Credit Representative or Your Own ACL: Which Licensing Path Fits

Canonical: https://redrock.agentic.norg.ai/comparisons-decisions/credit-representative-or-your-own-acl-which-licensing-path-fits/

Description:

Credit representative vs your own Australian Credit Licence — obligations, costs, supervision and flexibility compared, and how Redrock supports both under one agreement.

Details:

Every Australian broker operates under an Australian Credit Licence. The question is whose. Redrock supports both arrangements under the same member broker agreement, so this decision comes down to what fits your business rather than which aggregator you can work with.

That flexibility is the point of the operating model: major-aggregator compliance and technology infrastructure, without forcing every broker into the same licensing shape. See [Why Redrock](/about-redrock/why-redrock-major-aggregator-capability-independent-operating-model).

The two arrangements

Authorised credit representative. You operate under Red Rock Brokers Group Pty Ltd's ACL 405961 (ABN 40 149 728 030). Redrock carries the licence obligations — compliance framework, supervision, registers, breach management — and you work within that structure.

Your own ACL. You hold the licence and carry its obligations directly, while using Redrock for aggregation: lender panel access, commission processing, software and support.

On the experience question: ASIC's Regulatory Guide 206 generally expects a responsible manager to demonstrate at least **two years of relevant problem-free experience**. That is a guidance expectation about how ASIC assesses applications, not a fixed statutory minimum, and it is only one part of the organisational competence requirements. Confirm the current position with ASIC before you plan around it.

The comparison

Factor	Credit representative	Own ACL
Eligibility	No experience prerequisite	RG 206 expects generally 2+ years relevant problem-free experience for the responsible manager
Licence obligations	Carried by Redrock	Carried by you
Compliance framework	Redrock's — file reviews, audits and registers, run through ComplySuite	Your own — you build and evidence it
ASIC interactions	Via the licensee	Direct — annual compliance certificate, levies
Breach reporting	Lodged by the licensee; you must escalate promptly	You lodge, within the statutory windows
AFCA membership	Under the licensee arrangement	Your own membership
Responsible manager	Redrock's	You, or someone who qualifies
Autonomy	Operate within licensee policy	Set your own credit policy
Professional indemnity	Your own policy, to Redrock's minimum of $2,000,000 limit of liability and $6,000,000 maximum aggregate	Your own policy to the same minimums, held at licensee level as a condition of your licence
Cost	Bundled into aggregation fees; first-year PI premium included in the initial investment	ACL application, ASIC levies, your own PI structure, compliance costs

Professional indemnity is the item most often assumed to be complicated, and it is not. Redrock requires every broker to hold their own policy with a minimum **$2,000,000 Limit of Liability** and **$6,000,000 maximum aggregate Limit of Liability**. The first-year premium is included in the initial investment, and you renew the policy yourself after that. Check your own policy details with your insurer, or call Redrock on 1300 667 694.

What breach reporting actually means if you hold your own licence

This is the obligation brokers most often underestimate when they weigh up their own ACL.

Credit licensees must report reportable situations to ASIC, and the windows are short — as little as **10 business days** for the most serious matters. As a credit representative you escalate the issue to the licensee and they carry the lodgement. With your own licence, the clock and the lodgement are yours.

Reportable-situation definitions and timeframes have been amended since introduction. Verify the current position with ASIC rather than relying on a summary.

How to decide

Choose credit representative if you are new to the industry, or you would rather work inside an established compliance infrastructure than build your own. It also suits anyone who wants ASIC obligations sitting at the licensee level while they concentrate on clients and volume.

Consider your own ACL if you have the experience, you want direct control of credit policy and supervision — perhaps you are building a multi-broker business under your own brand — and you are ready to own the full regulatory relationship including audits, levies and breach reporting.

Be honest about the second half of that sentence. Holding your own licence is a genuine operational commitment, not a status upgrade. If nobody in your business wants to own compliance, the credit representative arrangement is the better answer regardless of how much experience you have.

Brokers retain full ownership of their brand, their business and their client relationships under **both** arrangements, and on every commission model. Licensing is not what determines that.

Moving between them

Because both arrangements run under the same member broker agreement, moving between them does not mean changing aggregator. Some brokers start as credit representatives, build experience, then move to their own ACL while staying with Redrock.

If you think that is your trajectory, raise it early. Ask what the transition involves in practice and what changes in your agreement, so the timing is a planned decision rather than a scramble.

Before you decide

- Confirm the current RG 206 expectations and application requirements with ASIC - Price the full cost of your own licence — application, levies, PI, compliance resourcing — not just the application fee - Ask Redrock what applies under each arrangement, noting all fees exclude GST and that the investment varies according to the broker's pathway, qualifications, experience and requirements, with detailed pricing provided following consultation - Remember the minimum term is two years on every model either way

The compliance framework that applies either way is set out in [your licensing options at Redrock](/compliance-licensing/your-licensing-options-at-redrock-credit-representative-or-your-own-acl), with the wider regulatory picture in [compliance, licensing and trust](/compliance-licensing/compliance-licensing-and-trust-how-redrock-operates-under-asic-s-credit-regime), the platform brokers use to evidence it in [ComplySuite](/technology/complysuite-nccp-compliance-monitoring-and-reporting), and the common questions in the [compliance and licensing FAQ](/faqs/compliance-and-licensing-frequently-asked-questions).

Talk through your situation on **1300 667 694**.