

# Commercial Broker News



## Introduction

In the March edition of the Commercial Broker News, we congratulate the ANZ Mortgage Broker team who won the *Lender of the Year* award at the recent MFAA Excellence Awards.

There are also exciting changes to the Easy Upgrade Finance (EUF) policy and our provision of financial statements policy, which will make working with ANZ even easier. This improvement in the credit policy includes increases in thresholds and the age of assets (now up to 10 years).

A special offer with a new Variable ANZ BML rate has been released and we have some tips for smoother processing of applications.

Kind regards,  
**Cosi De Angelis**

ANZ

Head of Commercial Broker

P: +617 3228 3746

E: [Cosi.DeAngelis@anz.com](mailto:Cosi.DeAngelis@anz.com)

## In this Issue

March 2012

### Asset Finance Broker

1. [Easy Upgrade Finance \(EUF\) Policy Upgrade](#)
2. [Financial Requirements Change](#)
3. [Personal Properties Securities Act \(PPSA\) annexure document](#)
4. [Reminder: New security settings for passwords for EsandaNet access](#)
5. [Reminder: Auto Approval tips – employment guidelines](#)
6. [Requirement to manually refer some Auto approved applications for manual assessment](#)

### Commercial

1. [Variable ANZ BML Special Offer – 7.70% pa](#)
2. [ANZ wins 'Tier 1 - Lender of the Year'](#)
3. [ANZ provides assistance to customers affected by the floods in NSW and VIC](#)

## Asset Finance Broker

### 1. Easy Upgrade Finance (EUF) Policy Upgrade

We are simplifying the credit policy to improve the customer experience. ANZ has been working on aligning the Replacement, Refinance, Balloon and Easy Upgrade Finance (EUF) policies to merge as one policy document.

#### Why the change?

These policies currently deal with the same type of scenario - a customer with an existing contract wanting to swap over to another contract with relatively similar repayments.

Previously, the four policies caused confusion when a change in contract was desired. The new policy change will make it easier for policy interpretation for our introducers and provide a better customer experience.

## When does it apply?

This is effective immediately.

## What do I need to know?

The key points of the policy are:

- Total outstandings with ANZ Asset Finance need to be less than \$500k;
- Goods to be like for like - Industry related (*previously like-for-like goods*);
- Business to be operating in the same industry with the same type of work for at least 3 years with no significant organisational restructure in the last 12 months and have the same signing identities;
- Customer to have A rated credit with Esanda, ANZ or another approved financier (must be on our approved financier list);
- The repayments on the new contract cannot increase by more than 25% of what they were for the previous contract;
- Assets must not exceed 10 years of age at the expiry of the contract (motor vehicles permitted up to 12 years) - i.e. a Truck on a 5 year contract cannot be older than 5 years at the point of application (*previously new to 4 years*);
- The credit file to be clear of any credit defaults;
- The account conduct on any ANZ lending must be in order;
- The supplier to be acceptable to ANZ Asset Finance (Private Sales are only permitted for motor vehicles where we have the Glasses price to confirm exposure) (*previously no Private Sales*);
- Customer to confirm that they have the financial capacity to service the commitment (no financials required – checklist confirmation from the customer);
- Non Esanda customer - have net tangible assets greater than \$200k (not required for motor vehicles); and
- Customer to confirm that no alternative finance has been taken out (checklist confirmation from the customer and assessor to check credit file).

Goods Type	Previous Threshold	New Threshold
Trucks	\$500,000	\$500,000
Buses	\$500,000	\$500,000
Trailers	\$250,000	\$500,000
Earthmoving & Mining	\$250,000	\$500,000
Motor Vehicles	\$150,000	\$150,000
Agricultural	n/a	\$500,000

## Things to note

- Currently, this policy is only applicable for unregulated lending (non consumer);
- The contract being replaced must not have been finalised more than 6 months ago
- Refinance of OFI contracts and/or the replacement of existing contracts will only be considered when they have run for at least 12 months.

For more information, refer the [EUF Checklist](#)  or speak to your Broker Manager.

## 2. Financial Requirements Change

ANZ has made some additional Policy changes to the Financial Statements requirements. The policy now requests formal accountant prepared financial year-end Profit and Loss Statements, no older than 21 months (previously 18 months) from balance date with a minimum of twelve months trade detailed i.e. 31 March annually rather than 1 January.

## 3. Personal Properties Securities Act (PPSA) annexure document

From Saturday 24th March the PPSA annexure clauses will be incorporated into an updated Terms & Conditions document.

Accordingly, the annexure document will no longer be required for any contract documents printed on or after Saturday 24th March.

Documents printed before 24th March will still require the annexure to be signed and submitted for settlement.

## 4. Reminder: New security settings for passwords for EsandaNet access

If you need to call the Esanda Help Desk to have a password changed, you will be asked to provide answers to two additional questions over and above the one "challenge and response" question we already have on file for you.

