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ANZ measures to help customers avoid exception fees

ANZ continues to build on the range of measures introduced over the past 12 months to help customers avoid exception fees, simplify the way these fees apply, and in the event that customers incur them, reduce the burden for those on low incomes.

Exception fees are fees charged when there are not sufficient funds to cover a transaction, including honour and dishonour fees, periodical payment non-payment fees and credit card late payment and overlimit fees.

Effective from 7 August 2006, ANZ reduced to \$10 any exception fees incurred by low-income earners on ANZ Access Basic Accounts. ANZ also simplified all other exception fees to a single rate of \$35.

ANZ has introduced a number of initiatives to increase customer awareness about how to avoid exception fees. For example, customers who open a new ANZ transaction account now also receive a brochure "Keeping you informed about honour fees" as part of their welcome kit. This brochure explains what an honour fee is, why it is charged and ways to avoid incurring these fees.

All customers who incur an honour fee will promptly receive a letter to explain why the fee was incurred and ways to avoid it in the future.

ANZ has also reviewed its website to confirm that information about exception fees that is published on the website in relation to each product is easy to find and understand.

Exception fees are fully avoidable, and one of the simplest options for customers is to check their balance via ATMs, Telephone Banking or Internet Banking to ensure there are sufficient funds to cover any transactions.

Specific options to minimise or avoid exception fees which are detailed in ANZ brochures and on the ANZ website include:

- ANZ Assured - a small credit limit of either \$500 or \$1,000 that can be linked to the customer's transaction account. It provides a safety net against the consequences of accidentally overdrawing the account, including missed payments and fees (a credit facility fee of \$5 per month applies);
- Asking ANZ to switch off the ability to overdraw the transaction account via Internet and Phone Banking, EFTPOS, and ATMs so that customers cannot incur an honour fee when using these payment methods;
- ANZ Access Basic - an account designed for customers in receipt of eligible government benefits with no monthly fee and unlimited free ANZ transactions. All exception fees incurred on ANZ Access Basic are reduced to \$10.
- Setting up CardPay Direct on a credit card to ensure the customer's minimum monthly payment is made on time. CardPay Direct enables customers to make regular automatic payments to their ANZ credit card account.

Exception fees are fully disclosed in the relevant ANZ terms and conditions and Product Disclosure Statements, as well as being available on www.anz.com and in ANZ branches.

ANZ continues to examine ways to ensure customers are aware of, and know how to avoid, exception fees, and to minimise the impact on low-income earners. A further announcement in relation to this work is expected in the near future.

Should any customer be experiencing difficulty in managing their accounts, they are encouraged to contact ANZ to discuss their individual circumstances and whether an alternative repayment arrangement can be established on their account.

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