



SEQUAL – Available for Comment

SEQUAL RAISES STANDARDS BEYOND REGULATORY OBLIGATION

–Ensuring that Senior Australians benefit from the development of an Ethical and Efficient Equity Release market.

The SEQUAL Code of Conduct which imposes high standards of practice on its members is to be enforced by an independently-chaired Compliance Committee.

Sydney, 18 June 2010 – SEQUAL, the industry body for Australian Seniors Equity Release, has today announced the appointment of leading Banking & Finance lawyer, Mr. Jon Denovan as acting Chair of its Code of Conduct Compliance Committee.

“SEQUAL has introduced a number of significant self-regulatory initiatives and we welcome the appointment of Mr. Denovan as part of our ongoing commitment to ensuring that consumers can rely on high professional standards of practice within the Australian equity release market”, said Kevin Conlon, SEQUAL Chief Executive.

Mr. Denovan is an authority on compliance, procedures and documentation in the mortgage industry. He has significant expertise in consumer credit code, trade practices, third party distribution agreements, mortgage management, and securitisation. “Jon is well-placed to make a significant contribution to consumer protection in his new role with SEQUAL”, added Conlon.

The outgoing Chair of SEQUAL’s Compliance Committee, Mr. Kieren Dell, has announced his retirement from SEQUAL saying that, “My time with SEQUAL has been extremely rewarding and it has been pleasing to see the reputation of the seniors equity release market grow rapidly under the protections of the SEQUAL Code of Conduct”.

He added that, “I believe attitudes towards equity release are changing with financial services industry professionals, the media and consumers now recognising that equity release is likely to become an important part of retirement planning for many senior Australians. I continue to be passionate about the need for good advice and products in this area, and am confident that SEQUAL is in the best of hands to continue this important work”.



In acknowledging Kieren Dell's role in the successful establishment of SEQUAL, John Thomas - SEQUAL Chairman, said "Kieren has been with us since the beginning and his skills were a key factor in guiding the development of SEQUAL through those early days. As a member of the SEQUAL Board, Kieren has influenced the journey taken by SEQUAL to emerge as an effective industry body with primary responsibility for consumer awareness, regulatory guidance and professional conduct. On behalf of the SEQUAL Board, I wish Kieren continued success".

In commenting on the current regulatory review of the equity release market, Kevin Conlon stated that "Significant consumer benefit can arise when the impact of regulatory change is carefully considered and industry bodies like SEQUAL have the opportunity to guide the development of the market but there is always the risk that consumers can be deprived of important choices if the balance between regulatory intervention and market self-regulation is lost".

"Consumers appear to be well served by the role that SEQUAL has played in this market and as more Senior Australians face the challenge of funding their retirement, the existence of an ethical and efficient Senior Equity Release market is critical", Conlon added.

As the Australian population ages, the direct financial costs to governments are expected to rise due to the income support and health costs associated with an older population.

The Australian Equity Release market is expected to grow rapidly as the largest generation within the Australian population confronts the challenge of facing retirement "Asset-Rich but Cash Poor". According to Kevin Conlon, "Many Senior Australians are poorly prepared for retirement yet they can expect to live longer than any generation before them and intend to live well. Compulsory Superannuation is a good idea that came too late and it seems quite clear that the pension is not going to be the answer".

"The good news is that a large number of Senior Australians have achieved significant personal wealth through property ownership and this may provide the solution. Equity Release is a clear option for them to enjoy retirement without having to sell their home and move away from their network of friends and family," said Conlon.

As the industry body for Seniors Equity Release, SEQUAL is committed to ensuring retirees are well placed to make informed decisions when considering all the options for funding their retirement.

ENDS



Kevin Conlon SEQUAL CEO, is available to discuss:

- Asset-rich cash-poor retirees
- The financial stress those approaching and deep in retirement are facing
- The financial options available to retirees
- SEQUAL research which found the majority of retirees wealth is tied up in their home, but they rely on the aged pension to fund retirement
- SEQUAL's commitment to ensuring retirees can easily identify and access properly-trained market practitioners to assist them to carefully consider all the options

Note to Editor: A reverse mortgage is a loan to senior homeowners that allows them to access a portion of the equity value in their home. No repayments are required whilst the borrower(s) remains in their property. Interest and fees accrue on the loan and the loan is repayable in full when the last surviving borrower permanently vacates the home or the home is sold.

Kevin Conlon is highly regarded for his ability to combine technical knowledge with strong communication skill. He holds a Master of Finance degree and has broad experience in both domestic and international financial markets. Kevin is an acknowledged expert in Australia's rapidly-growing Equity Release market.

To arrange an interview with please contact Kevin Conlon on 0411 094 495 or Pauline Negline at SEQUAL Media on 0407 700 653