

Regulatory Guide 209 *Credit licensing: Responsible lending conduct* (RG 209)—Comparison of 2014 and 2019 versions

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
Section A	Overview	Section A	Overview
RG 209.1–RG 209.10, Tables 1 and 2	Description of legal requirements, legislation references	RG 209.1–RG 209.11	Details of legislation references moved to Appendix 1
RG 209.11	Ch 3 disclosure documents	RG 209.12	See Information Sheet 146 Responsible lending disclosure obligations: Overview for credit licensees and representatives (INFO 146) Outline in existing Appendix removed
RG 209.12–RG 209.13	Objective of the obligations, high-level reference to the Explanatory Memorandum and additional risks for small amount credit contracts	RG 209.1, RG 209.13–RG 209.17	Existing guidance moved and additional guidance included for other products
RG 209.14–RG 209.15	ASIC’s general approach for administering guidance	RG 209.18–RG 209.25	Our general approach to administering the obligations
—	—	RG 209.26–RG 209.27	Existing guidance moved (technology neutral)
—	—	RG 209.28–RG 209.42	New—Circumstances where the obligations do not apply
Section B	Making reasonable inquiries and verifications	Section B	Making reasonable inquiries and verifications
RG 209.16–RG 209.18	General description	RG 209.43–RG 209.50	What are your obligations? Existing guidance incorporated with new guidance on the purpose of the inquiry and verification requirements
—	—	RG 209.51–RG 209.57	Information about the consumer’s requirements and objectives Existing guidance included with new detail

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
—	—	RG 209.58–RG 209.78	Information about the consumer's financial situation Existing guidance included with new detail
RG 209.19–RG 209.22	Scalability—Brief statement that level of inquiries depends on the circumstances; additional minimum requirements for some products	RG 209.79–RG 209.83	What kinds of inquiries and verification steps are reasonable?
Table 3	Outlines four factors relevant to scalability: impact on consumer, complexity of contract, capacity of consumer to understand, existing/new customer	RG 209.84–RG 209.114	Table replaced with more detailed guidance and examples about how different circumstances affect the amount of information needed, or how the information can be gathered
RG 209.23–RG 209.27	Scalability—Level of inquiries depends on the nature of services and products.	RG 209.115–RG 209.119	How the obligations apply to lenders and brokers
RG 209.28–RG 209.29	What inquiries should you make?	—	Incorporated into relevant areas of guidance
RG 209.30–RG 209.33	Reasonable inquiries about a consumer's financial situation	RG 209.58–RG 209.78	Moved
RG 209.34–RG 209.37	Reasonable inquiries about a consumer's requirements and objectives	RG 209.51–RG 209.57	Moved—Expanded comments on credit cards
RG 209.38–RG 209.39	Processes that ensure reasonable inquiries are made	—	Incorporated into relevant areas of guidance
RG 209.40–RG 209.42	Processes appropriate to business model and type of credit activities	RG 209.99–RG 209.101	Are credit risk factors relevant?
RG 209.43–RG 209.45	Processes for face-to-face and online applications	RG 209.26–RG 209.27	Moved to Section A (Overview)

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
RG 209.46–RG 209.50	Verification of information provided by a consumer How the verification obligation differs between credit providers, lessors and credit assistance providers	RG 209.115–RG 209.119	How the obligations apply to lenders and brokers
Table 4	Examples of types of information you could use to verify the consumer's financial situation	RG 209.120–RG 209.125, Tables 1–5	Verifying the consumer's financial situation
RG 209.51–RG 209.52	What constitutes reasonable steps where a consumer provides inconsistent information	RG 209.113–RG 209.114	Moved
RG 209.53–RG 209.56	Can credit providers/lessors take into account information provided by credit assistance providers or other third parties?	RG 209.126–RG 209.132	Can the lender rely on information provided by a broker?
—	—	RG 209.133–RG 209.145	New—Using statistical benchmarks
RG 209.57–RG 209.58	Inquiries and verifications that must be made for small amount credit contracts	RG 209.146–RG 209.149	Additional inquiries and verifications for certain credit products
RG 209.59–RG 209.61	Other small amount credit contracts	RG 209.150–RG 209.152	Included
RG 209.62–RG 209.65	Source of income	RG 209.153–RG 209.155	Included
RG 209.66–RG 209.70	Account statements	RG 209.156–RG 209.159	Included
RG 209.71–RG 209.72	Inquiries and verifications that must be made for reverse mortgages	RG 209.160	Reverse mortgages
RG 209.73–RG 209.76	Future needs	RG 209.161–RG 209.162	Included
RG 209.77–RG 209.82	Information needed for preparing equity projections and the presumption of unsuitability	RG 209.163–RG 209.170	Included

