

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (FOURTH REPORT)

Commonwealth Bank of Australia

CBA28QW: Why does the deferred sales model in the new Banking Code of Practice not cover home loans or online sales?

Answer: The home loan sales process includes multiple interactions between staff and customers over a longer period, giving the customer additional time to consider the suitability of insurance for their needs.

In an online environment, there are inbuilt controls that operate to ensure the product is not sold to customers whose circumstances render them ineligible.