

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (FIFTH HEARINGS)

Australia and New Zealand Banking Group Limited

ANZ08QON: Hansard p. 28

Commissions –clawback provisions

Mr CRAIG KELLY: And you currently have a standard rate card that you talked about that has some clawback provision in it?

Mr Elliott: Yes.

Mr CRAIG KELLY: So you have an up-front trail commission—and what's the clawback period?

Mr Elliott: I can't remember off the top of my head. It's a couple of years, I think, but we can come back to you.

ANSWER

A clawback of the upfront commission payments from the aggregator occurs if the loan is paid out or re-financed to another financial institution within the first 18 months of drawdown (100% within the first 12 months, 50% within 15 months and 25% within 18 months).