until those changes have been applied.

Do you know which consumer credit products you are or will be providing to consumers?

We ask what consumer credit products you are or will be providing to consumers in New Zealand under your licence and how many consumers you provide those products to. For further information refer to the [FMC Act](#), the [Credit Contracts and Consumer Finance Act 2003](#) (CCCFA) or [our website](#).

Do you have details for any Authorised Bodies on your licence?

We need to know:

- their FSP number
- the consumer credit contracts they are or will be offering
- the number of consumers who are or will be provided with consumer credit products by the Authorised Body
- how they provide consumer credit products to consumers.

Do you have details of any criminal convictions or regulatory action relating to your application?

We need to know about any criminal convictions, regulatory action or proceedings relating to you, your senior managers or directors, and any Authorised Bodies on your licence.

The FMA will be collecting personal information as part of this process

Privacy Notice

1. The purpose of the collection is to enable the FMA to issue a consumer credit provider licence pursuant to the Financial Markets Conduct Act 2013 (FMC Act).
2. The collection is authorised under the FMC Act and Financial Market Conduct Regulations, which require that prior to issuing a licence the FMA must:
 - be satisfied that directors and senior managers of consumer credit provider licence holders and authorised bodies are fit and proper persons to hold their respective positions; and
 - have regard to the compliance history of relevant parties prior to issuing a licence.
3. The FMA will use the personal information that we collect to carry out probity checks with the Ministry of Justice, and may carry out checks across our systems, with other domestic regulatory and law enforcement agencies, and overseas regulatory agencies.
4. The personal information that we collect will be:
 - retained and used for the FMA's functions, duties and powers;
 - used in accordance with the Privacy Act 2020 and all relevant FMA policies; and
 - stored and protected with relevant technical and process controls.
5. If the personal information is not provided, we will be unable to issue the licence.
6. Individuals have a right to request access to the personal information that the FMA holds about them, and can request to have any information that we hold about them corrected. If individuals wish to request access to their information or to have it corrected, they should contact us at questions@fma.govt.nz, or 0800 434 566, or Financial Markets Authority, PO Box 106 672, Auckland 1143, New Zealand.
7. For more information about how the FMA collects, stores and discloses information, and how we use it, see the FMA's [Privacy Statement](#) and [Transparency Statement](#).

Completing your application

How to apply

Licence applications must be made online via the [FMA website](#).

Existing consumer credit providers previously exempt from certification will not need to apply for a licence. However, they are still expected to comply with the licence obligations and should use this guidance to review and strengthen their systems, processes, procedures and controls.

Licence application fees and payment options

The application fee payable by entities applying for a consumer credit provider licence is \$670.00. Please note this fee is still to be confirmed – regulations prescribing amounts are expected to be made and be published in mid to late June, and in force from 1 July. The fee is based on 4.75 hours (to be confirmed – regulations prescribing hours are expected to be made and be published in mid to late June, and in force from 1 July) of estimated time to assess a standard application. Additional fees may apply if the application assessment exceeds the allocated hours. We will inform you if additional fees are likely to be charged.

All amounts are GST inclusive.

You must pay when you submit your application, otherwise we cannot process it. Payment can be made by credit card, debit card (we do not charge a surcharge on credit card payments), or via real time debit (bank transfer) through BNZ or Westpac. Bank transfers are not the same as internet banking. More banks will be included as the bank transfer service becomes available through the banking system. Please ensure you have sufficient funds available.

This payment is to apply for a consumer credit provider licence; it does not include any levies, or fees to register on the Financial Service Providers Register. Please refer to the [FMC \(Fees\) Regulations 2014](#) for more information.

Once you have submitted your application, we are unable to issue a refund, even if you withdraw your application.

How to change or update your application

If you wish to make any changes to your application during the assessment process before your licence is assessed or granted, please contact licensing@fma.govt.nz for further information.

How we confirm your licence

You will receive an email notification acknowledging receipt of your online application. As we assess your application, we may contact you for clarification on any matter, or to request further information.

After processing your application, we will email you to confirm whether your licence has been approved, declined, or requires specific conditions.

Approved licences will appear on the FSPR from the date your licence takes effect.

If we have concerns with your licence application, we will give you an opportunity to respond to those concerns before we reach a decision. If your application is not successful and you wish to reapply, we recommend you email questions@fma.govt.nz or call 0800 434 566.

Your licence application will include details of your business and details of how you will comply with:

- [Financial Markets Conduct Act 2013](#) (FMC Act)
- [Financial Markets Conduct Regulations 2014](#) (FMC Regulations)
- [Credit Contracts and Consumer Finance Act 2003](#) (CCCFA)

Licence conditions

If we grant you a consumer credit provider licence, it will be subject to:

- conditions imposed by the FMC Act or regulations
- conditions imposed by Part 2 of the CCCFA
- and any specific conditions, if applied
- the Responsible Lending Code (you can download the code from the [Consumer Protection website](#)).

Any **specific conditions** will be notified to you prior to granting your consumer credit provider licence.

There are currently no standard conditions for credit provider licences. However, FMA may impose standard conditions in the future. Before this happens, we will formally notify you and we will follow the procedures set out in section 405 of the FMC Act. This means that we will consult with you before any proposed changes are made.

What we ask

This section explains what we ask in the online application. You won't need to provide any supporting documentation at the time you apply. Once your application has been submitted, we may ask for further clarification and/or documentation before we make a decision on your licence application.

Where we ask if you have approved documents/arrangements/processes, our expectation is that those are formally reviewed and approved by you, in accordance with your governance structure.

Important note: This guide includes all questions that may be asked as part of the application process. However, when completing your application, depending on the answers you provide, you may not be asked all questions. For example, if you indicate you do not wish to add any Authorised Bodies to your application, you will not see the questions relating to Authorised Bodies. Generally, where a question is worded "Do you ..." the response is Yes/No, and may require an explanation; if the question states "I confirm ..." there is a checkbox. Where questions ask for an explanation, there is a 4000-character limit to the free text boxes.

Your responses should demonstrate how you will comply with consumer credit provider licensee obligations. All the responses you provide should take into account the size and complexity of your business. Our expectations of capability will vary depending on the business's size and complexity. The formality and scale of your policies, procedures, controls and documentation should be appropriate to the size and complexity of your business. You should be able to explain how your arrangements work in practice and provide evidence of compliance if requested.

A consumer credit provider licence applies to the provision of consumer credit products to consumers in New Zealand. All responses provided in relation to the applicant and any Authorised Bodies should relate only to their business in New Zealand. For example, where we ask about the consumer credit products that you provide to consumers, only include products that are provided to consumers in New Zealand; do not include products that are only provided to consumers who are outside New Zealand.

