

Community First disburses all consumer lending products via “acceptance by conduct” instead of signed contracts. Where a broker introduces a consumer loan to Community First, that loan will be disbursed via a verbal contract acceptance via our Contact Centre as part of the applicants ‘acceptance by conduct.’ A consumer lending application passes through a number of teams and as such to ensure a smooth customer experience at funding, origination practices need to be closely adhered.

Procedure Responsibilities

Step	Team Responsible	SLA
Origination	Broker	
Assessment	Credit Services Team	48 hours after submission
Data Transfer (Illion to Core Banking)	Lending Sales Support Team	48 hours after approval
Applicant Contact Acceptance	Contact Centre (Inbound Team)	
Loan Funding and Disbursement	Credit Services Team (Loans Fulfilment Officer)	24 hours from acceptance

Contract Acceptance / Direct Disbursement Operational Policy

- Verbal acceptance of a contract must come from all loan application parties before disbursement.
- Community First will disburse a loan to;

	The applicant anytime after approval	To the vendor on completion of works (i.e. solar) or to facilitate transfer of asset (i.e. car)	To a financial institution for debt consolidation	To a broker (limited to brokerage payable)
<i>Exceptions</i>	<i>Secured loans (i.e. new car)</i>	<i>NIL</i>	<i>NIL</i>	<i>The lower of 5% of loan value or \$1,500 (or \$2,200 if loan >\$50k)</i>
Validated by	Loan Applicant Banking Details provided at submission by broker	Quote, Invoice or Proposal on corporate stationary (i.e. letterhead)	Payout letters for facilities being consolidated	<u>Signed</u> Quote, Invoice or Proposal on corporate stationary (i.e. letterhead)

- Where a customer describes a disbursement method at contract acceptance that differs from instructions provided by originator/broker, the customer must be referred back to the originator/broker to re-confirm instructions which will need to be queued to be updated by Lending Sales Support Team (SLA's apply).
- Contact Acceptance and Disbursement Instruction calls must be via a recorded line
- Community First will only disburse a car loan with where a Certificate of Currency exists that starts no later than the funding date.

Procedure	Consumer Lending Disbursements (Third Party Procedure)														
Steps	Instruction														
Origination - Broker															
1	<p>Have a discussion with the loan applicant on their preferred disbursement method and explain;</p> <ul style="list-style-type: none"> • Once the applicant has read and understood their loan contacts they can contact Community First to accept • If a joint application, all parties need to contact Community First • Where paying to vendor, disbursement will only occur on confirmation by the applicant the works have been completed 														
2	<p>In the “Conditions Section,” record the disbursement instructions in the loan submission notes as <i>either</i>;</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 33.33%; padding: 5px;">Disbursement Method: • Debt Consolidation</td><td style="width: 33.33%; padding: 5px;">Disbursement Method: • Direct Disbursement to Vendor on completion</td><td style="width: 33.33%; padding: 5px;">Disbursement Method: • Disbursement to Customer on Contract Acceptance • Account Name <ul style="list-style-type: none"> ◦ Account BSB ◦ Account Number </td></tr> </table>			Disbursement Method: • Debt Consolidation	Disbursement Method: • Direct Disbursement to Vendor on completion	Disbursement Method: • Disbursement to Customer on Contract Acceptance • Account Name <ul style="list-style-type: none"> ◦ Account BSB ◦ Account Number 									
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	<p>If no disbursement instructions are recorded at submission, Community First will only disburse to the vendor.</p> <p>It is suggested that an Insurance Certificate of Currency is organised prior to contract acceptance (with a start date prior) so as not to delay settlement.</p>														
Assessment – Credit Services Team															
1	<ul style="list-style-type: none"> • Complete Credit Assessment • Verify Input Data • Verify and Validate Disbursement Instructions; <table border="1" style="width: 100%;"> <tr> <th style="width: 25%;">To Customer</th> <th style="width: 25%;">To Vendor</th> <th style="width: 25%;">Debt Consol</th> <th style="width: 25%;">Brokerage</th> </tr> <tr> <td>Customer Banking Details</td> <td>Quote / Invoice / Proposal with vendor banking details</td> <td>Payout Letters with OFI credit details</td> <td>Signed proposal, quote or invoice</td> </tr> <tr> <td><i>If not submitted;</i> • Disburse to Vendor with vendor document approval condition, or; • Return to sales for submission</td> <td><i>If not submitted;</i> • Approval condition – vendor document to be submitted</td> <td><i>If not submitted;</i> • Approval condition – payout letters to be submitted</td> <td><i>If not submitted;</i> • Return to sales for submission</td> </tr> </table>			To Customer	To Vendor	Debt Consol	Brokerage	Customer Banking Details	Quote / Invoice / Proposal with vendor banking details	Payout Letters with OFI credit details	Signed proposal, quote or invoice	<i>If not submitted;</i> • Disburse to Vendor with vendor document approval condition, or; • Return to sales for submission	<i>If not submitted;</i> • Approval condition – vendor document to be submitted	<i>If not submitted;</i> • Approval condition – payout letters to be submitted	<i>If not submitted;</i> • Return to sales for submission
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Loan Approved - Data Transfer (Illion to Core Banking) – Lending Sales Support Team															
1	<ul style="list-style-type: none"> • Action CRM Approval Re-key tasks from oldest to newest 														

Procedure	Consumer Lending Disbursements (Third Party Procedure)
Steps	Instruction
	<ul style="list-style-type: none"> • Complete Procedure “<i>Loading loan details in Loan Origination (LO)</i>” • Enter Disbursement Instructions in Custom 2 widget for Contact Centre. • Enter disbursement details into Loans Origination (Funding Tab) in the following order; <ul style="list-style-type: none"> ◦ Shareholding (\$2 per applicant) – Disburse to s7 ◦ Loan Purpose Disbursement – according to loan submission instructions ◦ Brokerage – according to broker documentation • Close ZCRM Approval Rekey task
	<p>If disbursement instructions are not provided or incomplete;</p> <ol style="list-style-type: none"> 1. Place a note Illion Decisioning with outstanding instructions and email broker via Illion Decisioning 2. Await instructions from Broker 3. Proceed with Step 1 <p>Whilst waiting for instructions, do not close ZCRM Task (change status to “Waiting for Input”). Only close ZCRM task once Loan Origination File is complete and ready for funding.</p>
Applicant Contact Acceptance – Contact Centre	
1	<ul style="list-style-type: none"> • Identify Member • Read Loan Acceptance Script from Custom 2 Tab • Advise SLA for funding and funds transfer • Repeat for joint applicants • Complete Procedure “<i>Completing Personal Loan Funding</i>”
	<p>If customer disbursement instructions differ from script/Custom 2, advise applicant that we cannot proceed and will be referred to their originator/broker to reconfirm instructions and reload their loan.</p>
Loan Funding and Disbursement – Credit Services Team	
1	<ul style="list-style-type: none"> • Action Loan Funding Task List from oldest to newest • QA Loan File and Finalise/Disburse Loan
END	

Annexure A – Amendment History

Date	Completed By	Amendment
27/10/2023	Ben Irons	Initial

Procedure Owner - Distribution