

Consumer Lending Unsecured Origination Process / Tips

Introduction

This document should be used in combination with Community First policy documents.

All unsecured loans are originated, assessed and contracted via our loans origination platform called Decision Intellect. The purpose of the platform is to standardise and automate the origination of unsecured lending.

The platform can be accessed by staff and completed directly by applicants. The system will provide a decision instantly on submission being either; Conditionally Approved or Decline.

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Minimum Credit Eligibility

1. Minimum Credit Score – 600
2. Minimum Servicing \$1 per month

Documentation Requirements

On submission, the "Results" screen will advise the decision. The 'Upload' screen will advise what documents are required based on the decision and application type. For joint applications documents are required for both applicants. Typically the following documents are required based on the decision types;

	Conditionally Approved (all applications under \$25,000 that are not declined by the system)
Income	Evidence of Income <ul style="list-style-type: none"> PAYG Salary – 2x Payslips Casual – Last 2 group certificates Allowances / Overtime – last Group Certificate Centrelink – Last Centrelink Income Statement <p style="color: #c0392b; font-weight: bold;">Income entered into Inteflow Decisioning and noted in submission should match the frequency on the income verification document provided.</p>
Other - Credit Card (Balance Transfer)	Last Credit Card Statement (must not be overdue or over limit)
Other – all	Successful IDVerse (Biometric VOI) completed by applicant.

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Key Policy Summary

The following are key points from P11. Please refer to the relevant policy document for further information and conditions. The following list is not exhaustive.

- Applicants must be Australian Citizens or Permanent Residents
 - We cannot offer credit to New Zealand Citizens residing in Australia on a 444 Visa.

Key Verification Summary

The following are key points from MP46. Please refer to the relevant policy document for further information and conditions. The following list is not exhaustive.

Verification of Identity

Verification of Identity is completed via IDVerse Biometric ID check. This must be completed by all applicants and if this fails, acceptable certified identification by authorised witness on our Certifier Form.

In order to meet our CTF/AML obligations, identify cannot be verified in any other manner (i.e. third party equifax instance, non-authorised witness)

Verification of Character

Character verification requirements are based on the automated credit decision within Inteflow Decisioning;

- "Conditionally Approved" – Credit Bureau Report

Inteflow Decisioning will generate a Credit Bureau Report on submission.

Verification of Employment

The following minimum employment tenures apply;

PAYG Employment	Minimum 6 months with current employer OR minimum 12 months continuous employment in the same industry
Self Employed	Minimum two financial years trading in the current business

Where the borrower is within a probation period, application may be considered based on the merits and strength of the borrower's overall position. An employment check is conducted for any applicant that has been employed less than 12 months.

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Verification of Income

All sources of income used in servicing must be verified according to the relevant verification requirement in MP46.11 – MP46.20. Some forms of income are not acceptable (MP46.11.1 (c)). The following income assessments apply;

Income Type	Servicing Value	Minimum Verification Requirements
PAYG Income – Full Time / Part Time / Casual	<ul style="list-style-type: none"> • 100% of gross income 	<ul style="list-style-type: none"> • 2 most recent payslips, or • 1 payslip and bank statements, or • 1 payslip and latest payment summary, or Notice of Assessment (NOA)
Tax Free Income	<ul style="list-style-type: none"> • 100% added to Tax Free Income 	<ul style="list-style-type: none"> • Salary Sacrifice agreement (Excludes Health Care workers and applicants working for a registered Not for Profit)
Overtime	<ul style="list-style-type: none"> • 80%, or • 100% for all front-line workers <ul style="list-style-type: none"> ○ Police ○ Paramedics ○ Fire Fighters ○ Health Care workers (Doctors and Nurses) ○ Correctional Service workers ○ Public Transport crews ○ Utilities workers (electricity, gas and water) 	<p>Application submitted prior to 1st November annually</p> <ul style="list-style-type: none"> • 2 most recent YTD payslips confirmation of previous years taxable income (YTD income from 30th June payslip) or • NOA <p>Application submitted on or after 1st November annually</p> <ul style="list-style-type: none"> • Annualised YTD from most recent YTD payslips
Commission / Bonus / Allowances	<ul style="list-style-type: none"> • 80% <ul style="list-style-type: none"> ○ If paid periodically use the average of the last 12 months ○ If paid annually use the average of the last 2 years 	<ul style="list-style-type: none"> • 2 most recent YTD payslips, or • 1 YTD payslip and bank statements, or • 1 YTD payslip and latest payment summary or NOA
Fully maintained company vehicle (PAYG borrowers only)	<ul style="list-style-type: none"> • \$5,000 per annum be added to gross taxable income. Vehicle must be available for unrestricted private use. 	<ul style="list-style-type: none"> • A condition of employment verified by the employment contract or a letter from the employer.

