Attachment A

PRODUCT INTERVENTION ORDER NOTICE

ASIC Corporations (Product Intervention Order—Short Term Credit) Instrument 2019/917

Introduction

1. ASIC issues this notice under subsection 1023L(3) of the *Corporations Act 2001* (the ***Act***).
2. The Act requires ASIC to publish on its website, with each product intervention order, a notice that:
   (a) describes the significant detriment to retail clients that has resulted from, or will or is likely to result from, the financial product or class of financial products to which the order relates, and sets out why the order is an appropriate way of reducing the detriment; and
   (b) describes the consultation that ASIC undertook in relation to the order; and
   (c) if the order comes into force after it is published—specifies the day it comes into force.
3. This notice accompanies *ASIC Corporations (Product Intervention Order—Short Term Credit) Instrument 2019/917*. This order relates to short term lending models which are used to charge consumers excessive fees and charges (collateral fees and charges) for short term credit within the meaning of subsection 6(1) of the National Credit Code (the short term credit exemption).
4. The order comes into force on a day that is the second day after the order is registered on the Federal Register of Legislation.

Significant detriment to retail clients

5. ASIC may make a product intervention order if ASIC is satisfied that a product (or class of products) has resulted, will result or is likely to result in significant detriment to retail clients.

6. In considering whether a product has resulted, will result or is likely to result in significant consumer detriment, ASIC will take into account relevant factors. ASIC is required to take into account:

   (a) the nature and extent of the detriment;

   (b) without limiting paragraph (a), the actual or potential financial loss to consumers resulting from the product;

   (c) the impact that the detriment has had, will have or is likely to have on consumers; and

   (d) any other matter prescribed by regulations.

7. ASIC is satisfied that the collateral fees and charges charged through the short term lending model, as described in Consultation Paper 316 *Using the product intervention power: Short term credit* (CP 316), has resulted in significant consumer detriment to retail clients. The analysis in Table 1 below outlines the basis for ASIC's view, having regard to the factors we are required to consider as set out above.

Table 1: Significant consumer detriment: the short term lending model

Factor	Analysis
The nature and extent of the detriment, including the actual or potential financial loss to consumers resulting from the product	In considering whether a financial product has resulted, will result or is likely to result in significant consumer detriment, ASIC must take into account the nature and extent of the detriment, including the actual or potential financial loss to consumers resulting from the product: paragraph 1023E(1)(a) and (b) of the Act. **Short term lending model** ASIC considers the short term lending model results in significant detriment. The short term lending model involves two services or products provided to a retail client: • provision of short term credit (short term credit facility) by the short term credit provider, who charges fees consistent with limits prescribed in the short term credit exemption in subsection 6(1) of the National Credit Code (the short term credit exemption); and • an associate of the short term credit provider, providing collateral services (such as application, management and collection services) in relation to the provision of the short term credit, and who charges

Factor	Analysis
	significant fees or other charges under a separate collateral contract. ASIC considers the short term lending model results in significant detriment because of the combination of the following factors: • the target market includes vulnerable consumers who are in financial difficulty and require short term loans generally to cover basic living expenses, many of whom have been declined for regulated credit; • the short term nature of the loans provides consumers with limited time to raise funds to make the required repayments; • the overall fees and charges charged under the model are significantly higher than what is permitted under the short term credit exemption; • the short term lending model has a high default rate, which results in large amounts of default related fees being charged to consumers; and • many consumers cannot afford to repay the short term loans or repay them without suffering substantial hardship. ASIC has taken into account the nature and extent of the significant detriment, comprising financial loss and non-financial detriment. **Financial loss** ASIC has identified the following financial losses as resulting from the short term lending model: • Consumers are being charged significant upfront, ongoing and default fees under the short term lending model, in excess of what is permitted under the short term credit exemption. • Additional fees from third parties are often incurred, including bank charges in relation to dishonoured direct debits and overdrawn fees. • As a result of the significant fees and charges and subsequent increase in debt, consumers are often unable to meet other financial commitments. As the short term credit facilities provided under the short term lending model are not regulated 'small amount credit contracts', consumers do not have the following statutory protections under the *National Consumer Credit Protection Act 2009* (National Credit Act) and National Credit Code: • not to be charged more fees and costs than credit providers can charge if the contract was a small amount credit contract (being an establishment fee of up to 20% of the credit amount, and a monthly fee of up to 4% of the credit amount); • not to be charged an establishment fee if they refinance; and • not to be obliged to repay more than double the amount borrowed in the event of default. *Significant fees* The following table illustrates the type of fees that have been charged under the short term lending model.

