

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

ANZ

ANZ87QW: What regulatory changes would be necessary to enable banks to lend to individuals with SMSFs, who are in the retirement phase, to allow them to seek credit for the purchase of assets (such as homes) or to address short-term cash flow issues?

Answer: We are not aware of any specific prohibitions on lending to an individual who happens to be in the retirement phase of a self-managed super fund (**SMSF**).

To comply with the responsible lending obligations in Part 3-2 of the *National Consumer Credit Protection Act 2009* (Cth), a lender would need to conclude (among other things) that the individual would be able to repay the loan without substantial hardship.

This could include checking that the individual's income stream from an SMSF would be sufficient to satisfy the loan repayments.

We note that lending to individuals with SMSFs is not the same as lending to the trustee of an SMSF.