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Self Employed	<ul style="list-style-type: none"> • 100% of most recent Tax Assessment Notice If this income verification method is being used for applications submitted after 1st January, the most recent prior years Notice of Assessment is required (ie if the loan is assessed on 31st December 2025, the 2024 Notice of Assessment may be used. However, if the loan is assessed on 3rd January 2026, the 2025 Notice of Assessment must be used). • If a non-mortgage secured loan is not affordable using most recent year NOA, full financials for past 2 years are to be obtained if addbacks are required for affordability assessment (as per policy for mortgage-secured loans) 	<ul style="list-style-type: none"> ○ Most recent NoA
Employer Maternity Leave Payment/Paid Parental Leave Payment	<ul style="list-style-type: none"> • 100% of if returning in less than 3 months 	<p>Written confirmation from employer is held confirming return to work date and employment conditions</p>
Investment income (interest, dividends)	<ul style="list-style-type: none"> • 80% of income if received over the previous two financial years and investments held for at least 6 months and the lowest verified amount must be used. 	<ul style="list-style-type: none"> • Last 2 years Income Tax returns and corresponding NOA's
Child Support/child maintenance	<ul style="list-style-type: none"> • 100% if the child is 13 years or younger 	<ul style="list-style-type: none"> • Letter from Child Support Agency (CSA) confirming payment
Carers Allowance	<ul style="list-style-type: none"> • 100% if to be received for at least the next 5 years 	<ul style="list-style-type: none"> • Current Centrelink Certificate of Entitlement, or • Bank statement
Family Tax Benefit	<ul style="list-style-type: none"> • 100% if the child is 13 years or younger 	

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Social Security Benefits / Government Income	<ul style="list-style-type: none"> • 100% if to be received for at least the next 5 years 	
Domestic Rental Income	<ul style="list-style-type: none"> • 80% of gross rent 	<ul style="list-style-type: none"> • 2 most recent rental statements, or • Bank Statements, or • Current Lease Agreement or • Latest Income Tax return and corresponding NoA, or • Valuation, or • Real Estate Agent's Letter <p>Short term</p> <ul style="list-style-type: none"> • Latest Income Tax return and corresponding NoA
Workers Compensation / Income Protection Insurance payments	<ul style="list-style-type: none"> • 100% used as gross income 	<ul style="list-style-type: none"> • Letter from Insurer confirming will be paid until retirement age, and Bank Statements

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Verification of Affordability

Community First Credit Union assesses on an "Assessed Repayment Ability" (ARA) basis. An applicant's minimum monthly ARA must be at least;

Non-Mortgage Consumer Lending	• \$1 per month
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Where income, expenses and liabilities are correctly input into Inteflow Decisioning, ARA will be calculated automatically and presented on the "Results" screen (annualised).

Living Expenses are calculated as the higher of; declared living expenses or HEM as calculated by Inteflow Decisioning or Community First's servicing calculator. Incomes must be input correctly into calculators for an accurate HEM calculation.

Other serviceability requirements

- Existing mortgage commitments are assessment based on the limit/Scheduled Balance (plus any available Redraw) calculated on a P&I basis over the remaining term, using the appropriate Assessment Rate
- Credit Cards are assessed on the following repayment rates;
 - CFCU-branded cards – 3.2%
 - All other cards – 3.75%
- Buy-now-pay-later commitments that are not ongoing facilities (i.e. Afterpay) must be listed under as a living expense under the 'other category.' Facilities that are ongoing limits are assessed as liabilities.

Apportionment of Rental and Mortgage Expenses (Unsecured Lending only)

It is permissible to input an applicant's 'share' of declared rental or mortgage expenses as a liability in an affordability assessment where a single borrower applies as part of a dual income family household. It must be confirmed by the originator;

- The borrowers gross rent / mortgage repayments (on a principal and interest basis) have been confirmed with the borrowers;
- The amount included in the Affordability Assessment (included commitment) for the borrower is the borrower's individual share of the total rent / mortgage commitment;
- The included commitment in the Affordability Assessment for mortgage loans must be the borrower's share of the principal and interest repayment, regardless of repayment method of the actual loan.

Refinancing / Balance Transfers

- Where a loan is being refinanced;
 - Credit Card – recent statement/s

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Decision Intellect Tips

- Best used in Google Chrome
- The system is designed to complete an application in person or over the phone and enter details directly onto platform
- If loan interview is conducted separate to loading the loan, privacy consents and scripts must be read / accepted by the applicant.

