

Media Release



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ANZ to address pre-1996 personal loan errors

ANZ today announced it would compensate customers who suffered financial loss as a result of documentation errors for fixed interest personal loans taken out between 1985 and 1996.

The documentation errors relate only to some ANZ fixed interest personal loans taken out between 28 February 1985 and 31 October 1996. The errors range from mistakes such as having the wrong date on the credit contract where no financial loss has occurred and compensation is not payable, to compensatable errors where there has been financial loss to the customer such as failing to properly rebate credit insurance premiums.

The errors are a breach of the Credit Act in force between 1985 and 1996 in Victoria, New South Wales, Australian Capital Territory and Western Australia, and between 1989 and 1996 in Queensland. The Credit Acts have since been repealed and replaced by the Uniform Consumer Credit Code.

ANZ estimates around 6,000 customers may be entitled to some form of financial compensation.

The decision by ANZ follows discussion with legal firm Maurice Blackburn Cashman and an ANZ investigation that indicated the errors had resulted from faulty documentation procedures and inadequate staff training. Since 1996 ANZ has overhauled its systems and training procedures ensuring there has been no repeat of the errors and that ANZ is compliant with the Uniform Consumer Credit Code.

ANZ Head of Personal Financial Services Mr Peter Hawkins said ANZ apologised to all fixed interest personal loan customers who had been affected by the documentation errors.

"While the errors occurred between seven and sixteen years ago, it is not acceptable that these types of error have occurred at any time. We are committed to providing customers who have incurred financial loss with appropriate compensation," Mr Hawkins said.

Advertisements advising fixed interest personal loan customers of the potential errors and the process for contacting ANZ and seeking compensation will appear in newspapers around Australia over the next month.

Customers who wish to find out if any of their personal loan contracts with ANZ are affected can call ANZ on 1800-353 969 during business hours. Customers can also obtain additional information on compensation by contacting Maurice Blackburn Cashman Lawyers on 1-800-088 700.

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