

Sydney 23 January 2019

FXL Response to Senate Inquiry into credit and financial services targeted at Australians at risk of financial hardship

FlexiGroup Limited (ASX:FXL) welcomed the opportunity to engage on Tuesday 22nd January with the Senate Inquiry into credit and financial services targeted at Australians at risk of financial hardship.

FlexiGroup has operated in Australia for over 30 years and is proud of its long track record of adapting to and, in many cases, leading industry and regulatory change.

Our position on responsible lending is clear:

- As early adopters, we strongly support the implementation of the Small Amount Credit Contract (SACC) and Consumer Lease reforms recommended by the Government Panel, and ask for the reforms to be applied across the consumer leasing industry.
- We support the observations and findings in ASIC's report in relation to areas of better practice and improving the Buy Now Pay Later ("BNPL") sector standards to support consumer access to appropriate credit.
- We are open to industry-wide responsible lending checks, that includes verifying customers' identity and credit history for our BNPL products.
- We have strong income verification processes and technology that could be adopted into our BNPL products and welcome the chance to discuss it further with our stakeholders
- We support self-regulation in the form of a tailored BNPL code of practice. We are calling on the industry to take a proactive and positive approach to regulation, and show a willingness from those involved to provide more transparency and trust to our customers.

Rebecca James, Chief Executive Officer of FlexiGroup said:

"At FlexiGroup, we are proud champions of responsible lending practices. We acknowledge that the community we serve has high expectations from us and welcome the opportunity to engage with our stakeholders and industry further when considering our approach to responsible lending.

"In our consumer leasing business, we have early adopted the Government Panel's recommendations. We support the SACC reforms and are keen to see them implemented.



“It has been, and always will be, in our and our customers’ best interest to ensure that they can afford their repayments. We have a strong commercial imperative for ensuring customer affordability, and our long track record shows we have been getting it right.”

-ENDS-



For further information:

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ABOUT FLEXIGROUP

FlexiGroup provides a diverse range of finance solutions to consumers and business through a network of retail and business partners. This includes Buy Now Pay Later products, credit cards and consumer and business leasing. FlexiGroup has been operating in Australia for over 30 years, has partnerships with over 46,000 sellers and now serves 1.1 million customers across Australia, New Zealand and Ireland.

Performance has been characterised by solid profitable growth as the company has expanded and diversified its business through organic growth, acquisition and product innovation.

For more information visit: flexigroup.com.au

