

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

ANZ

ANZ83QW: (a) Are you required to follow responsible lending laws for loans that are predominantly for a business purpose?

(b) Is that requirement different if the family home is being used as security for the business loan?

Answer: (a) No. The responsible lending laws do not apply to credit contracts unless the whole or predominant purpose of the credit is for personal household or domestic use, or for investment in residential property. Where the credit is predominantly for a business purpose (which is not investment in residential property), the responsible lending laws do not apply.

(b) No. The purpose of the proposed credit determines whether the credit contract is regulated by the responsible lending laws. The nature of the security property is not relevant.