What we ask	What we mean
<p>Before you begin</p> <p>The questions in this section relate to the consumer credit provider that will be the licence holder. The information gathered in this section will be used to confirm the validity of the application and tailor the application process.</p> <p>When you are completing the application form, it will be automatically populated with relevant names and details for each question.</p>	
<p>Applicant details</p>	
<p>What is your Financial Service Provider (FSP) number?</p>	<p>This is the number associated with your registration on the Financial Service Providers Register (FSPR) as being a creditor under a credit contract. You must either already be registered on the FSPR or have submitted an application to be registered and requested the relevant service before you can start your consumer credit provider licence application.</p>

What we ask	What we mean
<p>Are you (the person completing this application) applying for a licence on behalf of the consumer credit provider and do you have authorisation to apply on their behalf (Yes/No)</p>	<p>This is confirmation to ensure the person completing the application form attests to having authorisation to apply on behalf of the applicant.</p>
<p>Will you have any Authorised Bodies on this licence?</p>	<p>An Authorised Body is an entity that is a related body corporate named on your licence that can provide the licensed service without needing its own licence. If you want Authorised Bodies under your licence, both you and any bodies must (collectively) meet the eligibility criteria set out in section 400(1) of the FMC Act.</p> <p>All Authorised Bodies named on your licence must register on the FSPR as being a creditor under a credit contract.</p> <p>Each Authorised Body is responsible for their conduct and actions, and for ensuring they meet all market service licensee obligations. You, as the licence holder are also responsible. If an Authorised Body contravenes any market services licensee obligation, you will be treated as also having contravened that market services licensee obligation.</p> <p>Providing consumer credit contracts via Authorised Bodies is a business model available to creditors under s400 of the FMC Act. If you answer yes to this question, you will be asked additional questions later in the application about the Authorised Bodies you intend to name on your licence.</p>
<p>Products offered</p>	
<p>What type of consumer credit contract products does the consumer credit provider intend to provide? (select all that apply):</p> <ul style="list-style-type: none"> • Personal credit cards • Residential mortgage lending • Reverse equity home loan • Car loans • Personal or cash loans • Buy Now Pay Later • Credit or deferred payment arrangements for consumer goods • Leases • Peer-to-peer lending • Overdrafts • Pawnbroking • Lending on licences to occupy • Insurance premium funding • Other consumer credit contracts 	<p>The terms 'creditor' and 'consumer credit contract' are defined in the CCCFA.</p> <p>Only select the services that you intend to provide to consumers when you obtain your licence; do not select services simply because you may expand your offering at a future date.</p> <p>If you select 'Pawnbroking', you must ensure you hold a licence under the Second-hand Dealers and Pawnbrokers Act 2004 (SDPA) to proceed; this is a requirement under section 7 of the SDPA.</p> <p>If you select 'Other consumer credit contracts', you must specify the product type in the text box.</p> <p>Additional comments</p> <p>For all questions about consumer credit contract products, you only need to include consumer credit contract products that you will provide to consumers in New Zealand. Do not include consumer credit products that are only for consumers who are outside New Zealand.</p>

What we ask	What we mean
<p>What is the anticipated total size of the consumer credit provider's loan book across all products after 12 months of operation? (select):</p> <ul style="list-style-type: none"> • Less than \$100,000 • Between \$100,000 and \$999,999 • Between \$1,000,000 and \$9,999,999 • Between \$10,000,000 and \$99,999,999 • \$100,000,000 or greater • Do not know yet 	<p>Select the band that best reflects your expected total loan book after 12 months (i.e. total outstanding balances/amount owing), aggregated across all consumer credit contract products you selected.</p> <p>Include only lending to consumers in New Zealand. If your forecast is uncertain, use a reasonable estimate based on your business plan and pipeline assumptions. Select 'Do not know yet' only if you cannot reasonably form a forecast.</p>
<p>What is the anticipated total number of the consumer credit provider's customers across all products after 12 months of operation? (select):</p> <ul style="list-style-type: none"> • Fewer than 100 • Between 100 and 999 • Between 1,000 and 9,999 • Between 10,000 and 99,999 • 100,000 or more • Do not know yet 	<p>Select the band that best reflects your expected total number of customers after 12 months, aggregated across all selected products. Count each individual once, even if they hold more than one product.</p> <p>Only include customers in New Zealand. If your forecast is uncertain, use a reasonable estimate and document your key assumptions. Select 'Do not know yet' only if you cannot reasonably form a forecast from your business plan and pipeline assumptions.</p>
<p>Does the consumer credit provider intend to take guarantees over its consumer credit contracts? (Yes/No)</p>	<p>A guarantee is a commitment by a third party (the guarantor) to meet a borrower's obligations if the borrower does not.</p> <p>Answer 'Yes' if you intend to accept any guarantees for any of the consumer credit contract products you selected (including limited or unlimited guarantees, and guarantees supported by an indemnity), even if you expect to use them only in certain circumstances or for a small subset of customers.</p> <p>If you answer 'Yes', you should ensure you have systems, processes and controls to meet your obligations to guarantors, for example:</p> <ul style="list-style-type: none"> • providing required information and disclosures before a guarantee is entered into • taking reasonable steps to be satisfied the guarantor understands what they are agreeing to • ensuring your enforcement and debt collection approach meets applicable CCCFA requirements (including treating guarantors reasonably and ethically).

What we ask	What we mean
<p>Does the consumer credit provider intend to arrange credit-related insurance? (Yes/No)</p>	<p>'Credit-related insurance' generally refers to insurance that is offered, recommended or arranged in connection with a consumer credit contract, to cover risks such as the borrower's death, illness/injury, unemployment, or damage/loss of the item being financed (e.g. consumer credit insurance, payment protection, guaranteed asset protection insurance, or similar cover).</p> <p>Answer 'Yes' if you intend to arrange (including offering, distributing, recommending, facilitating sign-up for, or including as an optional or bundled add-on) any credit-related insurance for any of the consumer credit contract products you selected, even if the insurance is provided by a third-party insurer and even if it is only offered to a subset of customers or through particular channels.</p> <p>If you answer 'Yes', you should ensure you have systems, processes and controls covering credit-related insurance, including (as applicable):</p> <ul style="list-style-type: none"> • clear and not misleading advertising and disclosure • managing conflicts of interest (e.g. commissions and incentives) • taking reasonable steps to be satisfied that any insurance arranged is suitable and affordable for the borrower (including where premiums are financed). <p>You should also consider how you will handle cooling-off/cancellation, refunds and complaints.</p> <p>The FMA uses this question to understand whether credit-related insurance forms part of your business model and whether your responsible lending arrangements appropriately cover these consumer credit products.</p>
<h3>Distribution channels</h3>	
<p>How does the consumer credit provider intend to enter into consumer credit contracts?</p> <p>The methods through which you can enter into a consumer credit contract must be chosen from the following list of options. You should select all that apply:</p> <ul style="list-style-type: none"> • Direct to borrower – in person • Direct to borrower – mobile phone/ website/other digital method • Through third party retail business • Through third party vehicle dealership • Through third party mobile trader • Through third party licensed financial advice provider • Through third party other 	<p>Only select the distribution methods that you intend to use when you obtain your licence; do not select distribution methods simply because you may use these at a later date.</p> <p>As a creditor, you can enter into a consumer credit contract in two forms:</p> <ul style="list-style-type: none"> • Directly with the consumer, where you personally offer credit and enter into a contract with the borrower. Examples include selling goods on deferred payment terms (Buy Now Pay Later) or providing a personal loan directly. • Through a third party, where you may arrange for another entity to offer credit to your customers. In this case the third party becomes the creditor under the contract but you may still be involved in facilitating the arrangement. <p>Both approaches are covered under the CCCFA; you must ensure that any credit offered complies with CCCFA requirements.</p> <p>Additional comments</p> <p>'Direct to consumer' refers to the method where you provide your consumer credit products directly to consumers without the involvement of an intermediary. This includes in person (for example, in your branches) or via phone or digital methods such as your website or apps.</p> <p>Third-party providers may be licensed consumer credit providers themselves.</p> <p>Only use the 'Through third party option if you have distribution methods that do not fit into one of the other methods. You will be asked to provide a description of those distribution methods.</p> <p>You only need to select distribution methods for consumer credit contract products that you will provide to consumers in New Zealand. Do not include distribution methods that are only used to provide consumer credit contract products to consumers who are outside New Zealand.</p>

