

## Media Statement

10 May 2017

### **SocietyOne welcomes proposed changes to an open banking and data regime**

SocietyOne, Australia's pioneering and leading lending marketplace, has welcomed the Turnbull Government's commitment to introduce an open banking regime which could transform customers' control over their own data and stimulate competition in the country's financial services sector.

Coming after the release of the Productivity Commission's report into data availability and use of public and private sector data, Jason Yetton, SocietyOne's Managing Director and CEO, said the initiatives, announced in last night's Federal Budget, would put consumers in a better position to negotiate more advantageous deals with their credit provider.

The changes - likely to result from an independent commission which is due to report by the end of this calendar year - would create a more competitive credit industry and enable consumers to obtain interest rates appropriate to their risk based on their individual financial histories.

"We now have a chance, as a country, to empower consumers in a way that we have never enabled them before to use their data in a more positive and beneficial manner like what happens in most developed economies" said Mr Yetton.

"Not only could these changes help individuals they could also stimulate competition across key sectors of the Australian economy and support growth well into the future."

Mr Yetton said he was encouraged by the steps unveiled in the Budget and the measures outlined in the Productivity Commission's report which would speed up the process for a fully-fledged positive and comprehensive credit reporting system in Australia.

"Australian consumers with a better credit rating need to be rewarded for their good financial management and tailored interest rates are an excellent way to do this for creditworthy borrowers," said Mr Yetton.

SocietyOne is one of the few companies in Australia that uses a customer's credit score to individually assess their opportunities to get a loan and in many cases at interest rates significantly lower than those offered by the major banks.

The company does this by making an initial "soft call" on their credit files which does not negatively impact their overall credit rating.

As part of the move to a more proactive reporting regime, Mr Yetton announced that SocietyOne has started to provide positive credit data to the credit bureaus that it uses to assess applications by its customers for credit.

Consequently, SocietyOne is also able to receive positive reporting data in return from those providers, allowing the company to get a better view of the good financial standing of its customers. This is in stark contrast to the negative assessment which currently drives Australia's reporting regime.



SocietyOne is one of just 13 credit providers to have signed up to the positive credit reporting system.

“Comprehensive Credit Reporting (CCR) has been available to consumers in the UK for over 10 years and it now only takes three to six months for consumers in the UK to improve their score. We’d like to see a similar system implemented in Australia to help lenders engage in more accurate, responsible lending.

“Ultimately, I believe these changes will result in a more competitive lending market place. Consumers with positive credit scores will be able to negotiate better deals and new lenders will be able to compete on more equal terms,” he said.

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**About SocietyOne**

SocietyOne began operating in 2012 and is Australia’s leading online lending marketplace for personal loans, connecting borrowers and investors through a risk-based pricing digital auction marketplace on its ClearMatch technology platform. SocietyOne was named in September 2016 in the Global Top 100 FinTechs by KPMG and H2 Ventures. The company also won the Best Digital Offering of the Year category in the 2016 AB+F Australian Retail Banking Awards and the 2016 Fintech Innovation in Lending award in the inaugural Australian Fintech Awards. For more information visit [www.societyone.com.au](http://www.societyone.com.au)