

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

Citi Australia

CAB07QW: A copy of the bank's payment term policy or policies.

Answer:

Citi's Expense Management Policy (CEMP) is a global Citi policy which governs payment terms with suppliers. The CEMP is subject to strict confidentiality requirements, and the response below is relevant to that part of the CEMP which addresses Citi's payment terms.

In relation to supplier payment terms, the CEMP provides that payment terms will be determined and approved according to local market conditions, regulations and contractual terms. The supplier payment terms for Australia are net 30 days.

In summary, standard terms and conditions are set at 30 days for all Australian suppliers, regardless of size. The terms of payment are within 30 days from receipt of invoice and no discount is applied to early payments, unless specifically offered by the supplier.