

Commonwealth Bank to repay 65,000 customers about \$10m for unsuitable insurance

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Not good enough, regulator! The regulator has not addressed the criminal cartel behaviour of Australian banks and parasitic fee structures, gifted by corrupt, Paul 'deregulation' Keating. Massive fines or nationalisation are the only remedies for corporations that act illegally and steal from Australian citizens. However, the CBA by force is dealing with some illegal (fraud) issues while NAB remains in denial over its outrageous systemic failures and continues to obfuscate and indefinitely stall clients with legitimate complaints, isn't that right Mr chairman, Ken Henry?



CBA's CEO, Ian Narev, terminated

Foreign CEOs and executives, which have overrun large Oz corporations, are directly responsible for introducing/implementing sordid, criminal practices in Australia, though the CBA unlike [NAB](#) is doing something to address this problem.

The Foreign CEO of CBA, Ian Narev, has been axed over his scandalous mismanagement, unlike the incompetents in NAB that survive due to continuing corruption and lack of board action, Mr Ken Henry.

From the Melbourne Age:

Commonwealth Bank will refund about \$10 million to more than 65,000 customers after selling them unsuitable insurance when they applied for credit cards and home loans.

The Australian Securities and Investments Commission (ASIC) on Monday said CBA sold CreditCard Plus insurance for credit card repayments to 65,000 customers between 2011 and 2015 who were either students or unemployed.

As a result, they wouldn't have been eligible to claim for unemployment or temporary and permanent disability cover provided by the insurance. Most were students with lower credit card limits.

The regulator said CBA would also repay about \$586,000 in premiums to another 10,000 customers it overinsured when they took out a home loan with the bank.

The bank had failed to adjust insurance premiums in cases where the final amount borrowed was less than the original loan applied for between 2007 and 2015, it said.

When a customer signs up for a mortgage, personal loan or credit card, banks often promote consumer credit insurance (CCI), which claims to help cover repayments if they lose their job, get sick or die.

ASIC deputy chairman Peter Kell said it was unacceptable that customers were sold insurance that didn't meet their needs.

"Consumers should not be sold products that provide little or no benefit, and banks should have processes in place that ensure this," he said.

ASIC said CBA and CommInsure identified the issue and reported it to the watchdog.

ASIC earlier this month [announced](#) that banks had agreed to hold off on selling CCI to customers for at least four days after they'd applied for a card in a branch or over the phone, rather than on the spot.

It said this type of insurance had long been problematic as customers were often unaware they had bought the cover, many ended up being ineligible when they made a claim, and the amount paid out by banks was much smaller than what customers paid in premiums.

News of the [refunds](#) comes as CBA announced chief executive Ian Narev will leave the bank by June 30 next year, and as it faces allegations it repeatedly breached anti-money laundering laws.

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What day is it, NAB chairman, Ken Henry?

<https://tinyurl.com/y8bo4krh>