What we ask	What we mean
<p>Please name the third parties who will be entering into consumer credit contracts on the consumer credit provider's behalf?</p>	<p>If you intend to provide consumer credit contract products through third parties, you will be asked to name all third parties. This enables the FMA to identify the third-party providers.</p>
<p>Outsourcing, offshoring and artificial intelligence</p>	
<p>Which functions will the consumer credit provider outsource? (select all that apply):</p> <ul style="list-style-type: none"> • Decision to advance credit • Processing and considering credit applications • Compliance • Customer service • Record keeping • Training • Product design • Debt collection • None of the above 	<p>You can outsource aspects of your licensed business. If you outsource a system or process that supports the provision of your consumer credit provider service, we expect you to be satisfied the outsource provider can perform the service to a standard that enables you to meet your obligations (including under the CCCFA). You remain accountable for compliance.</p>
<p>Does the consumer credit provider have systems, processes, procedures and controls to ensure that any outsourced functions will comply with any relevant obligations under the CCCFA? (Yes/No)</p>	<p>If you outsource any functions, we ask you to confirm you have controls in place to manage those arrangements and support ongoing compliance with your obligations. This will typically include upfront due diligence and contracting, plus ongoing monitoring, issue management and record keeping. Controls can be simpler for low-risk, limited outsourcing, but should be effective and evidenced.</p> <p>Additional comments</p> <p>Your outsourcing controls should be proportionate to the nature and risk of what is outsourced. Include, where relevant:</p> <ul style="list-style-type: none"> • What is outsourced and to whom (including any subcontracting and whether any work is performed offshore) • Governance and accountability (who owns the relationship and CCCFA outcomes) • Due diligence before appointment (capability, capacity, compliance history, information security) • Contractual controls (service standards/key performance indicators, reporting, access to records, audit/monitoring rights, incident notification, termination/step-in) • Ongoing monitoring and testing (quality assurance, sampling, complaint trends, breach management and remediation) • Contingency and exit planning (how you maintain continuity and compliance if the arrangement fails or ends) • Record keeping and ability to access/retrieve records promptly.

What we ask	What we mean
<p>Please explain the consumer credit provider's outsourcing arrangements and how the consumer credit provider will ensure these outsourced functions are performed in compliance with any relevant obligations under the CCCFA (Text)</p>	<p>If you answer 'No' to the above question, explain what is outsourced, who performs it, and how you remain accountable for CCCFA compliance. You can refer to the outsourcing controls listed above, but tailor your response to what you actually outsource, taking into consideration:</p> <ul style="list-style-type: none"> • Which parts of the customer journey are affected (e.g. application processing, customer service, collections) • How you set requirements and monitor performance (including quality assurance and complaint monitoring) • How you ensure records are complete, retained and retrievable • What you will do if the provider underperforms (remediation, step-in, exit).
<p>Which functions (including any outsourced functions) will be performed overseas? (select all that apply):</p> <ul style="list-style-type: none"> • Decision to advance credit • Processing and considering credit applications • Compliance • Customer service • Record keeping • Staff training • Product design • Debt collection • None of the above 	<p>This question helps us understand which parts of your licensed service are performed outside New Zealand. Overseas arrangements can introduce different risks (e.g. oversight, data security and resilience) and may be subject to other regulatory regimes.</p> <p>Treat a function as performed overseas where staff/contractors/subcontractors located offshore carry it out, or where offshore teams have routine operational access to customer information or systems used to deliver the function. You should still select a function even if only part of that function is performed offshore.</p>
<p>Does the consumer credit provider have systems, processes, procedures and controls to ensure that any functions performed overseas will comply with any relevant obligations under the CCCFA? (Yes/No)</p>	<p>If any functions are performed overseas, we ask you to confirm you have controls in place to manage the associated risks and support ongoing compliance (including through contracting, monitoring/quality assurance, incident management, record keeping and the ability to access records promptly). Controls should be proportionate to what is performed offshore and the risks involved.</p>
<p>Please explain where the consumer credit provider's offshored functions will be performed and how the consumer credit provider will ensure these offshored functions are performed in compliance with any relevant obligations under the CCCFA (Text)</p>	<p>If you answer 'No' to the above question, explain what is performed overseas, where (country/jurisdiction), and how you manage the key risks and remain accountable for compliance, including:</p> <ul style="list-style-type: none"> • Which function(s) are performed offshore and whether activity is fully offshore or split with New Zealand teams • The service provider(s) and any subcontractors • Whether customer information/records are accessed, processed or stored outside New Zealand • Key controls you use (e.g. governance/accountability, service standards and reporting, quality assurance/monitoring, audit rights and access to records, incident/breach handling and remediation, information security/privacy, contingency and exit plans) • How you ensure records are complete and can be accessed and provided promptly on request.

What we ask	What we mean
<p>Which functions will be wholly or in part performed by artificial intelligence and/or algorithmic decision making (select all that apply):</p> <ul style="list-style-type: none"> • Decision to advance credit • Processing and considering credit applications • Compliance • Customer service • Record keeping • Training • Product design • Debt collection • None of the above 	<p>This question helps us understand whether and where you use artificial intelligence (AI) and/or algorithmic decision-making in your licensed service.</p>
<p>Does the consumer credit provider have systems, processes, procedures and controls to ensure that any functions using artificial intelligence and/or algorithmic decision making will comply with any relevant obligations under the CCCFA. (Yes/No)</p>	<p>If you indicate that any functions use AI and/or algorithmic decision-making, we ask you to confirm you have controls in place to manage the risks and support ongoing CCCFA compliance. Controls should be proportionate to how material the tool is to decisions and customer outcomes.</p>
<p>Please explain how the consumer credit provider will be performing these functions using AI and/or algorithmic decision making and how the consumer credit provider will ensure these functions are performed in compliance with any relevant obligations under the CCCFA. (Text)</p>	<p>If you answer 'No' to the above question, explain how you use AI/algorithms, what decisions or outputs they support or influence, and what controls you have in place to manage risks and support CCCFA compliance.</p> <p>For simpler, low-impact automation (e.g. rules-based decisioning or tools used to support staff), controls may be simpler, but you should still understand what the tool does, oversee it, and keep evidence of outputs. Where AI/algorithms make or materially influence decisions affecting borrowers, more robust governance, monitoring and testing is expected. Your response should consider:</p> <ul style="list-style-type: none"> • Which functions the AI/algorithm supports and whether decisions are automated or reviewed by staff • Who is accountable for the tool and CCCFA outcomes • Key inputs/data sources (including third-party data) and how you manage data quality • How you validate the tool before use and after material changes • How you monitor performance over time (e.g. error rates, complaints, drift) and remediate issues • Record keeping/audit trails for inputs, outputs, overrides and reasons • If the tool is supplied by a third party: due diligence, contractual controls, and access to information needed to evidence compliance • Where relevant, your ability to pause/disable the AI component and use a documented fallback process while issues are investigated and corrected.
<p>Does the consumer credit provider intend to have a website? (Yes/No)</p>	<p>If you already have a website or a dedicated section/page of your website relating to the provision of consumer credit contracts, please answer 'Yes' and provide the URL.</p>