Fee	Amount
Short term credit provider fees	

Factor	Analysis

Lender fee	5% of the loan amount
Associate fees	
Financial supply fee	Between 35% - 115% of loan amount (see note)
Priority/same day deposit fee	$16
Account keeping fee	$5.95 per week
Dishonour payment fee	$49
First dishonoured letter fee	$30
Second dishonoured letter fee	$50
Third dishonoured letter fee	$50
Change of payment date/amount fee	$20
Payment reschedule fee	$30
Collections phone contact fee	$8.80
Collections tracking fee	$50
Investigator/hand over fee	$175 (plus legal fees)

Source: Cigno's website as at 28 June 2019

Note: The Financial supply fee is based on the payment option that the consumer selects. Cigno offers six different payment options with a different financial supply fee for each option. For example, one payment option has a financial supply fee of 35% of the loan amount, and the eight payment option has a financial supply fee of 115% of the loan amount. The six and eight payment options are only offered to existing customers.

From a review of these fees and additional confidential data received, ASIC understands that:

- The lender fee, 5% of the loan amount, is the only fee charged by the short term credit provider under the short term credit facility. This amounts to approximately 2% of the overall fees charged under this short term lending model.
- The remaining fees are charged by the short term credit provider's associate under a separate collateral contract. This amounts to approximately 98% of the overall fees charged under this short term lending model.
- These fees charged by the associate under a collateral contract, comprising 98% of the overall fees charged under the short term lending model, exceed the fees that can be charged under the short term credit exemption.
- The short term lending model has a high default rate, which is almost

Factor	Analysis
	double the default rate of similar regulated credit products, such as small amount credit contracts.[1] • Approximately 60% of the associate's total revenue earnt through the short term lending model was attributable to default related fees as a result of missed payments. • Approximately 30% of the associate's total revenue earnt through the short term lending model was attributable to the financial supply fees. • ASIC estimates that at least 270,000 consumers have obtained credit through the short term lending model from May 2016 to April 2019. *Case Studies* In CP 316, ASIC provided three case studies of consumers who had suffered significant detriment caused by the short term lending model. For example, see Case study 1, which highlights the impact of default fees from paragraph 5 of CP 316: *Case study 1: Impact of default fees* Consumer A was on a Centrelink Newstart allowance when she obtained short term credit through Cigno for $120. Under the contract: ○ Cigno charged a $90 financial supply fee; ○ Cigno charged $5.95 in weekly account keeping fees; ○ GSSF charged a credit fee of $6; and ○ the total amount to be repaid was $263.60, by four fortnightly payments of $66 (with the fourth payment being $65.60). Consumer A could not afford the repayments and immediately defaulted. She was charged various dishonour fees and ongoing weekly account-keeping fees. As a result, Consumer A became liable to repay $1,189 on the original amount of $120 (or 990% more than she borrowed). By comparison, if Consumer A had entered into a small amount credit contract regulated by the National Credit Act, she could have been charged a maximum total fee of $33.60 comprising: ○ an establishment fee of up to 20% of the amount of credit ($24); and ○ a monthly fee of up to 4% of the amount of credit for four fortnights ($9.60). The total amount repayable under the contract would have been $153.60 compared to $263.60 with the Cigno product. If Consumer A had entered into an exempt short term credit facility, she could have paid a maximum of $130.64 comprising: ○ the initial amount of $120; ○ a 5% fee on this amount ($6); and

[1] Refer to default rate for payday loans in Digital Finance Analytics and Monash University Centre for Commercial Law and Regulatory Studies, *The Stressed Finance Landscape Data Analysis* (October 2015) report

