



12<sup>th</sup> March 2019

**Attn: Mr Mark Fitt**  
**Committee Secretary**

Senate Economics Legislation Committee  
PO Box 6100  
Canberra ACT 2600

## Re: Inquiry into the Australian Business Securitisation Fund Bill 2019

Firstly, we'd like to thank the Senate Economics Legislation Committee for their invitation to make a submission regarding the Australian Business Securitisation Fund (ABSF) Bill 2019. As we stated in our initial response, Goldfields Money Limited (ASX: GMY) are delighted that the Government has taken this approach to Small and Medium Enterprise (SME) investment and fully support any initiative which provides Australian business owners greater access to competitive funding solutions. We have invested resources in supporting this asset class and are actively looking to grow our SME product offering (including unsecured lending).

### Changes from Exposure Draft

In summary, we are in agreeance with all the amendments applied to the ABSF Bill from the exposure draft. This includes:

- Authorised investments being limited to debt securities where the underlying credit provided to each business is less than AUD \$5m (previously proposed this limit at AUD \$10m)
- The provision for an additional review of the program after five years (on top of the two-year review that was originally proposed)
- Allowing for flexibility to invest in non-standard structures by including corporate SPV's (on top of the originally proposed Trustee of a trust requirement).

### SME Market Place

Given the importance of SME's to the Australian economy, and the current lending restrictions that are potentially stifling growth in the SME space, we believe this bill will not only benefit SME's but the economy as a whole.

A recent downturn in the housing market has meant that SME's who were previously reliant on personal assets as security for business borrowings can potentially no longer receive the funding they would have six (6) months ago. Furthermore, credit restrictions and a reduction in residential property prices may have an adverse flow on effect to the economy's growth rate.

By investing back in to businesses, we can fill the gap and help mitigate any economic downturns.



### Supporting the AOFM's involvement

Should the bill be successfully ratified by the Government, we are encouraged that a delegation of authority will be passed to the Australian Office of Financial Management, including certain functions and powers. With the successful RMBS investment program from 2008 to 2013 acting as a basic blueprint to this complex undertaking, we are confident that the process will be properly managed.

### Reaffirming Our Commitment

Reinforcing our statement from our initial response, Goldfields Money is committed to growing our national footprint in the SME space during 2019 and beyond.

Our appetite for innovative SME lending products beyond traditional policies is incredibly strong, and we would be open to discussions around developing bespoke financial instruments that reflect the core values of the Australian Business Securitisation Fund.

We appreciate your consideration and look forward further engagement regarding the ABSF initiative.

Warm regards,



Allan Savins

GM, Banking & Wholesale  
Goldfields Money Limited



## Who is Goldfields Money?

Formed in 1982, Goldfields Money has spent the last 37 years dedicated to delivering first class products through a largely branchless distribution network, instead focusing on utilising technology to reach our customer network. In 2012, we become Australia's only ASX listed Authorised Deposit-taking Institution (ADI) headquartered in WA. Our banking platform is built on the world class core banking system provided by Temenos – a banking SaaS expert that helps over 3,000 firms across the globe, including 41 of the top 50 banks, to process the daily transactions of more than 500 million banking customers.

Goldfields Money is ASX listed (ASX:GMY) with two key divisions:

Banking (operates under “Goldfields Money” and “Better Choice” brands) – an APRA regulated bank that offers deposit and loan products that are funded either on-balance sheet or off-balance sheet through a range of third party lenders. Our deposits are all guaranteed by the Australian Government Deposit Guarantee for up to \$250,000 per customer. We are the new approach to banking in Australia, we're honest, with transparent bank practices and a straightforward approach to you and your money. It's all yours, honestly.

We recently merged with mortgage aggregation group Finsure (operates under “Finsure” and “Loankit” brands) – an ASIC regulated mortgage aggregation and software technology platform with over 1,594 loan writers as of 31 January 2019. Finsure puts brokers first and is a leader in the market in offering a diverse lending panel, flexible commission models, training, lead generation, proprietary SaaS and mortgage broker support services. Finsure was also recently named Aggregator of the Year for 2017 at the Australian Mortgage Awards.

You can read more about us at [www.goldfieldsmoney.com.au](http://www.goldfieldsmoney.com.au)