What we ask	What we mean
Business continuity	
<p>Does the consumer credit provider have a documented business continuity plan? (Yes/No)</p> <p>If Yes:</p> <p>When are the consumer credit provider's business continuity plan is scheduled for their next review and test? (select date)</p> <p>If No:</p> <p>Please explain how the consumer credit provider will continue providing the service of acting as a creditor under consumer credit contracts in the event of a business disruption. (Text)</p>	<p>We ask if you have a documented business continuity plan (BCP). Your BCP should be appropriate to the size and complexity of your business and support continued compliance with your licence obligations.</p> <p>If you use any technology systems, which if disrupted would materially affect the continued provision of your consumer credit products you should at all times ensure the operational resilience of those systems – being the preservation of confidentiality, integrity and availability of information and/or technology systems – is maintained. Your BCP and your technology systems should be established, implemented and maintained in a way that supports compliance with your licence obligations.</p> <p>Your BCP should detail how you will protect consumer information and how you will continue to provide your consumer credit products in the event of an IT-related or physical business disruption. An IT event could include a cyber-breach that impacts your internal or external data storage facilities. Physical disruption could include a flood or fire, or disease outbreak that restricts movement of personnel and access to physical premises.</p> <p>Additional comments</p> <p>A BCP is a detailed plan outlining the actions to take in the event of a disruption to your business, to ensure it can continue to operate. This plan may include the following:</p> <ul style="list-style-type: none"> • Steps to restore operations – who does what, where to relocate to and how • Identification of critical systems and business processes • List of vendors that should be notified of the disruption • Copies of licences and contracts held with third parties detailing maintenance and support • The process to contact and advise consumers of any loss of service • The process for providing an alternative service to consumers during any downtime <p>A BCP should be appropriate to the size and complexity of the business and should be regularly tested. It should include procedures for responding to, and recovering from, events that impact operational resilience and continuity, including the remediation of consumers when required.</p> <p>A BCP should have predetermined procedures for responding to, and recovering from, events that impact on your provision of the consumer credit provider service.</p> <p>A larger or more complex consumer credit provider that relies more extensively on technology systems, and possibly operates from multiple locations, will need to consider a wider range of disruptive events, and reflect this in a more comprehensive BCP.</p> <p>Irrespective of the complexity of your circumstances, it is important that your BCP is maintained, and reviewed and tested regularly – at least annually. Your BCP should also be updated immediately if there is a material change in business location, structure or operations. We ask when your BCP is scheduled for its next review and test. If you have or will conduct the review and testing activities on different dates, select the dates closest to your application date.</p> <p>If you have a business continuity plan but you refer to it by a different name, then you should answer ‘Yes’ to this question. When we are assessing your licence, we may ask you for more information, or request a copy.</p>

What we ask	What we mean
Operational resilience	
<p>Does the consumer credit provider have documented operational resilience arrangements? (Yes/No)</p> <p>If Yes:</p> <p>When are these operational resilience arrangements scheduled for their next review and test?</p> <p>If No:</p> <p>Please explain how, in the event of disruption, the consumer credit provider will preserve the confidentiality, integrity and availability of its information and/or technology systems</p>	<p>We ask if you have a documented operational resilience arrangements. If you do not, you need to tell us how you protect the licensed services from risks to the operational resilience of your information and/or technology systems.</p> <p>If you use any technology systems, which if disrupted would materially affect the continued provision of your consumer credit service, you should at all times ensure that information security for those systems – being the preservation of confidentiality, integrity and availability of information and/or information systems – is maintained.</p> <p>It is particularly important that the processes performed by your IT systems to deliver your consumer credit provider service are effective. This includes having adequate and effective IT systems to:</p> <ul style="list-style-type: none"> • maintain cyber-resilience to detect, prevent and respond to cyber-risks • maintain client records • protect client data and confidential information. <p>We expect you to notify us within 10 working days of you discovering any event that materially impacts the information security of your critical technology systems and provide details of the event, the impact on your consumer credit provider service and customers, and any remediation activity.</p> <p>If you have a BCP and operational resilience arrangements but you refer to these by a different name or they are combined, then you should answer ‘Yes’ to this question. When we are assessing your licence, we may ask you for more information, or request a copy.</p>
Relevant parties	
<p>For entities:</p> <p>The application form will pre-fill the names of the individuals and entities that Companies Office records show hold 25% or more shares in the consumer credit provider (the presumption being these are ‘relevant parties’). In addition to the pre-filled list, the consumer credit provider is required to add all other individuals and entities that meet the definition of a relevant party as per the description under regulation 189 of the Financial Markets Conduct Regulations 2014.</p> <p>For individuals:</p> <p>You will only be asked if there are any individuals and entities that meet the definition of a relevant party as per the description under regulation 189 of the Financial Markets Conduct Regulations 2014.</p>	<p>Under regulation 189 of the Financial Markets Conduct Regulations 2014, the FMA must have regard to the compliance history of relevant parties. A relevant party can be any person or organisation, including a legal entity, a trust or an individual.</p> <p>This includes a party who has the power, directly or indirectly, to exercise, or control the exercise of, the rights to vote attaching to 25% or more of the voting products of the consumer credit provider, and a party that is able, directly or indirectly, to exert a substantial degree of influence over the activities of the consumer credit provider. For a full description of relevant parties refer to regulation 189.</p> <p>For each party we need to consider whether the nature of the association or connection is relevant to the carrying out of the service to which the licence application relates. We consider a relevant party to have an association or connection to the consumer credit provider if that party has a material influence over how they carry out the licensed service of acting as a creditor under a consumer credit contract. A relevant party may be anyone, including an individual, a parent company, franchisor or subsidiary.</p>

What we ask	What we mean
<p>Responsible lending</p> <p>Does the consumer credit provider have systems, processes, procedures and controls to ensure it will comply with all applicable lender responsibility principles? (Yes/No)</p>	<p>This is a key obligation under section 9C(2) of the CCCFA, which outlines the lender responsibility principles, requiring lenders to:</p> <ul style="list-style-type: none"> • Act with care, diligence, and skill as a responsible lender: <ul style="list-style-type: none"> - in advertising credit or credit-related insurance - before entering into credit or insurance agreements or accepting guarantees - in all ongoing dealings with borrowers and guarantors. • Comply with specific lender responsibilities detailed in later subsections of the Act (such as making reasonable inquiries into affordability and suitability, and ensuring clear communication). <p>We expect you to have established systems, processes, procedures and controls to ensure you comply with all applicable lender responsibility principles at the time of your submitting an application. If you have not yet established your systems, processes, procedures and controls, you will not be able to complete and submit this application. If you have questions about these requirements, please contact licensing@fma.govt.nz.</p> <p>Additional comments</p> <p>Your systems, processes, procedures and controls should explain how lender responsibility principles are embedded across your end-to-end lending process (for example, marketing and advertising, application and assessment, contracting, variations, hardship, and arrears/collections), and how you ensure your approach remains effective as products, channels, customers and economic conditions change. This should include:</p> <ul style="list-style-type: none"> • Governance and accountability (e.g. who has responsibility for lending compliance, escalation pathways, and board/senior management oversight) • Key policies, procedures and decision frameworks (e.g. responsible lending policy, affordability and suitability methodology, exceptions/overrides, second-line checks) • Training and competency arrangements for staff and any third parties involved in the lending process (including refreshers and monitoring of completion/understanding) • Quality assurance and testing (e.g. file reviews, sampling approach, call monitoring, how issues are remediated) • Ongoing monitoring and management information (e.g. approval/decline trends, hardship and arrears metrics, complaints, conduct of debt collection activities), and how this informs updates to policies or controls • How you oversee any outsourcing or AI/algorithmic tools that support or influence lending decisions, including audit trails, monitoring, and the ability to pause and remediate if issues are identified.

