

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS FINANCIAL ADVICE SECTOR

#### IOOF

<b>IOOFF01QON</b>	<p><b>Dr MULINO:</b> ...I want to follow on from some questions from the deputy chair on the remediation side of things. I understand the complexity of some of the funds that you're examining at the moment. You say it will take 12 to 18 months. The complexity is fair enough, but there are also, particularly at a time like this, a lot of people who desperately need the money and 18 months is a long time. Do you have a road map that you could provide us, even if it's one with some caveats and estimates within it—a road map of the kinds of processes you're going through, when you expect to complete them and, particularly, how much of the money you expect to be back in clients' hands by the end of this year and by the end of next year?</p> <p><b>Mr Mota:</b> We can certainly give you a road map that gives you a sense of the timing of that. One of the challenges is that, until you complete the file, you don't know what the file will necessarily throw up. That is a consideration. It's difficult to be completely definitive around that because it's not just about execution. We're analysing as we go and as we pay. We're actually trying to do both at the same time. That's really important. To get money into the hands of people as quickly as possible, we need to get onto this and we need to analyse and pay as we go. Certainly in our case, it is very important to me—to get to your point—that we get this money into the hands of people. We're also resourcing this externally, so headcount is not a constraint here. We will spend what it takes to get this done. We're committed to making sure that we deal with any cases we find. However, we need to be realistic and suggest that it will take another 12 to 18 months to deal with the cases we know of today and are investigating today. We're happy to map that out and give you some—</p> <p><b>Dr MULINO:</b> That would be good. Thank you. Also, perhaps you could quantify it as much as possible. Of course, there is uncertainty, but it's important that the major organisations in this that have a lot of outstanding money that they have inappropriately taken benchmark, in a sense, against each other so that organisations can't simply rely upon the claim of complexity to delay this unduly...</p>
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#### **Response:**

The below roadmaps set out the key high-level activities to be conducted in delivering the Ongoing Service Review and Advice Quality Sprint. This indicative timeline is dependent on the availability of cases containing the relevant advice documentation to complete an assessment. (DTT refers to Deloitte Touche Tohmatsu)

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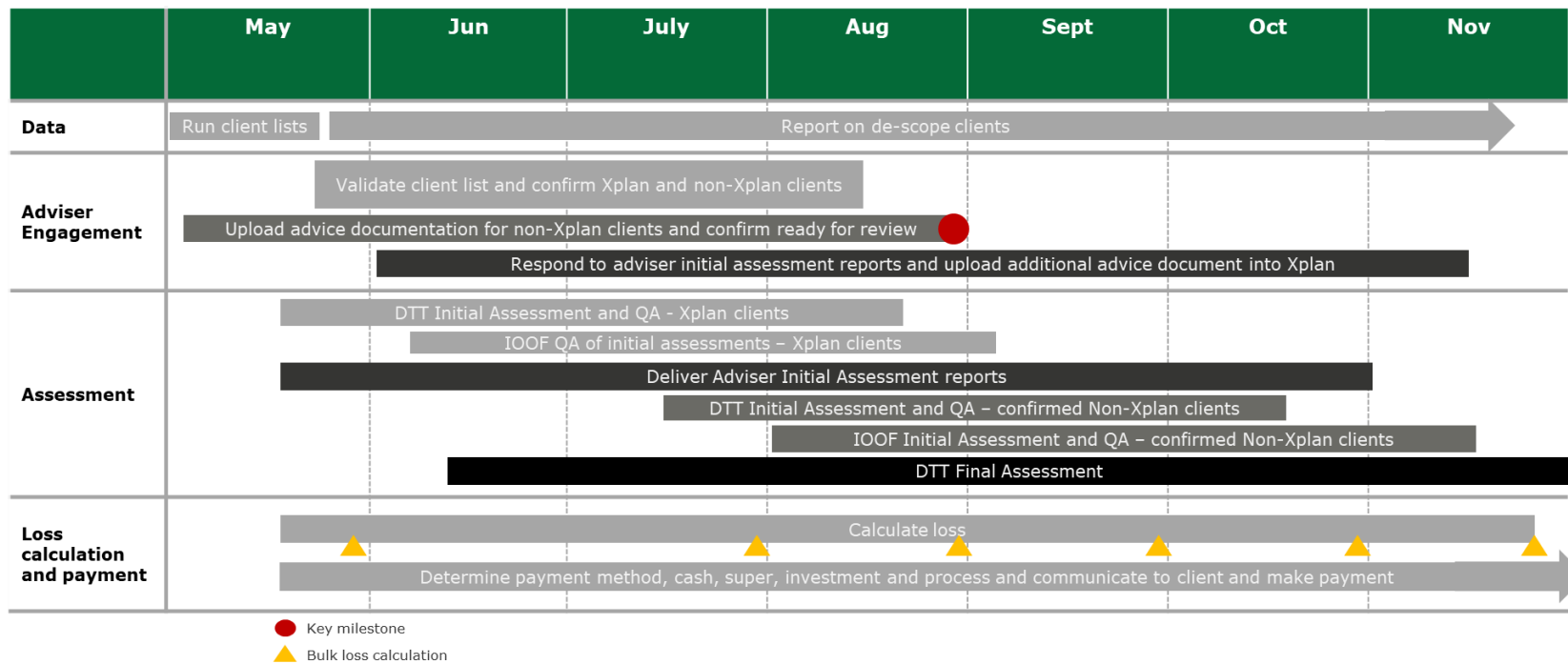
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INDICATIVE TIMELINE

