



## EU final compliance report by ASIC

ASIC's final report dated **13 June 2023** on compliance with the s322 of the *National Consumer Credit Protection Act 2009* enforceable undertaking given by **Franchelen Pty Ltd** (ACN 144 757 755) (**Franchelen**) dated **18 March 2015 (EU)**.

Terms used in this report have the same meaning as in the EU. The information in this report is based on material produced to ASIC by Franchelen and the Consultant.

Undertakings	Report on compliance
<b>Existing Loans</b>  EU paragraph 3.2	1. Franchelen limited its engagement in credit activity to the management and finalisation of the Existing Loans, ceased to engage in credit activities upon the finalisation of the Existing Loans on 19 May 2023, in accordance with undertakings 3.2.1 to 3.2.3.
<b>Membership of COSL</b>  EU paragraph 3.3	2. Franchelen maintained membership of COSL, which changed over to Australian Financial Complaints Authority from 1 November 2018, until it ceased to engage in credit activities on 19 May 2023, in accordance with undertaking 3.3.1.
<b>Corresponding with Borrowers</b>  EU paragraph 3.4	3. Franchelen wrote letters to the borrowers on 21 March 2014 informing them of the matters relating to their Existing Loans in accordance with undertaking 3.4.1 and engaged in contact with borrowers in accordance with undertakings 3.4.2 to 3.4.9.
<b>Engagement of Consultant</b>  EU paragraph 3.5	4. Franchelen engaged an external compliance consultant on 15 April 2014, whose appointment terms were approved by ASIC in accordance with undertaking 3.5.1 and 3.5.2. Franchelen paid the cost of the Consultant in accordance with undertaking 3.5.1. to 3.5.3.

<b>Undertakings</b>	<b>Report on compliance</b>
<b>Preliminary Compliance Review</b>  EU paragraph 3.6	5. The Consultant conducted a preliminary review of Franchelen’s compliance with the EU and provided a written report to ASIC on 13 June 2014 in accordance with undertaking 3.6.1 to 3.6.2.
<b>Ongoing Compliance Reviews</b>  EU paragraph 3.7	6. The Consultant provided ASIC with six monthly compliance reports from December 2014 to January 2022 in accordance with undertaking 3.7.1 to 3.7.4.
<b>Assistance to the Consultant</b>  EU paragraph 3.8	7. Franchelen provided all required assistance to the Consultant and ASIC in accordance with undertaking 3.8.1 to 3.8.2, as reported through the Ongoing Compliance Reviews.
<b>Imposition of Condition on ACL</b>  EU paragraph 3.9	8. Franchelen accepted that ASIC inserted conditions to its ACL issued by ASIC setting out the Undertakings in accordance with undertaking 3.9.1.
<b>Costs</b>  EU paragraph 3.10	9. Franchelen paid the costs of its compliance with this Undertaking in accordance with undertaking 3.10.1.
<b>Provision of Documents and Information</b>  EU paragraph 3.7	10. Franchelen complied with all ASIC’s requests for information to assess Franchelen’s compliance with the EU in accordance with undertaking 3.11.1.
<b>Variation of EU</b>	11. In accordance with the variation to the EU made on 2 June 2022 (the Variation), which deleted 3.7.1 to 3.7.4 of the EU and instead required Franchelen to provide six monthly reports to ASIC on the status of the four remaining loans in accordance with 3.7.1 and 3.7.2 of the Variation, Franchelen provided six

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	monthly updates on 17 January 2023 and 5 June 2023. ASIC notes that it had to prompt Franchelen to provide the 17 January 2023 report.