What we ask	What we mean
Suitability assessment	
<p>Does the consumer credit provider have systems, processes, procedures and controls to be reasonably satisfied that the credit or finance under each consumer credit contract will meet the borrower's requirements and objectives? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will comply with its obligation to be reasonably satisfied that the credit or finance under each consumer credit contract will meet the borrower's requirements and objectives. (Text)</p>	<p>As a lender, you have a key legal obligation under section 9C(3)(a)(i) of the CCCFA to make reasonable inquiries before entering into a consumer credit agreement, to ensure that:</p> <ol style="list-style-type: none"> 1. the credit or finance will meet the borrower's requirements and objectives; and 2. the borrower will be able to make repayments without suffering substantial hardship. <p>This obligation is central to the CCCFA's responsible lending principles. Failure to comply with it is one of the primary causes of borrower harm, often leading to financial distress, default, and long-term debt cycles.</p> <p>Note that Buy Now, Pay Later consumer credit products and qualifying insurance premium funding agreements are exempt from this obligation as per regulation 18H of the CCCF Regulations.</p> <p>If you answer 'No', we ask you to explain what you will do in practice to meet the CCCFA requirement to be reasonably satisfied that the credit or finance under each consumer credit contract will meet the borrower's requirements and objectives.</p> <p>Your explanation should cover, where relevant:</p> <ul style="list-style-type: none"> • how you will obtain and record information about the borrower's requirements and objectives (e.g. purpose of the borrowing, preferred term, repayment preferences, tolerance for fees and interest, any constraints the borrower has identified); • how that information will be used in your assessment to determine whether the proposed contract is likely to meet those requirements and objectives; • what documentation you will keep to demonstrate the inquiries made and the basis for the decision; and • how you will handle situations where the proposed contract does not appear to meet the borrower's requirements and objectives (e.g. declining the application or offering an alternative product that is more appropriate). <p>Without a documented process, explain your arrangements, including who is accountable for designing and approving the process, when the plan will be implemented, how staff will be trained, and how you will review and monitor decisions for ongoing compliance (e.g. file review/quality assurance, exception reporting, complaints analysis, and periodic testing).</p>

What we ask	What we mean
<p>Does the consumer credit provider have systems, processes, procedures and controls to be reasonably satisfied that any insurance arranged under a credit contract will meet the borrower's requirements and objectives? (Yes/No)</p> <p>If No:</p> <p>Please explain how the consumer credit provider will comply with its obligation to be reasonably satisfied that any insurance provided under a credit contract will meet the borrower's requirements and objectives. (Text)</p>	<p>You are required under section 9C(5) of the CCCFA to be reasonably satisfied that any insurance arranged under a credit contract will meet the borrower's requirements and objectives. This is a key aspect of responsible lending, as failing to assess suitability can lead to borrower harm. Systems, processes, procedures and controls should ensure insurance products offered are suitable for the borrower's needs. This may include procedures for gathering relevant information from the borrower about their requirements and objectives, assessment protocols to check suitability, and regular reviews of insurance offerings to maintain compliance with section 9C(5) of the CCCFA.</p> <p>If responding 'No', you must explain how you will comply with your obligation to be reasonably satisfied that any insurance provided meets the borrower's requirements and objectives. Consider:</p> <ul style="list-style-type: none"> • How you will obtain and record information about the borrower's requirements and objectives (such as the purpose of insurance, coverage preferences, budget, and any constraints) • How you will use this information in your assessment to determine if the proposed insurance contract is likely to meet those requirements and objectives • What documentation you will keep to demonstrate the inquiries made and the basis for your decision • How you handle situations where the insurance does not appear to meet the borrower's requirements and objectives (e.g. declining the application or offering an alternative product) <p>If you do not have a documented process, outline your arrangements, including who is accountable for designing and approving the process, when the plan will be implemented, how staff will be trained, and how you will review and monitor decisions for ongoing compliance (such as file review, exception reporting, complaints analysis, and periodic testing).</p>

What we ask	What we mean
<p>Affordability assessment</p> <p>Does the consumer credit provider have systems, processes, procedures and controls to assess whether each borrower is likely able to make payments under the consumer credit contract without suffering substantial hardship? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will comply with its obligation to assess whether each borrower is likely able to make payments under the consumer credit contract without suffering substantial hardship and/or if an exemption applies please state the basis for that exemption. (Text)</p>	<p>You are required under section 9C(3)(a)(ii) of the CCCFA to assess whether each borrower is likely to make repayments without suffering substantial hardship. This is a key focus of responsible lending obligations, as failing to assess affordability is a leading cause of borrower harm.</p> <p>To comply, you should have an affordability assessment process that is effective and proportionate to your business. This generally includes obtaining and verifying information about income, expenses and existing commitments, assessing whether repayments are likely to be manageable without substantial hardship, and keeping records to evidence the inquiries and decision.</p> <p>If responding 'No', you must explain how you will comply with your obligations to assess whether each borrower is likely able to make payments without suffering substantial hardship. Consider:</p> <ul style="list-style-type: none"> • How you will collect and verify information about the borrower's income, expenses, debts, and other financial obligations. This should include the methods and sources used to ensure accuracy (e.g. payslips, bank statements, credit reports) • How you will assess the borrower's ability to make repayments, such as budgeting tools, affordability calculators, or internal guidelines. Highlight how you determine that repayments will not cause substantial hardship or compromise the ability to afford essential living expenses • What documentation will be maintained to support the assessment, including records of inquiries made, evidence collected, and the rationale for lending decisions • How any exemptions to the standard assessment process will be identified and justified, including the legislative or policy basis for any claimed exemption (e.g. if an exemption under the CCCF Regulations applies) • Your approach to ongoing staff training, supervision and quality assurance to ensure assessments remain compliant with responsible lending obligations • How you will review and monitor the effectiveness of your affordability assessment processes (e.g. file audits, exception reporting, complaints analysis), and how you address any issues identified.

What we ask	What we mean
<p>Does the consumer credit provider have systems, processes, procedures and controls to assess whether each borrower is likely able to make payments under a credit-related insurance contract without suffering substantial hardship? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will comply with its obligation to assess whether each borrower is likely able to make payments under a credit-related insurance contract without suffering substantial hardship. (Text)</p>	<p>You are required under section 9C(5) of the CCCFA to be reasonably satisfied that any insurance arranged under the credit contract will meet the borrower’s requirements and objectives. This is a key aspect of responsible lending, as failing to assess suitability and affordability can lead to borrower harm.</p> <p>To meet this obligation, you should have systems, processes, procedures and controls that are proportionate to the size, complexity, and risk profile of your business.</p> <p>If responding ‘No’, you must explain how you will comply with your obligations to assess whether each borrower is likely able to make payments under a credit-related insurance contract without suffering substantial hardship. Consider:</p> <ul style="list-style-type: none"> • How you will collect and verify information about the borrower’s income, expenses, debts, and other financial obligations. This should include the methods and sources used to ensure accuracy (e.g. payslips, bank statements, credit reports) • How you will assess the borrower’s ability to make repayments, such as budgeting tools, affordability calculators, or internal guidelines. Highlight how you determine that repayments will not cause substantial hardship or compromise the ability to afford essential living expenses • What documentation will be maintained to support the assessment, including records of inquiries made, evidence collected, and the rationale for lending decisions • How exemptions to the standard assessment process will be identified and justified, including the legislative or policy basis for any claimed exemption • Your approach to ongoing staff training, supervision and quality assurance to ensure assessments remain compliant with responsible lending obligations • How you will review and monitor the effectiveness of your affordability assessment processes (e.g. file audits, exception reporting, complaints analysis), and how you address any issues identified <p>The FMA expects these controls to be right-sized: smaller providers may use straightforward, manual processes, while larger organisations should have more formalised, automated systems and regular oversight. The key principle is that the approach should be sufficient to ensure borrowers are not exposed to substantial hardship, and that the insurance provided is suitable for their requirements and objectives.</p>