Factor	Analysis
	◦ 24% p.a. interest for 56 days ($4.64). This case study demonstrates how default fees arising from missed payments can make an initially small loan become almost 10 times the original loan amount. In response to CP 316, aggrieved consumers, financial counselling and community legal centres provided over 100 consumer case studies to support their submissions, which highlighted common themes of: • charging of excessive fees; • consumers' lack of understanding of the fees/charges; • irresponsible lending with no adequate affordability assessments resulting in high levels of default related fees; • targeting and exploitation of vulnerable consumers, in particular Indigenous consumers; and • high prevalence of direct debits from consumers' accounts leaving insufficient funds to pay for basic living expenses.[2] ASIC has observed similar themes arising out of reports of misconduct received by ASIC in relation to the short term lending model. *Reports of Misconduct* • From 1 July 2016 to 31 August 2019 ASIC received 209 reports of misconduct against Cigno Pty Ltd (Cigno), one user of the short term lending model. This is the largest number of reports of misconduct made to ASIC across all entities of complaints relating to short term credit, payday and personal loans. • These complaints have raised similar themes that were raised by the case studies discussed above, with the majority of complaints (86%) regarding excessive fees, charges and interest rates. **Non-financial detriment** As the contracts provided under the short term lending model are not regulated 'small amount credit contracts', consumers do not have the various consumer protections under the National Credit Act and the National Credit Code, including: • to have a proper responsible lending assessment by the credit provider about whether the credit amount is affordable and meets their requirements and objectives; • for Centrelink recipients who receive at least 50% of their gross income as payments under the *Social Security Act 1991*, to ensure that repayments do not exceed 20% of their gross income for that payment cycle; • to insist that credit providers have IDR processes and are a member of an EDR scheme, which would make it possible for them to complain (free of charge) to the EDR scheme in the event of a dispute; • to apply for hardship and be given the relevant protections under section 72 of the National Credit Code; • to be provided with a warning statement before they enter the contract,

[2] For case studies provided in CP 316 submissions that are non-confidential refer to submissions from South Australian Financial Counsellors Association, Financial Counselling Australia, Consumer Credit Law Centre SA, United Vic.Tas, Legal Aid Queensland, Legal Aid NSW, LawRight, Financial Rights Legal Centre and Consumer Action Law Centre (joint submission), Sommerville Community Services Inc, Financial Counsellors Association of WA, and the individual consumer submissions

Factor	Analysis
	which explains and outlines the costs payable and alternatives available to them; and • to rely on the various other protections and provisions of the National Credit Act and Code (e.g. the rebuttable presumption that if they were in default under a regulated small amount credit contract or had two or more such contracts at the time of a preliminary assessment, they could only comply with their financial obligations under the relevant contract with substantial hardship). Consumers have also been reported to suffer physical and mental hardship due to the financial stress, distress and anxiety caused by the short term lending model. These impacts are discussed in the section below. Further details of the significant detriment caused by the short term lending model is set out in CP 316 at paragraphs 35 to 67.
The impact that the detriment has had, will have or is likely to have on consumers	In determining whether a financial product has resulted, will result or is likely to result in significant detriment, ASIC must also take into account the impact that the detriment has had, will have or is likely to have on consumers: paragraph 1023E(1)(c) of the Act. **Risk of significant financial harm** The Revised Explanatory Memorandum for the Consumer Credit Legislation Amendment (Enhancements) Bill 2012 makes it clear that short term lending is a product that has a significant risk of financial harm as it may: • cause long term financial detriment to consumers who are financially stressed; • cause debt spirals and create a cycle of disadvantage that reduces the consumer's potential for financial and social inclusiveness; • increase the consumer's financial detriment as the more loans the consumer takes out within a short period, the more the repayments which leave less income to pay for ongoing expenses. Due to the short term of this type of loan, the consumer can be expected to receive less income over the loan term, leaving the consumer with little or no opportunity to put aside income to repay the loan. Limiting the financial impact of short term lending, by limiting the fees that can be charged, can conversely improve or stabilise the consumer's financial position as consumers would be charged lower amounts and would likely have lower levels of repeat borrowing. **Types of consumers impacted** Information available to ASIC, including CP 316 submissions and reports of misconduct, indicates the types of consumers affected by the significant detriment include: o vulnerable consumers from low socio-economic groups, including unemployed consumers, sole parents, consumers with intellectual disabilities, mental or physical illness, Centrelink recipients, consumers with substance or addiction issues, Indigenous consumers, including those with low levels of financial and English literacy, young consumers and elderly consumers; and o consumers in financial difficulty requiring credit to pay for basic living

