

## Chapter 5

# Responsible lending

 5.4 Conduct of business: credit brokers**Application**

---

5.4.1 **R** This section applies to a *firm* with respect to *credit broking*.

**Conduct of business**

---

- 5.4.2 **R**
- (1) In giving explanations or advice, or in making recommendations, a *firm* must pay due regard to the *customer's* needs and circumstances.
  - (2) In complying with (1) a *firm* must pay due regard to whether the *credit* product is affordable and whether there are any factors that the *firm* knows, or reasonably ought to know, that may make the product unsuitable for that *customer*.

[Note: paragraphs 4.32 to 4.36 of CBG]

5.4.3 **R** A *firm* which undertakes to search the product market or a part of it before effecting an introduction must, before doing so, search the product market to the extent stated to the *customer*.

[Note: paragraph 4.41j of CBG]