What we ask	What we mean
<p>Does the consumer credit provider have systems, processes, procedures and controls to assess whether each guarantor is likely able to comply with the guarantee without suffering substantial hardship? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will comply with its obligation to assess whether each guarantor is likely able to comply with the guarantee without suffering substantial hardship? (Text)</p>	<p>Under section 9C(4)(a) of the CCCFA, you are required to assess whether each guarantor is likely to meet their obligations under the guarantee without suffering substantial hardship. This is a critical part of responsible lending, as failing to assess affordability for guarantors is a key driver of harm.</p> <p>If you answer 'Yes', you should ensure you have systems, processes and controls to meet your obligations to guarantors, for example:</p> <ul style="list-style-type: none"> • providing required information and disclosures before a guarantee is entered into • taking reasonable steps to be satisfied the guarantor understands what they are agreeing to • ensuring your enforcement and debt collection approach meets applicable CCCFA requirements (including treating guarantors reasonably and ethically). <p>Credit providers are expected to have arrangements that are proportionate to their business size and risk profile. These should include the following aspects:</p> <ul style="list-style-type: none"> • Collecting and verifying information about the guarantor's financial situation, including income, expenses, and liabilities • Using appropriate assessment tools (e.g. budgeting calculators, internal guidelines) to determine a guarantor's ability to meet obligations without hardship • Maintaining clear documentation of the assessment process, evidence collected, and decisions made • Ensuring staff are trained and supervised in responsible lending and affordability assessment requirements • Regularly reviewing and updating processes to ensure effectiveness and compliance • Clearly documenting and justifying any exceptions to standard processes, or where exemptions apply (e.g. under the CCCF Regulations). <p>If you answer 'No', you should explain:</p> <ul style="list-style-type: none"> • What methods or practices are used to assess guarantor affordability • How these alternatives ensure the guarantor is not exposed to substantial hardship • Any plans or timelines to implement formal systems, processes, or controls • How compliance with section 9C(4)(a) of the CCCFA is achieved and monitored in the absence of established arrangements, taking into account the aspects listed above.

What we ask	What we mean
Informed decision making	
<p>Does the consumer credit provider have systems, processes, procedures and controls to assist the borrower to reach informed decisions? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will assist the borrower to reach informed decisions. (Text)</p>	<p>Under sections 9C(3)(b) and (c) of the CCCFA, you are required to assist borrowers to reach informed decisions about entering into a credit contract. This includes making sure they understand the terms, risks and implications of the agreement, which is an essential part of responsible lending. Your arrangements should consider the following aspects:</p> <ul style="list-style-type: none"> • When assisting borrowers to make informed decisions, provide clear key information, allow opportunity for questions, and keep records of what was provided. Your approach should be proportionate to your products, channels and customer base. Provide clear, accessible information about the credit contract, including all terms, fees, and conditions • Explain the potential risks and consequences associated with the agreement, such as default, interest rate changes, and fees • Offer tools or guidance to help borrowers assess affordability, including budgeting calculators or summary sheets • Ensure staff are trained to communicate contract details effectively and answer borrower questions • Document the process for providing information and support, including records of communications and materials given to the borrower • Regularly review and update procedures to maintain clarity and compliance with responsible lending obligations. <p>If you answer 'No', you should include the following in your explanation:</p> <ul style="list-style-type: none"> • Describe any methods or practices used to assist borrowers in understanding their obligations • Explain how these alternatives ensure borrowers are fully informed about terms, risks, and implications • Outline any plans or timelines for implementing formal systems, processes, or controls • Specify how compliance with sections 9C(3)(b) and (c) of the CCCFA is monitored and achieved in the absence of established arrangements, taking into account the aspects listed above.

What we ask	What we mean
Borrower default and hardship	
<p>Does the consumer credit provider have systems, processes, procedures and controls to treat the borrower and their property (or property in their possession) reasonably and in an ethical manner when breaches of the agreement have occurred or may occur or when other problems arise or when a debtor under a consumer credit contract suffers unforeseen hardship? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will treat the borrower and their property (or property in their possession) reasonably and in an ethical manner when breaches of the agreement have occurred or may occur or when other problems arise or when a debtor under a consumer credit contract suffers unforeseen hardship. (Text)</p>	<p>Section 9C(3)(d) of the CCCFA requires lenders to appropriately deal with borrowers who are in default or experiencing unforeseen hardship. We expect your systems, processes, procedures and controls to be proportionate to your business and cover identification of hardship, assessment and decision-making, communications (including with guarantors where relevant), escalation/oversight, and record keeping.</p> <p>When considering your systems, processes, procedures and controls for treating borrowers and their property reasonably and ethically, you should ensure the following arrangements are in place:</p> <ul style="list-style-type: none"> • Establish clear policies for responding to breaches, problems, or hardship situations, focusing on fairness and ethical conduct • Provide accessible channels for borrowers to communicate issues, including hardship applications or complaints • Train staff to handle these situations sensitively, to ensure respectful treatment of borrowers and their property • Outline steps for assessing hardship claims and offering reasonable solutions, such as payment variations or temporary relief • Maintain records of interactions and actions taken to demonstrate ethical treatment and compliance • Regularly review and update procedures to ensure they remain fair, effective, and aligned with current legal obligations. <p>If you answer 'No', you should explain any alternative practices you use to ensure borrowers and their property are treated reasonably and ethically. This explanation should:</p> <ul style="list-style-type: none"> • Describe informal methods or case-by-case approaches for addressing breaches, hardship, or other issues • Explain how these provide fair and ethical outcomes for borrowers • Include any plans or timelines for implementing formal systems, processes or controls in the future • Set out how compliance with section 9C(3)(d) of the CCCFA is monitored and achieved, even without formal arrangements.
Interest charges and payments	
<p>What is the highest annual interest rate (or alternatively the weighted annual interest rate or the combined interest and default rates) that the consumer credit provider will charge under any one consumer credit contract? (select):</p> <ul style="list-style-type: none"> • Do not intend to charge interest • Less than 10% • Between 10% and 29% • Between 30% and 44% • Between 45% and 49.99% • 50% or greater 	<p>This question is asked to determine whether you, as a lender, may be subject to the high-cost lending rules under the CCCFA.</p> <p>If you charge an annual interest rate of 50% or more, additional legal obligations apply.</p> <p>Understanding your highest interest rate or your highest weighted annual or highest combined interest and default rate helps identify whether you fall within or near this threshold.</p>

What we ask	What we mean
<p>If selected Between 30% and 44%; Between 45% and 49.99%; 50% or greater:</p> <p>Please explain the reason for the consumer credit provider charging an annual interest rate of more than 30%.</p>	<p>This question is asked because, as a consumer credit contract provider, you are expected to justify charging an annual interest rate of 30% or more. Rates at this level trigger an escalation process to understand your rationale and ensure it is documented in your compliance records. This helps assess whether your pricing practices align with responsible lending expectations.</p> <p>In your response, briefly explain the key drivers of the rate (for example, funding costs, operating costs, risk-based pricing/expected losses, and product features) and how you ensure the relevant CCCFA disclosures requirements are met.</p>
<p>If selected 50% or greater:</p> <p>Does the consumer credit provider have systems, processes, procedures and controls for complying with the high-cost lending rules? (Yes/No)</p> <p>If No:</p> <p>Please explain how the consumer credit provider will comply with the high-cost lending rules?</p>	<p>If you charge 50% or more in annual interest, you are considered a high-cost lender under the CCCFA and must comply with specific rules set out in Part 2, Subpart 6A. These rules include additional disclosure, repayment, and hardship obligations to protect borrowers from the risks associated with high-cost credit.</p>