Factor	Analysis
	expenses.
	Data which ASIC has received on a confidential basis indicates that: • The demand for the short term lending model is driven mostly by low-income households experiencing significant financial distress and which require short term credit to meet basic living and essential household expenses. • A high proportion of consumers who have obtained short term credit through the short term lending model state they had been declined for regulated credit products (such as small amount credit contracts).
	For example, in its submission the Australian Financial Complaints Authority (AFCA) stated that this type of lending (short term lending model) is targeted at vulnerable consumers including those that are most vulnerable as they need money quickly and are in financial hardship, suffering financial abuse or who have low financial literacy. AFCA refers to a recently released report by the Senate Economics Committee into credit and financial products targeting Australians at risk of financial hardship (which they feel to be true for the short term lending model) which said:
	'Often these products appear not only to have been targeted at Australians in financial hardship—they seem to have been designed to take advantage of them. It is difficult to escape the conclusion that many providers' business models depend on vulnerable consumers who have limited awareness of other product options, limited negotiating power, and limited propensity to complain about improper or illegal behaviour'.[3]
	ASIC also notes that there has been a particular rise in short term credit obtained through the short term lending model which has impacted Indigenous communities.
	In the submission from Financial Counsellors Association of Western Australia, it states that evidence collected by locals and advocacy groups shows that hundreds of Indigenous people in remote WA communities have been to signed up to these types of loans.[4] Similar comments were made in the submission from South Australian Financial Counsellors Association, which stated that its members in the Northern Territory and South Australia have reported an escalating problem with Cigno targeting vulnerable clients.[5]
	Impact on consumers
	The impact that the significant detriment has on these types of consumers identified above, includes: • exacerbating existing financial stress; • the inability to meet basic living expenses on an ongoing and prolonged basis; • inability to improve financial position; • disempowering consumers and exacerbating financial exclusion; • undermining consumers' financial capability and resilience; • stress, anxiety and further negative physical and mental health outcomes caused by financial difficultly.

[3] Australian Financial Complaints Authority CP 316 submission, page 3 and page 4

[4] Financial Counsellors of Western Australian CP 316 submission, page 1

[5] South Australian Financial Counsellors Association CP 316 submission, page 1

Factor	Analysis
	Worsening financial position From the information available from reports of misconduct, consumer data and CP 316 submissions, ASIC observes that the combination of financially stressed consumers obtaining short term credit with no adequate affordability assessment, high fees (upfront, ongoing and default fees), plus a high default rate, results in small debts spiralling into larger debts, exacerbating a consumers' overall financially stressed position and reducing their ability to meet ongoing basic living expenses. The submissions provided in response to CP 316 generally support this observation. For example, Financial Rights Legal Centre (FRLC) stated that offering credit to those who cannot reasonably afford to repay the credit does not amount to financial inclusion, rather it's quite the opposite, as consumers' debts rapidly increase beyond their capacity to repay and become constrained financially and psychologically. FRLC cited research conducted by ANZ, which indicated that saving, and not borrowing for everyday expenses, are strongly correlated with financial well-being.[6] Financial Counselling Australia, the peak body for financial counsellors in Australia, noted that its financial counsellors have repeatedly seen consumers fall into debt spirals as a result of these types of loans, because the consumers could never afford to repay the original loan, resulting in repeat borrowing, rolling over of original debts with spiralling costs and default costs.[7] The Consumer Credit Law Centre SA (CCLCSA) stated that when consumers enter into a short term credit agreement, their existing financial stress is compounded by the onerous conditions imposed by the lender and they suffer further detriment.[8] LawRight referred to research which indicates that these types of loans often leave consumers in a worse financial position[9] – any influx of cash is short lived with consumers required to take up additional credit to meet the high cost of the loan, creating a cycle of hardship.[10] Legal Aid Queensland is of the opinion that the most significant issue of the short term lending model is that the model targets vulnerable consumers experiencing financial stress, and then exacerbates that financial stress through the use of a high cost, high fee model which does not assist a consumer to resolve their difficulties, but rather contributes to a further deterioration of those financial circumstances.[11] **Adverse health impacts** ASIC understands that financial stress and difficulties caused by the short term

[6] Financial Right Legal Centre CP 316 submission, page 4 and page 5 referring to ANZ, *Financial Wellbeing, A survey of adults in Australia* (April 2018) report

[7] Financial Counselling Australia CP 316 submission, page 2

[8] Consumer Credit Law Centre SA CP 316 submission, page 3

[9] LawRight CP 316 submission, page 2 referring to Financial Counselling Australia, *Submission No 57 to the Senate Standing Committee on Economics, Inquiry into Credit and Financial Services Targeted at People in Financial Hardship* (November 2018); and Paul Holmes, Legal Aid Queensland, cited in the Senate Standing Committees on Economics *Credit and financial services targeted at Australians at risk of financial hardship* (February 2019) report

