

NOTICE OF FILING

This document was lodged electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 19/12/2019 4:21:50 PM AEDT and has been accepted for filing under the Court's Rules. Details of filing follow and important additional information about these are set out below.

Details of Filing

Document Lodged: Statement of Claim - Form 17 - Rule 8.06(1)(a)
File Number: NSD2105/2019
File Title: AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION v
Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



Dated: 19/12/2019 5:07:21 PM AEDT

A handwritten signature in blue ink that reads 'Sia Lagos'.

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date and time of lodgment also shown above are the date and time that the document was received by the Court. Under the Court's Rules the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4.30 pm local time at that Registry) or otherwise the next working day for that Registry.



Statement of claim

No. of 2019

Federal Court of Australia
District Registry: New South Wales
Division: General

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

Applicant

VOLKSWAGEN FINANCIAL SERVICES AUSTRALIA PTY LTD (ACN 097 071 460)

Respondent

A. Parties

1. The Applicant, the Australian Securities and Investments Commission (**ASIC**), is a body corporate:
 - a. established by section 7 of the *Australian Securities Commission Act 1989* (Cth);
 - b. continued by section 261 of the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**); and
 - c. able to sue in its corporate name by reason of section 8 of the ASIC Act.
2. ASIC is and was at all material times empowered to exercise the functions and powers conferred upon it by the ASIC Act and the *National Consumer Credit Protection Act 2009* (Cth) (the **Act**), pursuant to sections 11 and 12A of the ASIC Act.
3. The Respondent, Volkswagen Financial Services Australia Pty Ltd (ACN 097 071 460) (**Volkswagen**) is and was at all material times:
 - a. a corporation duly incorporated under the *Corporations Act 2001* (Cth);
 - b. a corporation able to be sued in its corporate name and style;
 - c. the holder of an Australian credit licence numbered 389344 (**Volkswagen Credit Licence**) pursuant to s 35 of the Act;
 - d. a licensee within the meaning of s 5 of the Act; and
 - e. authorised to engage in credit activities as a credit provider under the Act.

Filed on behalf of (name & role of party)	The Applicant
Prepared by (name of person/lawyer)	Susan Donnelly, Litigation Counsel
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4. At all material times, Volkswagen:
 - a. was a wholly owned subsidiary of Volkswagen Financial Services AG, a company incorporated in Germany;
 - b. had as its ultimate parent entity Volkswagen Aktiengesellschaft, a company incorporated in Germany;
 - c. had a principal place of business and registered office at Level 1, 24 Muir Road, Chullora, New South Wales, 2190; and
 - d. had the same principal place of business and registered office as its related body corporate, Volkswagen Group Australia Pty Ltd.
5. During the period from 20 December 2013 to 15 December 2016 (the **Relevant Period**), Volkswagen:
 - a. carried on an automotive finance business;
 - b. offered and entered into credit contracts as defined by s 4 of the National Credit Code contained in Schedule 1 of the Act; and
 - c. entered into those credit contracts to provide consumers with credit for the purchase of vehicles.

Volkswagen's obligations under the Act

Obligation to make reasonable inquiries

6. During the Relevant Period, pursuant to s 128 of the Act, Volkswagen was prohibited from entering into a credit contract with a consumer who would be the debtor under the contract on a day (the **credit day**) unless it had, within 90 days before the credit day, made inquiries in accordance with s 130 of the Act.

Particulars

The requirement to make inquiries in accordance with s 130 of the Act is described at s 128(d) of the Act.

7. During the Relevant Period, pursuant to s 130(1)(b) of the Act, Volkswagen was required to make reasonable inquiries about a consumer's financial situation, before making an assessment for the purposes of s 129 of the Act.

Obligation to take reasonable steps to verify

8. During the Relevant Period, pursuant to s 128 of the Act, Volkswagen was prohibited from entering into a credit contract with a consumer who would be the debtor under the contract on the credit day unless it had, within 90 days before the credit day, made verification in accordance with s 130 of the Act.

Particulars

The obligation to make verification in accordance with s 130 of the Act is described at s 128(d) of the Act.

9. During the Relevant Period, pursuant to s 130(1)(c) of the Act, Volkswagen was required to take reasonable steps to verify a consumer's financial situation, before making an assessment for the purposes of s 129 of the Act.

