

## Banks given get out of jail free card by Asic.

If you were awarded a high risk loan that attracted LMI (loan Mortgage Insurance) or a low Doc loan before 2010

You need to read this as you may not receive any help from the banks, if you need to consolidate or change your loan.

You may find you're on your own.

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The laws that were brought in to protect consumers in 2010 from irresponsible lending by banks and financial institutions and yet while they do prevent the banks from these practices, it also discriminates against consumers who were awarded high risk loans before this time.

An example of this is where a consumer was awarded a high risk loan such as a low doc loan or a loan which attracts LMI (loan Mortgage Insurance) and was after the loan awarded further credit from banks and financial institutions which further increased the risk of the original high risk loan, the banks and financial institutions no longer were allowed to let the consumer reduce their payments by consolidating their loans and/or credit which they were awarded,

As the banks and financial institutions could no longer approve consolidation / high risk loans which due to the new laws is considered un-reasonable lending.

This has left consumers in a position where it was reasonable to think when they were awarded the loans and lines of credit, regardless of the fact they were high risk as the banks and financial institutions new this when they awarded the loans and lines of credit, should they wish to consolidate these loans either to reduce repayments and/or consolidate the loans in times of hardship.

The ability to do just that no longer exists, giving the consumer an unfair ability to retain such loans and lines of credit it also allows banks and Financial institutions a get out of jail free card by not having to be responsible for the high risk loans and credit they awarded before the laws where changed in 2010 , Considering that in the years leading up to 2010 include the global financial crisis in which a record number of high risk loans were awarded to consumers, it is fair to assume that the laws that were introduced did not take these consumers into consideration, this action has discriminated against thousands of loans and lines of credit that were awarded at high risk a fair outcome by taking away their ability to maintain or reduce the payments of these loans which will result in lost homes and lines of credit, as well putting consumers in to dire financial positions.

These laws will affect loans for an extended period of time over the next 25 years, until all or any loans that remain were awarded after 2010.

This is an unacceptable law which directly affects consumer's rights and the responsibility that should be that of the banks and financial institutions that awarded the high risk loans involved.

Instead it will come at a cost to thousands of consumers who were awarded high risk loans which under the new laws are no longer acceptable.