You can choose two questions from the list below to provide answers to:

- What was the model of the car you first learnt to drive in?
- What is your mother's middle name?
- Where did you go on your first holiday?
- What is your father's place of birth?
- What was the first single/album you brought?
- What is the name of your first teacher?
- What is the name of your favourite childhood book?
- What is the name of the first street you lived in?
- What was the first movie you when to see?
- What is the name of your first pet?

Once we have captured the additional information we will be able to assist with a new password. Going forward, you'll be asked to answer at least two questions successfully for any password changes.

## 5. Reminder: Auto Approval tips – employment guidelines

To ensure that your applications are processed as quickly as possible, please note our employment guidelines below and ensure the nature and duration of your customer's employment is captured when submitting applications.

Employment guidelines:

- Full Time - employed for a minimum of 3 months (completed probation period)
- Part Time/contract - if employed for less than 6 months confirmation is required of a minimum of 12 months continuity of employment in the same industry
- Casual employment must be regular for 12 months; tax returns required for seasonal workers

Please Note: If you receive a system approval with the employment tenure less than the Esanda credit guidelines stated above, you are required to refer the application for manual assessment.

## 6. Requirement to manually refer some Auto approved applications for manual assessment

While we aim to maximise the number of automatic approvals provided to you by the system, there are some specific situations where these need to be referred in for manual assessment. In order to assist us process applications and settle deals smoothly, please ensure that the following situations are always referred in for an analyst when you receive an auto approval:

- Self employed
- 40% or more of total income from Family Allowance or Pension
- New entrants to Australia
- Interstate applicants
- Previously Declined by an Analyst
- Private Sales
- Other goods
- Joint application where applicants reside at different addresses
- Approval condition listed as 'confirmation that balloon is acceptable by Esanda

We appreciate your cooperation and please speak to your Broker Manager if you have any questions.

[back to top](#)

## Commercial Broker

### 1. Variable ANZ BML Special Offer – 7.70% p.a.

Until further notice, ANZ Commercial Banking are offering a special rate on Variable ANZ Business Mortgage Loans (BMLs), fully secured by residential property with a minimum loan value of \$250,000.

The following fees and charges now apply:

**Variable Interest rate:** 7.70% p.a (i.e. the Business Mortgage Index less 1.42% p.a.)

**Loan Approval Fee:** 0.50% of the new facility amount

*All other fees and charges are at standard rates.*

The applicant must have an ANZ transaction account or be prepared to open one. These rates only apply to NEW business loans. All other fees and charges are at standard rates.

Offer valid until further notice.

### **Important information**

- All other fees and charges are at standard rates.
- The applicant must have an ANZ transaction account or be prepared to open one.
- These rates only apply to NEW business loans.

### **Important useful information**

- ANZ Commercial Banking has a process to assess new commercial loans where the re-finance of an existing home loan is required. Criteria apply - speak to your Broker Manager or Commercial Manager for further details.
- "ANZ Secured Lending" allows customers to apply for fully secured loans with streamlined documentation requirements. Criteria apply - speak to your Broker Manager or Commercial Manager for further details.

If you have any lending applications that meets the criteria, please contact your Commercial Manager, ANZ Broker Manager or call 1300 385 269.

## **2. ANZ wins 'Tier 1 - Lender of the Year'**

The industry's top performers were celebrated at the 2012 MFAA Excellence Awards presentation dinner held at The Westin, Sydney on the evening of Friday, 9 March 2012.

MFAA accredited members were invited to vote online against a set of seven criteria for the Lender of the Year. ANZ was voted the 'Tier 1 – Lender of the Year' for 2012.

- [More information about the MFAA Excellence Awards](#)

## **3. ANZ provides assistance to customers affected by the floods in NSW and VIC**

ANZ announced it has put in place special relief measures for customers who are affected by the heavy floods in parts of Southern NSW and North-Eastern Victoria.

The relief measures could include:

- Making reduced payments or suspending repayments on loans and credit cards for an agreed period of time (with interest capitalised);
- Applying for temporary adjustments to lending limits to assist with unexpected costs;
- Accessing term deposits early without incurring penalty fees;
- Restructuring finances or applying for new home or personal loans without incurring the usual application fees; and
- Waiving fees associated with the replacement of damaged business EFTPOS/credit card terminal.

Should any of your ANZ clients be affected by the floods, they are encouraged to contact their Relationship Manager or ANZ's dedicated financial difficulty team to discuss the

impact on their business or personal circumstances.

Customers impacted by the floods can call ANZ's dedicated financial difficulty hotline between 8am – 7pm, seven days a week on 1800 149 549, or they can also use our phone and internet banking services, which are available 24 hours a day, seven days a week on 13 13 14 or by visiting [anz.com](https://anz.com). OnePath customers can call 13 16 14 or visit us online at [www.anz.com.au/personal/insurance](https://www.anz.com.au/personal/insurance).

[back to top](#)

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