Obligation to assess

10. During the Relevant Period, pursuant to s 128 of the Act, Volkswagen was prohibited from entering into a credit contract with a consumer who would be the debtor under the contract on the credit day unless it had, within 90 days before the credit day, made an assessment that:
 - a. was in accordance with s 129 of the Act; and
 - b. covered the period in which the credit day occurred.

Particulars

The obligation to make an assessment in accordance with s 129 of the Act is at s 128(c) of the Act.

11. During the Relevant Period, pursuant to s 129 of the Act, Volkswagen was required to make an assessment that:
 - a. specified the period the assessment covered; and
 - b. assessed whether the credit contract would be unsuitable for the consumer if the contract was entered in that period.

General conduct obligations

12. During the Relevant Period, Volkswagen was required to:
 - a. do all things necessary to ensure that the credit activities authorised by the Volkswagen Credit Licence were engaged in efficiently, honestly and fairly, pursuant to s 47(1)(a) of the Act; and
 - b. comply with the Act, pursuant to s 47(1)(d) of the Act.

Volkswagen's loan application and assessment process

Dealerships, Accredited Users and the POS system

13. During the Relevant Period, 'Dealership Introduction Agreements' were in place between Volkswagen and dealerships where consumers could apply for credit with Volkswagen (**Dealerships**).

Particulars

See, for example, Volkswagen's response to a notice under s 49 of the Act dated 25 October 2018 (**25 October 2018 Letter**), at section 3.

The agreements were in a standard form, except for a 'Schedule' page (where the parties to the agreement completed the date, dealer details, Volkswagen details and nominated dealer authorised signatories).

14. The terms of the Dealership Introduction Agreement included express terms to the effect that:

- a. the dealership ensure that all personnel involved in introducing an application for (or offer to enter into) a credit contract with Volkswagen completed all accreditation and training requirements as reasonably required by Volkswagen and advised from time to time, maintain records of that training, and ensure records were available for Volkswagen's inspection when requested;

Particulars

Clause 1.4.

- b. the dealership comply with all procedural requirements issued by Volkswagen from time to time in respect of the preparation and submission of an application for (or offer to enter into) a credit contract with Volkswagen from a customer;

Particulars

Clause 2.1.

- c. the dealership make, retain and keep under adequate security and confidentiality proper and adequate records (including customer details collected and information used to verify the customer's identify as well as copies of training and compliance materials) for at least a 7 year period or such longer period as required by law (clause 21 and the definition of 'Records'); and

Particulars

Clause 21 and the definition of 'Records' in clause 23.

- d. the dealership make records (including customer details collected and information used to verify the customer's identify as well as copies of training and compliance materials) available for inspection by or provide copies of the records to Volkswagen on request.

Particulars

Clause 21 and the definition of 'Records' in clause 23.

15. During the Relevant Period:
- a. Volkswagen authorised persons, including employees of Dealerships, to engage in credit activities on its behalf (**Accredited Users**);
 - b. Accredited Users were required by Volkswagen to complete its accreditation process before acting on behalf of Volkswagen, and to maintain that accreditation; and
 - c. Accredited Users were authorised to engage in credit activities on behalf of Volkswagen in accordance with the exemption under regulation 23 of the *National Consumer Credit Protection Regulations 2010 (Cth)*, which is referred to by Volkswagen as the 'POS Exemption'.

Particulars

See, for example, the 25 October 2018 Letter, at section 2.

16. To the extent that an Accredited User was acting with respect to an application by a consumer to enter into a credit contract with Volkswagen, they were:
- a. acting under the Volkswagen Credit Licence on behalf of Volkswagen; and
 - b. performing obligations and exercising rights on behalf of Volkswagen for the purposes of Regulation 23(3)(b)(i).
17. Volkswagen issued each Accredited User with individual login credentials to gain access to Volkswagen's point of sale computer system (**POS system**) for the purpose of carrying out credit activities on behalf of Volkswagen.

Particulars

See 25 October 2018 Letter, at section 2.

The POS system was also referred to by Volkswagen as 'Catalyst' or 'Access Catalyst'. See, for example, 25 October 2018 Letter, at sections 2(b) and 8(a).