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
Section C	Making a preliminary or financial assessment that a credit contract is 'not unsuitable' for a consumer	Section C	Assessing whether a credit product is 'not unsuitable' for a consumer
RG 209.83–RG 209.90	Provisions in the National Credit Act that are relevant to making a preliminary or final assessment	RG 209.171–RG 209.183	What are your obligations? General outline of legal provisions now included in Appendix 1 New—Guidance on 'likely, 'unable' and 'substantial hardship'
RG 209.91–RG 209.92	Processes to ensure that a preliminary or final assessment is made	—	Incorporated into relevant areas of guidance
RG 209.93–RG 209.94	Assessing whether a consumer can meet the financial obligations of a credit contract or consumer lease	RG 209.184–RG 209.201	Can the consumer meet the financial obligations of the product?
—	—	RG 209.187–RG 209.188	New—Is the consumer 'unable' to meet payments?
—	—	RG 209.189–RG 209.201	New—Is the consumer only able to meet payments with substantial hardship?
—	—	RG 209.202	Moved—Meeting payment obligations from income, not assets
RG 209.95–RG 209.101	What should you take into account in assessing a consumer's capacity to meet their payment obligations?	RG 209.203–RG 209.206, RG 209.223–RG 209.224	What information can you take into account? Moved—Sale of principal place of residence: Presumption of substantial hardship
—	—	RG 209.207–RG 209.212	New—Consequences of using unreliable information
RG 209.97–RG 209.101	Substantial hardship	—	Incorporated into relevant areas of guidance

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
RG 209.102–RG 209.106	Processes for determining substantial hardship (Benchmarks in RG 209.104–RG 209.105)	RG 209.133–RG 209.145	Moved—New guidance covering use of benchmarks
RG 209.107–RG 209.109	Meeting payment obligations from income, not assets	RG 209.202	Moved
RG 209.110	Examples about meeting payment obligations from sources other than current income	—	Removed or replaced in appropriate sections
RG 209.111–RG 209.117	Small amount credit contracts—Presumption of substantial hardship	RG 209.226–RG 209.232	Moved
RG 209.118	Examples about capacity to repay and substantial hardship	—	Removed or replaced in appropriate sections
RG 209.119–RG 209.120	Assessing whether a credit contract or consumer lease will meet a consumer's requirements and objectives	RG 209.213–RG 209.219	Will the product meet the consumer's requirements and objectives?
RG 209.121–RG 209.122	Factors relevant to assessing whether a credit contract or consumer lease meets a consumer's requirements and objectives	RG 209.218	Included
—	—	RG 209.220–RG 209.221	New—Will the need for spending reductions prevent the credit product meeting the consumer's objectives?
RG 209.123	What if none of the credit contracts or consumer leases you offer meets the consumer's requirements and objectives?	RG 209.222	Included
RG 209.124	Examples about meeting a consumer's requirements and objectives	—	Removed or replaced in appropriate sections
RG 209.125	Prescribed circumstances in which certain types of contract will be unsuitable	RG 209.223–RG 209.238	Circumstances in which products must be assessed as unsuitable

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
RG 209.126	Small amount and medium amount credit contracts	RG 209.225–RG 209.232	Small amount credit contracts—Not consistent with the consumer's requirements and objectives; Presumption of substantial hardship
RG 209.127–RG 209.131	Reverse mortgages—Presumption of unsuitability	RG 209.233–RG 209.236	Reverse mortgages: Presumption of unsuitability
—	—	RG 209.237–RG 209.238	New—Credit cards
RG 209.132–RG 209.137	Switching and refinancing	RG 209.239–RG 209.248	Switching and refinancing, with additional guidance on 'like for like' refinancing situations
—	—	RG 209.243–RG 209.248	New—Refinancing: 'like for like' ('mortgage prisoners')
—	—	RG 209.249–RG 209.252	New—Reviewing outcome of assessments and decisions
Section D	Guidance about providing a written assessment that a credit contract or consumer lease is 'not unsuitable'	Section D	Giving a written copy of the assessment and recording the steps you have taken
RG 209.138–RG 209.140	When must you provide a consumer with a written assessment?	RG 209.253–RG 209.256	Giving a written copy of the assessment
—	—	RG 209.257	New—What is the purpose of the written assessment?
RG 209.141–RG 209.146	What information should be included in the written assessment?	RG 209.258–RG 209.261, Appendix 2	What information should be included in the written assessment? More detail about content to be fit for purpose
RG 209.147	Circumstances where you are not required to provide a written assessment to a consumer	RG 209.262	Circumstances where you are not required to provide a written assessment to a consumer
—	—	RG 209.263–RG 209.271	New—Keeping records to demonstrate compliance

RG 209 (2014 version)	RG 209 (2014 version)	RG 209 (2019 version)	RG 209 (2019 version)
Appendix	Ch 3 obligations relating to documents	—	Removed—See INFO 146
—	—	Appendix 1	New—Overview of requirements and commencement dates
—	—	Appendix 2	New—Example written assessment