[10] LawRight CP 316 submission, page 2 referring to Gathergood, B Guttman-Kenney and S Hunt, 'How do payday loans affect borrowers? Evidence from the U.K market' (2018) 32 (2) *The Review of Financial Studies*, 496, 520

[11] Legal Aid Queensland CP 316 submission, page 2

Factor	Analysis
	lending model can flow onto other aspects of consumers' lives and can have adverse health impacts which affects overall quality of life. This have been evident in reports of misconduct and CP 316 submissions. For example, CCLCSA stated that many consumers have reported feeling of despair and hopelessness when they realise they are caught in a vicious cycle of debt from which they are unable to escape without forgoing basic living requirements.[12] LawRights' submission referred to research which discusses the various health impacts of financial pressures, including depression, reduced psychological well-being, obesity and anxiety, confirming that this is particularly true for unsecured short term credit.[13] Legal Aid NSW also discussed the health impacts caused by financial stress and referenced research from the University of Melbourne which found that financial hardship negatively impacts on physical and mental health, and overall quality of life, and that the impacts are more severe for people with long term debt problems and Centrelink recipients[14]. ASIC has observed the following examples of impacts of the significant detriment on consumers from the reports of misconduct, CP 316 submissions and case studies: • consumers have been left with no money to pay for food; • consumers have had to seek emergency food relief; • consumers have been unable to pay rent and housing expenses and become at risk of homelessness; • consumers have had to file for bankruptcy; • consumers have suffered from stress and anxiety and other mental health impacts arising from, or exacerbated by, the financial stress, including one consumer who was reported to have committed suicide; and • consumers have suffered additional stress and anxiety when their debts were referred to external debt collectors who threaten them with legal action. For example, CCLCSA reported that clients have sought emergency relief for food and accommodation as they are left with insufficient funds to buy food or pay rent due to Cigno's direct debit repayments.[15] FRLC also noted that some of their clients who have sought assistance with Cigno loans are surviving on food vouchers or going without essential medications, many have rental arrears, and some are already homeless.[16]

[12] Consumer Credit Law Centre SA, page 7

[13] LawRight CP 316 submission, page 2 referring to E Sweet, CW Kuzawa and TW McDadeT, 'Short-term lending: Payday loans as risk factors for anxiety, inflammation and poor health' (2018) 5 *SSM - Population Health,* 114, 115.

[14] Legal Aid NSW CP316 submission, page 7 referring to Evgenia Bourova et al, 'The Experience of Financial Hardship in Australia: Causes, Impacts and Coping Strategies' (2019) Vol 42, No. 2, *The Journal of Consumer Policy*, 26

[15] Consumer Credit Law Centre SA C 316 submission, page 4

[16] Financial Rights Legal Centre CP 316 submission, page 3

Why the order is an appropriate way of reducing the detriment

8. In determining why the order is an appropriate way of reducing the significant consumer detriment resulting from the short term credit model, ASIC has focussed on:
   (a) identifying the specific product features, conduct and factors that have contributed to the significant consumer detriment or that would likely contribute to significant consumer detriment; and
   (b) how we can best reduce future significant detriment or the likelihood of further significant consumer detriment occurring.

9. We consider that this intervention is the most appropriate regulatory solution to prevent further significant detriment to consumers because:
   (a) The submissions received in response to CP 316 confirm and broadly support ASIC's finding of significant detriment and support ASIC's proposed action (with the exception of submissions received from entities operating a short term lending model);
   (b) The product intervention order will prevent the charging of collateral fees and charges in excess of the fees permitted under the short term credit exemption, through the short term lending model;
   (c) It will likely prevent the use, development or creation of similar lending models or the use of variations of the short term lending model outside the ambit of the short term credit exemption, which will or likely to result in significant detriment to consumers;
   (d) It will effectively force operators of the short term lending model, who wish to continue to charge fees and charges which exceed those permitted by the short term credit exemption, to obtain an Australian credit licence and comply with the consumer protection provisions of the National Credit Act and the National Credit Code, including obtaining membership of an external dispute resolution scheme;
   (e) It is a more comprehensive and timely response than the other options available to ASIC.