The preparation of applications for finance with Volkswagen

18. During the Relevant Period, the usual process by which a consumer applied for a loan with Volkswagen included as follows:
- a. the consumer's first interaction with a dealership was generally with a vehicle sales person, where they discussed the vehicle(s) they were interested in with the vehicle sales person;
 - b. if the consumer indicated that they were interested in obtaining finance from Volkswagen, they were introduced to a dealer representative who was an Accredited User;

- c. the Accredited User discussed with the consumer the process of purchasing a vehicle, including finance options;
- d. if the consumer proposed to enter into a credit contract with Volkswagen, they discussed certain matters with the Accredited User, which matters the Accredited User used to provide the consumer with a finance quotation in the POS system;
- e. if the consumer was satisfied with the terms on which the quotation was arranged, the consumer was provided with a privacy consent form to be read and signed;
- f. once the privacy consent form was signed, the Accredited User then interviewed the consumer about their personal financial situation, recording the information in the POS system; and
- g. once the information was recorded in the POS system, the application was submitted via a secure web portal.

Particulars

See, for example, Volkswagen's response to a notice under s 49 of the Act dated 20 May 2019 (**20 May 2019 Letter**), at pages 2 to 4.

19. The aspects of the consumer's personal financial situation which the Accredited User could record in fields in the POS system included information about the consumer's:
- a. income;
 - b. 'combined liabilities', such as asset finance and property loans, credit cards, bank and personal loans and other vehicle finance;
 - c. rent and mortgage expenses; and
 - d. expenses described by Volkswagen as 'living expenses' or 'other expenses' (**Living Expenses**).

Particulars

See, for example, Volkswagen's letter to ASIC dated 26 August 2019 (**26 August 2019 Letter**) at section 4.

20. From the commencement of the Relevant Period up until about 22 November 2015, the POS system had the following fields where an amount for a consumer's Living Expenses could be recorded by an Accredited User when completing an application on behalf of Volkswagen:
- a. Child Support / Maintenance;
 - b. School Fees;

- c. Special Living Requirements; and
- d. Other Living.

Particulars

See, for example, the 26 August 2019 Letter.

21. From about 23 November 2015 until the end of the Relevant Period, the POS system had the following fields where an amount for a consumer's Living Expenses could be recorded by an Accredited User when completing an application on behalf of Volkswagen:
- a. Living Expenses (i.e. Electricity, Food);
 - b. Insurance Payments;
 - c. Telephone and Internet;
 - d. Holiday and Sports;
 - e. Entertainment / Alcohol / Tobacco / Gambling;
 - f. Child Support;
 - g. Specialist Living / Childcare Requirements;
 - h. Any additional remote living expenses; and
 - i. Other foreseeable expenses.

Particulars

See, for example, the 26 August 2019 Letter.

22. During the Relevant Period, there were occasions where handwritten documents were used by Accredited Users in the process of obtaining information from consumer loan applicants to be recorded in the application on the POS system.

Particulars

Volkswagen has identified to ASIC documents known as 'Individual Applications' and 'Dealer Packs'. The Individual Applications were used:

- (a) by Volkswagen's 'Retention Team', who were responsible for mid-term and end of term refinances and could also deal with approaches from consumers who had not come through a dealership; and
- (b) in limited other circumstances, such as during a systems outage or when an Accredited User was visiting a consumer in a remote location who could not physically make it to the dealership premises.

See for example Volkswagen's response to a notice under s 49 of the Act dated 9 May 2019 (**9 May 2019 Letter**), at pages 5 to 6.

Volkswagen has stated that the Dealer Packs may have been used by some Accredited Users, to guide the discussion between the consumer and the Accredited User, with relevant information inputted into the POS system for the finance application. See 9 May 2019 Letter, at page 7.

23. During the Relevant Period, where a handwritten document was used (as pleaded in the preceding paragraph), Volkswagen expected that the Accredited User would record any relevant information from the document in the application on the POS system.

Particulars

9 May 2019 Letter at pages 6 to 8.

Assessment of the application and completion

24. Once an application for finance for a consumer was submitted by the Accredited User in the POS system, the information was automatically entered into "Inteflow", a computerised credit decision system, for assessment (**VW Assessment**).

Particulars

See 25 October 2018 Letter, at section 8(a).

25. During the Relevant Period, Volkswagen's credit decision system either:
- a. automatically approved the application; or
 - b. referred the application for manual assessment by a Volkswagen representative, before the application was either approved or denied.