What we ask	What we mean
Credit fees and default fees	
<p>Does the consumer credit provider have systems, processes, procedures and controls to comply with the requirements relating to credit fees and default fees? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will comply with the requirements relating to credit fees and default fees?</p>	<p>Under Part 2 Subpart 6 of the CCCFA, you are required to ensure that any credit fees and default fees charged are reasonable. Unreasonable fees are a known contributor to borrower harm, and having appropriate systems and controls in place is essential for meeting your obligations as a responsible lender.</p> <p>Systems, processes, procedures and controls should typically consider:</p> <ul style="list-style-type: none"> • Regular reviews and documentation of all fees to ensure they are cost-based and justifiable, rather than arbitrary or excessive • Clear internal policies outlining how fees are set, reviewed and approved, including escalation procedures for exceptions • Transparent disclosure practices, to ensure all fees are communicated clearly to borrowers before contract acceptance • Staff training to ensure employees understand legal requirements and internal standards relating to credit and default fees • Ongoing monitoring and audit processes to detect and address any instances of unreasonable fees or non-compliance • Procedures for responding to borrower complaints or disputes about fees, including timely investigation and remediation where appropriate • Maintaining detailed records to demonstrate how each fee amount was determined and evidence that it reflects actual costs incurred. <p>Implementing these measures helps ensure that your fee practices align with responsible lending principles and regulatory requirements, and protects both your business and your customers.</p> <p>If you answer 'No', your explanation should clearly outline the steps you will take to ensure compliance with requirements relating to credit fees and default fees. In your explanation we expect you to provide:</p> <ul style="list-style-type: none"> • A detailed plan, if any, for developing and implementing appropriate systems and controls, including timelines and responsible parties • An explanation of how you will regularly review fee structures to ensure they remain reasonable and cost-based. Details on how you will ensure transparent disclosure of fees to borrowers and maintain accurate records of fee determination • Information on training staff to understand legal obligations regarding credit and default fees • Procedures for handling borrower complaints and monitoring compliance until robust systems are in place <p>Your explanation should demonstrate a clear commitment to responsible lending and provide sufficient assurance that borrower interests will be protected during the transition period.</p>

What we ask	What we mean
Debt collection and repossession	
<p>Does the consumer credit provider have systems, processes, procedures and controls to ensure it will meet the requirements under the CCCFA in relation to debt collection and repossession? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will comply with the requirements under the CCCFA in relation to debt collection and repossession.</p>	<p>Under the CCCFA, you must have appropriate systems, processes, procedures and controls to ensure compliance with your debt collection obligations and, where applicable, repossession requirements, in a manner that is proportionate to the nature, scale and complexity of your business. This includes clear borrower communications, appropriate escalation and oversight (including of third-party collectors), complaints handling, and record keeping.</p> <p>We expect you to have:</p> <ul style="list-style-type: none"> • Clear written policies and procedures outlining the approach to debt collection and repossession, including strict adherence to legal requirements and ethical standards • Regular staff training to ensure all employees and agents understand their obligations, the CCCFA requirements, and the importance of fair treatment of borrowers • Monitoring and auditing processes to review debt collection and repossession activities, ensuring compliance and identifying any areas for improvement • Transparent communication protocols, including providing borrowers with clear information about their rights, obligations, and any actions being taken • Complaint handling mechanisms, to enable borrowers to raise concerns about debt collection or repossession practices and ensure timely investigation and resolution • Documentation and record-keeping practices that support maintaining accurate records of all interactions, decisions, and actions related to debt collection and repossession • Escalation procedures for complex or contentious cases, to ensure senior oversight and fair outcomes • Procedures to ensure repossession is only used as a last resort, after all reasonable alternatives have been explored and communicated with the borrower • Periodic review and updates of systems, processes, and controls to reflect changes in legislation, industry best practice, and feedback from borrowers and stakeholders. <p>Implementing these measures helps ensure compliant debt collection and repossession practices, minimising borrower harm and supporting the consumer credit provider's obligations under the CCCFA.</p> <p>If you answer 'No', your explanation should clearly outline:</p> <ul style="list-style-type: none"> • How you currently manage debt collection and repossession activities to comply with CCCFA requirements, including any informal practices or approaches used • What steps you take to ensure borrowers are treated fairly and ethically, and how you avoid heavy-handed or harmful practices • How you monitor compliance, identify risks or issues, and respond to complaints or concerns raised by borrowers • Any plans or intentions to develop formal systems, processes, procedures or controls in the future, including timelines and priorities • How you keep up to date with legislative changes and industry best practice in the absence of formal controls <p>Your explanation should demonstrate a commitment to responsible lending and minimising borrower harm, even if formal systems are not yet established.</p>

What we ask	What we mean
Applicant's processes for Authorised Bodies (only required if licensee has Authorised Bodies)	
<p>Does the consumer credit provider have systems, processes, procedures and controls in place to ensure that Authorised Bodies understand and comply with their obligations under a consumer credit provider licence? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will ensure that Authorised Bodies understand and comply with their obligations under a consumer credit provider licence. (Text)</p>	<p>You need to have arrangements in place to ensure you maintain appropriate control or supervision over the provision of the credit provider service by Authorised Bodies under your licence (refer to section 400(1)(a) of the FMC Act). You will also need to be satisfied there are processes and procedures in place for Authorised Bodies to provide appropriate reporting (e.g. compliance/management reporting) to you at regular intervals.</p> <p>If you answer 'No' to the first question, you must explain how you will ensure your Authorised Bodies understand and comply with their obligations under a consumer credit provider licence.</p> <p>If you answer 'No' to the second question, you must explain how you will oversee the licensed activities and ensure your Authorised Bodies:</p> <ul style="list-style-type: none"> • comply with the market service licensee obligations • manage risks appropriately and treat clients fairly • deliver and perform the market service/s effectively.
<p>Does the consumer credit provider have systems, processes, procedures and controls in place enabling oversight of the provision of the service of being a creditor under a credit contract by Authorised Bodies? (Yes/No)</p> <p>If No: Please explain how the consumer credit provider will ensure that Authorised Bodies understand and comply with their obligations under a consumer credit provider licence. (Text)</p>	
Declarations	
<p>We ask the consumer credit provider (or the person authorised to complete the form on behalf of the consumer credit provider) to complete a declaration confirming all the information is true and correct.</p>	<p>Before you submit your application, it is important that you review it carefully and make sure your answers are correct. Once you've submitted the application form, you won't be able to change your answers.</p> <p>It is a criminal offence to make false or misleading statements in your application.</p>

Authorised Bodies' details

These questions will only appear if you have indicated that you want to include Authorised Bodies on the licence application. In order to authorise a named entity on the licence we must be satisfied that you have arrangements in place to maintain appropriate control or supervision over the provision of that service by the Authorised Body. If your Authorised Body contravenes any licensee obligation, you will be treated as also having contravened that obligation (section 400(3) of the FMC Act).

For each Authorised Body, we ask whether it will use the same systems, processes, procedures and controls as the licensee for providing the consumer credit provider service (including CCCFA responsible lending arrangements). Where an Authorised Body uses the licensee's arrangements, we may rely on the licensee's responses to the relevant questions above. Where it does not, the Authorised Body must answer the same questions as the main applicant for the areas that differ.

The directors and senior managers of the Authorised Body must be fit and proper persons to hold their respective positions. Refer to the appendix of this document for more information.

The table below lists the questions that will be asked of Authorised Bodies. Where the questions are the same as those asked of the licensee, refer to the corresponding guidance in the main applicant section above.

What we ask	What we mean
Authorised Body details	
What is the Authorised Body's Financial Service Provider (FSP) number?	Refer to page 8
What type of consumer credit contract products does the Authorised Body intend to provide (select all that apply): <ul style="list-style-type: none">• Personal credit cards• Residential mortgage lending• Reverse equity home loan• Car loans• Personal or cash loans• Buy Now Pay Later• Credit or deferred payment arrangements for consumer goods• Leases• Peer-to-peer lending• Overdrafts• Pawnbroking• Lending on licences to occupy• Insurance premium funding• Other consumer credit contracts	Refer to page 9

<p>What is the anticipated total size of the Authorised Body's loan book across all products after 12 months of operation? (select):</p> <ul style="list-style-type: none"> • Less than \$100,000 • Between \$100,000 and \$999,999 • Between \$1,000,000 and \$9,999,999 • Between \$10,000,000 and \$99,999,999 • \$100,000,000 or greater • Do not know yet 	<p>Refer to page 10</p>
<p>What is the anticipated total number of the Authorised Body's customers across all products after 12 months of operation? (select):</p> <ul style="list-style-type: none"> • Fewer than 100 • Between 100 and 999 • Between 1,000 and 9,999 • Between 10,000 and 99,999 • 100,000 or more • Do not know yet 	<p>Refer to page 10</p>
<p>Will the Authorised Body use all the same systems, processes, procedures and controls as the consumer credit provider? Yes/No</p> <p>If No: Please explain what systems, processes, procedures and controls are different. (Text)</p>	<p>We ask this question to ensure that you are only including Authorised Bodies that are capable of delivering the licensed service to the required standard. Under the legislation, we must be satisfied that each Authorised Body can perform the service effectively.</p> <p>In some cases, systems, processes, procedures, and controls related to the provision of consumer credit products may be shared between related body corporates. Where such sharing occurs, we will refer to the answers provided by the applicant for these aspects. However, if the Authorised Body has systems, processes, procedures, or controls that differ from those of the applicant, we expect you to clearly explain where and how they differ. This approach ensures transparency and helps demonstrate that the Authorised Body can meet the required standards independently or through shared arrangements.</p>

Help and information

If you have questions about the licensing process please email questions@fma.govt.nz

You can also call us on 0800 434 566 (or +64 3 962 2695 if you're calling from overseas).

