

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS

#### Bendigo and Adelaide Bank Limited

**BAB39QW:** *The Pension Loans Scheme (PLS) is a Government scheme that allows older Australians, who own real estate in Australia, to get a voluntary non-taxable fortnightly loan from the Government to supplement their retirement income.*

*(a) Do you allow customers to use a property that has an existing mortgage or reverse mortgage with your bank as security for the PLS? If not, why?*

Generally speaking, BEN allows customers to use a property that it has a mortgage over as security for another loan. In relation to PLS specifically, whilst we do not appear to have had any experience with PLS within the context described in the question, our position would most likely not change from the general position stated above.

*(b) Do you allow the Government to lodge a caveat for the PLS against the title of a property that has an existing mortgage or reverse mortgage with your bank? If not, why?*

As stated above, we do not appear to have had any experience with PLS within this context, however we believe the answer would be “yes”, (whilst also noting that a mortgagee’s consent is not usually sought before the registration on title of a caveatable interest).