Particulars

See, for example, 25 October 2018 Letter, at section 8(a). See also, for example, 20 May 2019 Letter, at page 3.

26. As part of the VW Assessment, the computerised credit decision system engaged in a "capacity calculation", which purported to assess whether the consumer would be able to afford to meet their financial obligations under the proposed credit contract, by assessing the consumer's cash flow, being income minus expenses.
27. From the commencement of the Relevant Period up to about 22 November 2015, as part of the capacity calculation, Volkswagen:
- a. calculated an amount for Living Expenses in the "Other Living" category by using the higher amount of either:

- i. any amount for "Other Living" recorded in the system; or
 - ii. an amount derived from Melbourne Institute's Henderson Poverty Index (and potentially, for a period in about October or November 2015, the Australian Bureau of Statistics' Household Expenditure Measure); and
- b. only used an amount for the "Child Support / Maintenance", "Special Living Requirements" and "School Fees" categories if it had been provided by the consumer.

Particulars

See, for example, 26 August Letter at section 4.3.

28. From about 23 November 2015 to the end of the Relevant Period, as part of the capacity calculation, Volkswagen:
- a. calculated an amount for Living Expenses in the "Living Expenses (ie Electricity, Food)", "Insurance Payments", "Telephone and Internet", "Holiday and Sports", and "Entertainment / Alcohol / Tobacco / Gambling" categories by using the higher amount of either:
 - i. the total of any amounts in those categories provided by that consumer (but using an entertainment expenses 'floor' of \$108.79 per month); and
 - ii. an amount derived from the Australian Bureau of Statistics' Household Expenditure Measure; and
 - b. only used an amount for the "Child Support", "Specialist Living / Childcare Requirements", "Any Additional Remote Living Expenses" and "Other Foreseeable Expenses" categories if it had been provided by the consumer.

Particulars

See, for example, 26 August Letter at section 4.3.

Period following approval of application

29. If the application for finance from Volkswagen was approved:
- a. the POS system produced:
 - i. documentation to be provided to the consumer; and
 - ii. a settlements checklist and notification of required supporting verification documentation for the Accredited User;
 - b. the documentation was then completed, with supporting verification documentation from the consumer provided to the Accredited User;

- c. the documentation was then sent by the Accredited User to the Volkswagen operations area for a settlements review and funding; and
- d. the delivery of the vehicle to the consumer and the first day of the finance contract were intended to occur contemporaneously.

Particulars

See, for example, the 20 May 2019 Letter, at pages 2 to 4.

- 30. From the beginning of the Relevant Period until about 22 November 2015, the documentation produced by the POS system after an application for finance was successful included a form entitled '**Customer Requirements & Objectives**', which included details of the information provided by the consumer in the application.

Particulars

See, for example, 9 May 2019 Letter at page 3.

- 31. From about 23 November 2015 to the end of the Relevant Period, the documentation produced by the POS system when an application for finance was successful included a form entitled '**Application Summary**', which included details of the information provided by the consumer in the application.

Particulars

See, for example, 9 May 2019 Letter at pages 2-4.

Volkswagen's approach to inquiring about Living Expenses

- 32. During the Relevant Period, Volkswagen did not have any policy which required Accredited Users to make inquiries about a consumer loan applicant's Living Expenses.

Particulars

See, for example, 20 May 2019 Letter, at page 6.

- 33. During the Relevant Period, Volkswagen did not state to Accredited Users that they must obtain details as to a consumer loan applicant's Living Expenses.

Particulars

See, for example, 25 October 2018 Letter, at section 16(a).

- 34. During the Relevant Period, Volkswagen did not provide any training to Accredited Users to the effect that they were required to make inquiries about a consumer loan applicant's Living Expenses.
- 35. During the Relevant Period:

- a. some fields in the POS system were mandatory fields, such that Accredited Users were required to be complete those fields before a loan application could be submitted in the POS system; and
 - b. the Living Expenses fields in the POS system were not mandatory fields, such that Accredited Users were not required to complete those fields before a loan application could be submitted in the POS system.
36. During the Relevant Period, where an Accredited User left a Living Expenses field blank in a consumer loan application submitted in the POS system, \$0 was automatically recorded in that field in the application.

Particulars

See, for example, 9 May 2019 Letter, at page 9.