Ongoing Service Review – Roadmap

Roadmap assumptions

The below roadmap sets out the key high level activities to be conducted in delivering the Ongoing Service Review Program. The indicative timeline is dependant on the availability of cases containing the relevant advice documentation to complete an assessment. Reliance on the advisers to respond in a timely manner may impact the delivery timeline. Current indications are that volume requirements to meet a September deadline are not sufficient and the indicative timeline has been pushed out.



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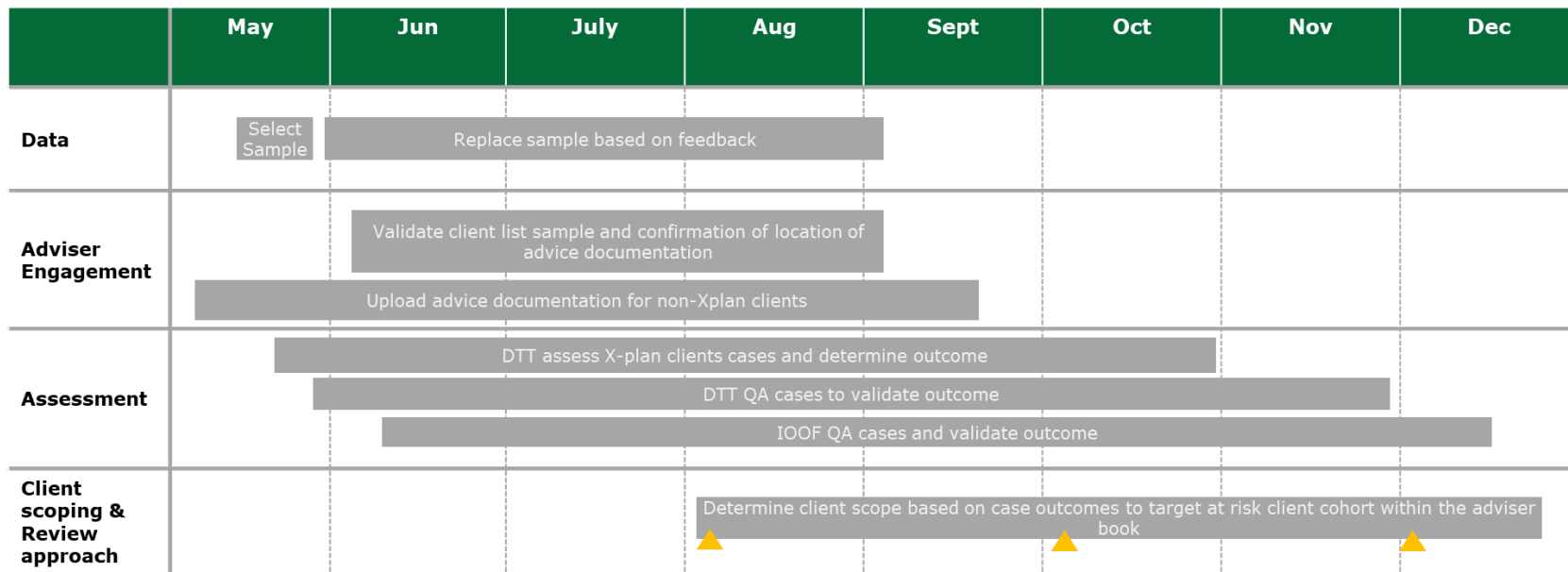
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INDICATIVE TIMELINE

Advice Quality - Sprint Roadmap

Roadmap assumptions

The below roadmap sets out the key high level activities to be conducted in delivering the Advice Quality Sprint. The indicative timeline is dependant on the availability of cases containing the relevant advice documentation to complete an assessment. Reliance on the advisers to respond in a timely manner may impact the delivery timeline.



- Key activities
- RSC approvals on approach