

CREDIT LICENSING AND MARGIN LENDING

New legislation has been passed in relation to both credit licensing and margin lending. Both of these topics will have application for many financial services licensees.

The important dates for both regimes are outlined below. We have combined these into one table to reduce the confusion, since there are similar dates for both regimes. You should note that we have concentrated on practical dates for all purposes, rather than dates which are largely only of academic interest.

Date	Credit	Margin Lending
1 February 2010		Can apply for AFSL or variation of AFSL to allow for margin lending
1 April 2010	Can first apply for registration with ASIC as a credit provider	
18 June 2010	Last date for receipt by ASIC of applications for registration where ASIC will guarantee a decision on the application by 30 June 2010	
30 June 2010	Cut-off date for applications for registration to allow person to engage in credit activities	Cut off date for applications for existing margin lending and advisers of margin loans (this allows lenders and advisers to continue to provide margin lending services)
1 July 2010	Can first apply for credit licence	
31 December 2010	All registered persons must apply for a credit licence. If no licence applied for, then must stop engaging in credit activities	
1 January 2011		Corporations Act begins to apply to issuers and advisers of margin lending facilities
30 June 2011	Any remaining registrations where licence has not been granted, or not otherwise refused, shall be cancelled at this time	
1 July 2011		Entities and individuals that provide financial product advice on margin lending facilities must comply with the training standards in RG 146

Halseys can assist you with all of the activities outlined above.

It is expected that the Personal Property Securities Act will commence in May 2011.