Inteflow Decisioning Tips - Product Details

- Commission must be correctly listed by amount and payable company.

Applicant Financial Verification

- Staff should not collect internet banking credentials from a member. If a member is present during the loading of the application they can use this service for salary credit account and balance transfer card.
- If the member needs to provide statements, a direct link can be provided for them to complete remotely.
- For remote applications or where paper statements / e-statements are being provided click the *"I will upload a copy of my financial statements instead"*

Applicant 1 Finances

Save time and hassle and get your 90 day bank statements emailed to us in just 10 seconds. It is free and easy to use. Select your financial institution below and log in to your Internet Banking.

Financial Verification

Financial Institution:

I will upload a copy of my financial statements instead
This may take a few minutes

[Log in to Internet Banking](#)

You have already logged into 0 institutions

Applicant Financials

- All figures entered must be gross and should match document verifications (for servicing) – for example, if the payslip is fortnightly, income should be loaded as fortnightly.
- All living expense figures must be loaded (even if \$0)
- If a debt is being refinanced or cancelled as part of the loan application click "Debt to be repaid" to remove it from servicing calculations.

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Liabilities

Liability Type	Description	Debt to be Repaid	Amount/Limit	Remaining Term	Total
Home Loan/Mortgage	✓				X
Motor Vehicle Loan	✓				X
Credit/Store Cards (total limits)	✓	<input checked="" type="checkbox"/>			X
Total					

New Liability Type Credit/Store Cards (total l ▼ *

Monthly Payment *

Description *

Debt to be Repaid

Amount/Limit *

Upload Screen

- Each document type has a specific upload section.
- Once all documents have been uploaded, select "I've uploaded all requested documents" (this will trigger the system to progress it to the next queue)

Have you uploaded the required documents? *

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Results Screen

Application Result



Application Status:	Refer
	Referred for further assessment
Queue:	Pending Documents Queue
Credit Product:	New Loan Application
Application Id:	21C6EA0CA0
Submitted By:	Web

Application "Decision"

Application "Queue"

Principal Applicant:

Action Application

Last Action By

Select Action
Credit Assessment
Perform IDMatrix
Decline
Withdraw
Resubmit
Recalculate



Sends the application to the credit assessment team. Should be done once all documents are received and notes entered



Can be used to 'reperform' electronic ID verification if failed. Reuse if additional ID documents are provided.



Used to decline an application if required



Used to withdraw an application if required



Completes a new full submission including additional credit checks. Only use if an error or in the 'Pre-Bureau Refer Queue'



Recalculates inputs and should be used everytime an application is updated with new information

Alerts

Applicant	Alert	Description	Status	Accept	Accepted By
Application	Serviceability	Serviceability Failed	Refer	<input checked="" type="checkbox"/>	
Application	RRIOtherRefer	RRI Other Refer	Refer	<input checked="" type="checkbox"/>	
	Age at Term	Applicant will be over 65 at the end of a term of this product	Refer	<input checked="" type="checkbox"/>	
	DnB Possible Match	Applicant's D&B report indicates a possible additional match	Refer	<input type="checkbox"/>	

Alerts should be reviewed as some are 'Decline' alerts. An originator can accept alerts and where a "Serviceability Failed" alert is evident an application should be reviewed to see if it can proceed with additional income or applicants.

Queues

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An application will flow through the following queues (listed in order)

Queue	Description
Incomplete Queue	Application has been started by not submitted ("Submit" button at end of application)
Pre-Bureau Refer Queue	Application has been completed but automated bureau checks have not been completed due to an error or negative servicing.
Pending Documents Queue	Application has been completed and documents are pending (also "I've uploaded all requested documents" drop down on the Upload page has not been selected)
Credit Refer Queue	Application has been queued with Credit Assessors ("Credit Assessment" button has been clicked)
Sales Refer Queue	File has been returned to originator as a result of; further information requested, decline by credit, conditional approval.
Funding Queue	Final Approval has been given, contracts emailed and awaiting finalization and authorisation to proceed from the member.

Notes

- Loan Submission notes and communication with assessors can be conducted through the notes screen.
- For Loan Submission Notes use the subject "Loan Submission Notes."

Application Notes

Note Category

Subject

Message

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For subsequent communications a note can be emailed. Once a note is saved on the application, that note can be emailed to an assessor using the "Email" button. The entered notes will be prepopulated in the email.

The assessor is noted in the operator column of the notes and their email is usually their operatorname@communityfirst.com.au (e.g. see below - gdas@communityfirst.com.au)

Operator ▼▲	Email ▼▲
GDas	Email

Email Details

Email To

From askus@communityfirst.com.au

Subject

Message