Our lines are open Monday to Friday, 8.30am to 5pm

Appendix

Full set of 'fit and proper' questions

Fit and proper: Directors and senior managers

These questions relate to the directors and senior managers of the applicant and the key personnel of each Authorised Body included in the application. Responses must include matters in New Zealand and overseas.

I confirm that the current directors and senior managers of the applicant and the key personnel of each Authorised Body included in this licence application are correctly listed on the FSPR.

Are you proposing to appoint any new directors or senior managers, who will need to be assessed as part of this licence application?

Have any of the directors or senior managers of the applicant or key personnel of any Authorised Body ever been convicted for a criminal offence relating to:

- dishonesty
- fraud, or
- misleading or deceptive conduct?

You do not need to answer yes if the conviction is eligible for concealment under the Criminal Records (Clean Slate) Act 2004. This includes convictions made overseas that would be eligible for concealment if made in New Zealand.

If yes, please provide full details of all relevant convictions.

Have any of the directors or senior managers of the applicant or key personnel of any Authorised Body ever been the subject of a civil or criminal proceeding, or any action or decision taken or made by the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- any of their predecessors, successors or overseas equivalents,

which resulted in their:

- being found guilty or liable, or having a penalty or order imposed against them*,
- having a licence or authorisation declined, suspended or cancelled (in any profession, role or industry), or
- being banned from participating in, or refused entry to, any profession, role or industry?

*You do not need to answer yes if the conviction is eligible for concealment under the Criminal Records (Clean Slate) Act 2004. This includes convictions made overseas that would be eligible for concealment if made in New Zealand.

If yes, please provide full details of all relevant proceedings, actions and decisions.

Have any of the directors or senior managers of the applicant or key personnel of any Authorised Body ever been a director or senior manager for an entity at a time the entity was the subject of a civil or criminal proceeding, action or decision taken or made by the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- any of their predecessors, successors or overseas equivalents,

which resulted in the entity:

- being found guilty or liable, or having a penalty or order imposed against it,
- having a licence or authorisation declined, suspended or cancelled (in any profession, role or industry), or
- being banned from participating in, or refused entry to, any profession, role or industry?

If yes, please provide full details of all relevant proceedings, actions and decisions.

Has the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- any of their predecessors, successors or overseas equivalents,

ever issued a warning about or to:

- any of the directors or senior managers of the applicant or key personnel of any Authorised Body, or
- an entity where any of the directors or senior managers of the applicant or key personnel of any Authorised Body were also employed as directors or senior managers at the time the warning was issued or when any event relating to the issue or warning occurred?

If yes, please provide full details of all relevant warnings.

Are any of the directors or senior managers of the applicant or key personnel of any Authorised Body currently the subject of any investigation (or charges) for criminal offending relating to:

- dishonesty,
- fraud, or
- misleading or deceptive conduct?

If yes, please provide full details of all relevant investigations and charges.

Are any of the directors or senior managers of the applicant or key personnel of any Authorised Body currently the subject of any investigation or proceeding started (or decided) by the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited
- New Zealand Police
- Inland Revenue, or
- any of their predecessors, successors or overseas equivalents?

If yes, please provide full details of all relevant investigations and proceedings.

Have any of the directors or senior managers of the applicant or key personnel of any Authorised Body ever been:

- dismissed
- asked to resign, or
- subject to disciplinary proceedings

resulting from, or in respect of, a position of trust, fiduciary appointment, or similar (in New Zealand or overseas)?

If yes, please provide full details of all relevant incidents.

Is there any other information that is material and relevant to our assessment of the directors and senior managers of the applicant and key personnel of any Authorised Body being fit and proper? For example, any previous conduct involving dishonesty or fraud or that was misleading or deceptive, that you have not already disclosed in this application?

If yes, please provide full details of all relevant incidents.

Regulatory action: Applicants and Authorised Bodies

These questions relate to you as the entity applying for this licence, as well as all Authorised Bodies named on this licence application. Responses must include matters in New Zealand and overseas.

Have you or any of your Authorised Bodies ever been the subject of a civil or criminal proceeding, or any action or decision taken or made by the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- any of their predecessors, successors or overseas equivalents,

which resulted in you or them:

- being found guilty or liable, or having a penalty or order imposed against you or them
- having a licence or authorisation declined, suspended or cancelled (in any profession, role or industry), or
- being banned from participating in, or refused entry to any profession, role or industry?

If yes, please provide full details of all relevant proceedings, actions and decisions.

Has the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- any of their predecessors, successors or overseas equivalents,

ever issued a warning about or to:

- you; or
- any Authorised Body on your licence application?

If yes, please provide full details of all relevant warnings.

Are you or any of your Authorised Bodies currently the subject of any investigation or proceeding started (or decided) by the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- New Zealand Police
- Inland Revenue, or
- any of their predecessors, successors or overseas equivalents?

If yes, please provide full details of all relevant investigations and proceedings.

Regulatory action: Relevant parties

These questions relate to your relevant parties. Responses must include matters in New Zealand and overseas.

Under [regulation 189 of the Financial Markets Conduct Regulations 2014](#), the FMA must have regard to the compliance history of relevant parties. A relevant party can be any person or organisation, including a legal entity, a trust or an individual. This includes a party who has the power, directly or indirectly, to exercise, or control the exercise of, the rights to vote attaching to 25% or more of the voting products of an applicant. For a full description of relevant parties refer to regulation 189.

Have any of your relevant parties ever been convicted for a criminal offence relating to:

- dishonesty
- fraud, or
- misleading or deceptive conduct?

You do not need to answer yes if the conviction is eligible for concealment under the Criminal Records (Clean Slate) Act 2004. This includes convictions made overseas that would be eligible for concealment if made in New Zealand.

If yes, please provide full details of all relevant convictions.

Have any of your relevant parties ever been the subject of a civil or criminal proceeding, or had any action or decision taken or made by the:

- FMA
- Commerce Commission
- Registrar of Companies
- Registrar of Financial Service Providers
- Reserve Bank of New Zealand
- Takeovers Panel
- Serious Fraud Office
- Department of Internal Affairs
- NZX Limited, or
- any of their predecessors, successors or overseas equivalents,

which resulted in them:

- being found guilty or liable, or having a penalty or order imposed against them,
- having a licence or authorisation declined, suspended or cancelled (in any profession, role or industry), or
- being banned from participating in, or refused entry to any profession, role or industry?

You do not need to answer yes if the conviction is eligible for concealment under the Criminal Records (Clean Slate) Act 2004. This includes convictions made overseas that would be eligible for concealment if made in New Zealand.

If yes, please provide full details of all relevant proceedings, actions and decisions.