Other consequences/impacts of the order

10. ASIC has considered the following impacts of the intervention order:

(a) Short term lenders and their associates will not be able to charge self-determined costs of short term credit and collateral services and may be forced to exit the industry if they consider that the price cap in the short term credit exemption is ‘uncommercial’.

(b) If short term credit providers and their associates exit the industry, it may result in reduced access to credit for some consumers who require credit but are ineligible to obtain a small amount credit contracts or other regulated credit products.

11. ASIC has considered these impacts and has determined that is appropriate to proceed with the intervention order for the following reasons:

(a) There will always be consumers who are unable to access any form of credit due to the inability to afford repayments without suffering financial hardship, even of a short term nature, and who therefore will need to utilise existing Government and community services.

(b) Limited access to short term credit would lead to more awareness by consumers of other or alternative sources. Consumers would benefit financially and non-financially as they would be encouraged to investigate and use more beneficial alternative products or options. Alternative products and/or services include:

i) using financial counselling advice services to plan and negotiate consumers’ financial affairs free of charge;

ii) accessing regulated credit which are less costly and provide legislative protections;

iii) Centrelink products (lump sum advances) and incentives;

iv) government and utility hardship programs or utility relief grants; and

v) non-commercial microfinance products (e.g. no interest and low interest schemes).

(c) The increased and regular use of alternatives would, over time, reinforce the availability of these alternatives, and encourage consumers to make use of them as they come to realise the costs involved, and the impact on their financial situation.

(d) Consumers who decide to use one of the alternatives to a short term loan are likely to experience:

i) a reduction in the amount they will spend to access credit because of the lower charges associated with the alternative products; and

ii) where they use financial counsellors, better management of their income, changes to their spending habits and, overall, less reliance on all credit products.

(e) It will reduce repeat borrowings where consumers become dependent on short term lenders due to the drop in income they experience when repaying a loan. This will particularly assist consumers to prevent the risk of a debt spiral (or cycle of hardship).

(f) It may increase the use of regulated credit by consumers, where consumer protections are provided for under the National Credit Act and National Credit Code.

(g) It will allow other credit providers to assist consumers in a regulated and responsible manner.

(h) It will provide a competitive playing field for regulated credit providers and prevent credit providers adjusting their business models to avoid the necessity to comply with consumer protection provisions.

(i) The exacerbation of financial stress and associated human cost caused by the short term lending model will be prevented. The human costs of financial stress include, poor health outcomes, deterioration of personal relationships and significant health impacts, social exclusion, shame and a sense of personal failure.

(j) The increased risks of financial detriment to consumers as detailed in paragraph 6 of CP 316 will likely be reduced and/or prevented.

Consultation

12. On 9 July 2019 ASIC released CP 316 and requested submissions by 30 July 2019.

13. The proposal and questions asked in CP 316 were as follows:

Proposal

A1 We propose to make a product intervention order by legislative instrument under s1023D(3) of the Corporations Act to prohibit credit providers and their associates from providing short term credit and collateral services except in accordance with a condition which limits the total fees that can be charged

Your feedback

A1Q1 Do you consider that the short term lending model causes detriment to consumers and that this detriment is significant?

A1Q2 Do you consider that the short term lending model does or might cause detriment other than that identified by ASIC, or to a greater or lesser extent? If additional or greater, how should the proposed product intervention order be expanded to address this significant detriment?

A1Q3 Do you agree with our proposal to make an intervention order by way of legislative intervention prohibiting credit providers and their associates from providing short term credit and collateral services except in accordance with a condition which limits the total fees that can be charged? Please provide details of why, or why not.

A1Q4 What alternative approaches (including Options 2 and 3) could ASIC take that would achieve our objectives of preventing the consumer detriment identified in this paper?

Responses/Submissions

14. In response to CP 316, ASIC received 12 submissions from financial counselling services and community legal centres, 6 submissions from industry bodies and participants, and 17 submissions from aggrieved consumers who have been affected by the use of the short term lending model.

15. With the exception of submissions provided by operators of the short term lending model, the submissions:

(a) supported ASIC's finding of significant detriment caused by the short term lending model; and

(b) supported the making of ASIC's proposed product intervention order.

16. The submissions received are publicly available on ASIC's website, excluding the submissions which were marked as confidential.

17. The submissions received from the operators of the short term lending models have been marked as confidential, however ASIC has considered these submissions in making its decision.