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ME Bank stands by you in the tough times as well as the good.

Members Equity Bank (ME Bank) welcomes the Federal Government's initiative to encourage Australian banks to adopt a set of common principles to assist individual borrowers who are facing temporary financial hardship.

ME Bank has implemented these principles, which establish standardised arrangements to assist customers who are unable to meet their contractual obligations due to unemployment or other reasonable cause.

Under the existing ME Bank hardship policy a customer may request a re-payment holiday of up to 12 months. In addition ME Bank already waives discretionary fees in the case of a hardship and does not charge penalty interest.

Tony Beck, Head of Corporate and Social Responsibility at ME Bank, said the prospects of a continuing difficult economic climate, increased unemployment and home loan defaults were of great concern to families.

ME Bank works in close partnership with the ACTU, affiliated unions and industry superannuation funds to deliver a fair deal to working families. It was critical that in times of economic turmoil the Bank stood behind and supported customers in their time of need.

"Our Bank's incidence of default is lower than the industry average due to responsible and prudent lending practices and we have a comprehensive safety net in case any of our customers find themselves in difficulty" he said.

The key elements of the ME hardship assistance include:

- mortgage relief
- fee relief
- variation to contract terms
- customer support, counselling and advice
- staff training and support

It is in customers' best interests if they approach the Bank for assistance and advice at the earliest opportunity to enable the Bank to assess each case promptly.

Tony Beck
Head of Corporate and Social Responsibility
ME Bank
039605 6011
0423603322