37. During the Relevant Period, if an Accredited User made an inquiry as to a consumer loan applicant's Living Expenses, Volkswagen expected the Accredited User to enter the response from the consumer into the application in the POS system.

Particulars

See, for example, Volkswagen's response to a notice under s 49 of the Act dated 29 May 2019 (**29 May 2019 Letter**) at page 10.

38. During the Relevant Period, where, following successful approval of a loan, an Accredited User provided the consumer loan applicant with a summary document generated from the POS system with details of the information provided by the consumer, if \$0 was recorded in the loan application for Living Expenses, the consumer was provided with:
- a. up until about 22 November 2015, the Customer Requirements & Objectives form, which did not contain any information about the consumer's Living Expenses; or
 - b. from about 23 November 2015, the Application Summary form, which contained \$0 for Living Expenses.

Volkswagen's approach to verifying Living Expenses

39. During the Relevant Period, Volkswagen did not conduct verification of the Living Expenses of consumer loan applicants.

Particulars

See 20 May 2019 Letter, at page 10.

40. Volkswagen did not commence verifying Living Expenses for consumer loan applicants until about 22 May 2017.

Particulars

See 20 May 2019 Letter, at page 8 and 9.

41. During the Relevant Period, Volkswagen did not train Accredited Users or its staff to verify Living Expenses for consumer loan applicants.
42. During the Relevant Period, Volkswagen was not aware of any instances where Accredited Users (or Volkswagen's Retail Credit Analysts or Senior Retail Credit Analysts or Settlements Officers) verified a consumer loan applicant's Living Expenses where those Living Expenses were recorded as \$0 in the consumer's loan application.

Particulars

See 20 May 2019 Letter, at page 12.

Schedule A and B credit contracts

43. At Schedule A is a list of 223 contracts entered into between Volkswagen and consumers during the Relevant Period.

Particulars

The Schedule contains the date, loan amount and contract number allocated by Volkswagen to each relevant credit contract.

44. Each of the loans listed in Schedule A:
 - a. is a credit contract for the purposes of the Act;
 - b. involves the provision of credit by Volkswagen to a consumer; and
 - c. is a credit contract with the consumer as debtor under the contract.
45. For each of the credit contracts listed in Schedule A:
 - a. \$0 was recorded in all Living Expenses fields in the loan application on the POS system; and
 - b. there is no handwritten document within Volkswagen's or the dealership's files and/or records which has an amount recorded for Living Expenses.
46. At Schedule B is a list of 48,930 contracts entered into between Volkswagen and consumers during the Relevant Period.

Particulars

The Schedule contains the date, loan amount and contract number allocated by Volkswagen to each relevant credit contract. The Schedule A credit contracts are included in Schedule B.

47. Each of the loans listed in Schedule B:
- a. is a credit contract for the purposes of the Act;
 - b. involves the provision of credit by Volkswagen to a consumer; and
 - c. is a credit contract with the consumer as debtor under the contract.
48. For each of the credit contracts listed in Schedule B, \$0 was recorded in all Living Expenses fields in the loan application on the POS system.

Failure to make reasonable inquiries

49. On a proper construction of the Act, and in the circumstances in respect of each consumer, Volkswagen's obligations under the Act to make reasonable inquiries about a consumer loan applicant's financial situation included an obligation to make reasonable inquiries about the consumer loan applicant's Living Expenses.
50. For each of the credit contracts listed in Schedule A, Volkswagen did not make inquiries or did not make reasonable inquiries about each specific consumer's Living Expenses, and therefore the consumer's financial situation, in contravention of s 130(1)(b) of the Act.

Particulars

This can be inferred from the matters pleaded at paragraphs 13 to 38, 43 to 45 above.

As to the Schedule B credit contracts (other than the Schedule A credit contracts), ASIC is not in a position to identify the specific contracts where it contends Volkswagen did not make inquiries or reasonable inquiries about the consumer's Living Expenses and therefore financial situation, but it intends to lead evidence as to the likely number of such contraventions in the Relevant Period on the question of penalty.

Further particulars may be provided following evidence and any disclosure.

51. For each of the credit contracts listed in Schedule A, Volkswagen entered into a credit contract where it had not, within 90 days before the credit day, made inquiries in accordance with s 130 of the Act, in contravention of s 128(d) of the Act.

Particulars

ASIC repeats the particulars to paragraph 50.

