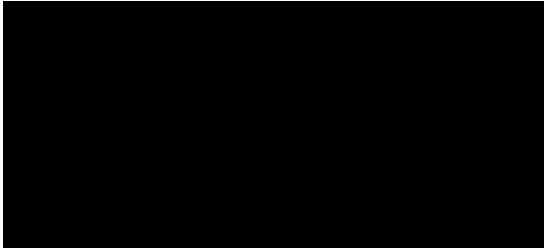


30 November 2023



### **Official Information Act #23.101 - response**

1. We refer to your request received on 6 November 2023 for information about the Commission's certifications. Specifically:
  - 1.1 "How many Business applied for 'Fit and Proper' Certificate so far"
  - 1.2 "How many of them applied as a 'Mobile Trader' and 'creditor under a credit contract' Business?"
  - 1.3 "How many out of total application got approved for each category and how many have got declined out and reason for rejection and names of the companies."
  - 1.4 "How many Mobile Trader out their is not registered under 'Fit and Proper' and Does COMCOM familiar with these number?"
  - 1.5 "What have comcom planned for non-licensed traders out their?"
2. We have treated this as a request for information under the Official Information Act 1982 (OIA).

### **Our response**

3. We have decided to grant your request.

*"How many Business applied for 'Fit and Proper' Certificate so far"*

4. As at 21 November 2023, the Commission has received 508 applications from lenders (consumer creditors and mobile traders) that selected either the 'Mobile Trader' or 'Creditor under a credit contract – Consumer credit contract' financial service on the Financial Service Providers Register (FSPR), triggering an application

for certification on the Financial Service Providers Register (FSPR), and where a certification decision has been made.

*“How many of them applied as a ‘Mobile Trader’ and ‘creditor under a credit contract’ Business ?”*

5. 16 lenders were registered and applied pursuant to the ‘Mobile Trader’ financial service on the FSPR. The balance of lenders were registered and applied pursuant to the financial service ‘Creditor under a credit contract – Consumer credit contract.’

*“How many out of total application got approved for each category and how many have got declined out and reason for rejection and names of the companies.”*

6. 20 lenders have had certification either refused for failing to meet section 131G or cancelled pursuant to section 131P of the Credit Contracts and Consumer Finance Act 2003. This information can be located on [our website](#).
7. With the exception of voluntary cancellations requested by lenders no longer in business, certification was refused and/or cancelled for those entities and sole traders because the Commission was not satisfied, or was no longer satisfied, that the individual directors and senior managers of the lenders were fit and proper persons to hold their positions. The reasons for this included a lack of competency and capability on the part of individual directors and senior managers, and/or where the individuals lacked probity, reputation and financial integrity.
8. For further information regarding the criteria that the Commission considers when determining whether an individual is fit and proper, please refer to the [guidance on our website](#).

*“How many Mobile Trader out their is not registered under ‘Fit and Proper’ and Does COMCOM familiar with these number?”*

9. The Financial Markets Authority is the regulator responsible for ensuring mobile traders and consumer creditors are *registered* on the FSPR for the ‘Mobile Trader’ and ‘Creditor under a credit contract – Consumer credit contract’ financial services. The Commission is responsible for ensuring they are certified. Information is provided below as to how the Commission identifies those lenders that are not certified.

*“What have comcom planned for non-licensed traders out their?”*

10. The Commission undertakes proactive monitoring to identify, investigate, and take any appropriate enforcement action against those lenders and mobile traders that may be trading without being certified. Identification is predominately achieved through the receipt of monthly reporting from MBIE, monthly reporting on enforcement outcomes from the Commission, monthly and quarterly data and insights reporting prepared internally by the Credit Branch, sharing of information (where appropriate) between regulators and weekly reporting of complaints relating

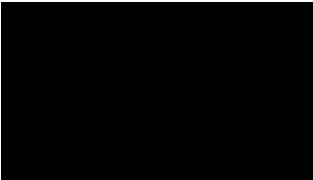
to Credit Contracts and Consumer Finance Act breaches received by the Commissions' Enquiries team.

11. The Commission welcomes information from the public regarding any mobile traders or lenders that may be trading without being certified.

**Further information**

12. Please note the Commission will be publishing this response to your request on its website. Your personal details will be redacted from the published response.
13. Please do not hesitate to contact us at [oa@comcom.govt.nz](mailto:oa@comcom.govt.nz) if you have any questions about this response.

Yours sincerely



OIA and Information Coordinator