Failure to take reasonable steps to verify

52. On a proper construction of the Act, and in the circumstances in respect of each consumer, Volkswagen's obligations under the Act to take reasonable steps to verify a

consumer loan applicant's financial situation included an obligation to take reasonable steps to verify the consumer loan applicant's Living Expenses.

53. For each of the credit contracts listed in Schedule B, Volkswagen did not take reasonable steps to verify each specific consumer's Living Expenses, and therefore the consumer's financial situation, in contravention of s 130(1)(c) of the Act.

Particulars

See paragraphs 13 to 42 and 46 to 48 above. Further particulars may be provided following evidence and any disclosure.

54. In the alternative to the preceding paragraph, for each of the credit contracts listed in Schedule A, Volkswagen did not take reasonable steps to verify each specific consumer's Living Expenses, and therefore the consumer's financial situation, in contravention of s 130(1)(c) of the Act.

Particulars

See paragraphs 13 to 45 above. Further particulars may be provided following evidence and any disclosure.

55. For each of the credit contracts listed in Schedule B, Volkswagen entered into a credit contract where it had not, within 90 days before the credit day, made verification in accordance with s 130 of the Act, in contravention of s 128(d) of the Act.

Particulars

See paragraphs 13 to 42 and 46 to 48 above. Further particulars may be provided following evidence and any disclosure.

56. In the alternative to the preceding paragraph, for each of the credit contracts listed in Schedule A, Volkswagen entered into a credit contract where it had not, within 90 days before the credit day, made verification in accordance with s 130 of the Act, in contravention of s 128(d) of the Act.

Particulars

See paragraphs 13 to 45 above. Further particulars may be provided following evidence and any disclosure.

Failure to assess

57. As part of the requirement to make an assessment pursuant to s 129 of the Act for each of the credit contracts listed in Schedules A and B, Volkswagen was required to:
- a. conduct an assessment of the individual consumer's financial situation as part of an assessment of whether the credit contract was unsuitable for that customer; and/or

- b. consider or assess, or further or in the alternative, take account of or have regard to, the results of the reasonable inquiries and verification required by ss 130(b) and (c) of the Act.
- 58. For each of the contracts listed in Schedule B, or in the alternative each of the contracts listed in Schedule A, Volkswagen:
 - a. failed to conduct an assessment of the individual consumer's financial situation as part of an assessment of whether the credit contract was unsuitable for that customer; and/or
 - b. failed to consider or assess, or further or in the alternative, take account of or have regard to, the individual consumer's financial situation.
- 59. In the premises, Volkswagen could not and did not conduct the assessment required under s 129 of the Act for each of the credit contracts listed in Schedule B, or in the alternative each of the credit contracts listed in Schedule A, in contravention of s 128(c) of the Act.

General conduct obligations

- 60. By conducting credit activities under the Volkswagen Credit Licence in a manner where, during the Relevant Period, Volkswagen:
 - a. did not have any policy which required Accredited Users to make inquiries about a consumer loan applicant's Living Expenses; and/or
 - b. did not state to Accredited Users that they must obtain details as to a consumer loan applicant's Living Expenses; and/or
 - c. did not provide any training to Accredited Users to the effect that they were required to make inquiries about a consumer loan applicant's Living Expenses; and/or
 - d. did not require Accredited Users to complete any Living Expenses fields before a loan application could be submitted in the POS system; and/or
 - e. did not conduct verification of the Living Expenses of consumer loan applicants; and/or
 - f. did not train Accredited Users or its staff to verify Living Expenses for consumer loan applicants,

Volkswagen failed to do all things necessary to ensure that the credit activities authorised by the Volkswagen Credit Licence were engaged in efficiently, honestly and fairly, in contravention of s 47(1)(a) of the Act.

61. By reason of each of the matters pleaded at paragraphs 50 to 51, 53 to 56, and 59 to 60 above, Volkswagen did not comply with the Act, in contravention of s 47(1)(d) of the Act.

Certificate of lawyer

I Susan Donnelly certify to the Court that, in relation to this Statement of Claim filed on behalf of the Applicant, the factual and legal material available to me at present provides a proper basis for each allegation set out above.

Date: 19 December 2019



Signed by Susan Donnelly

Lawyer for the Applicant

This Statement of Claim was prepared by Jeremy Clarke SC, Yaseen Shariff and Tim Kane.