



# **MEDIA RELEASE**

**Friday, 23 January 2009**

## **RHG MORTGAGE EXIT FEES TEST CASE SETTLES**

Consumer Action has today announced that the test case legal action against RHG Mortgage Corporation (formerly RAMS Mortgage Corporation) on behalf of Ms Emily Hamilton has settled on confidential terms.

Paul Gillett, Director – Legal Practice, said that Consumer Action’s legal application had claimed that Ms Hamilton faced an excessive early termination fee to switch her home loan, despite RHG imposing interest rate rises well in excess of the Reserve Bank’s headline rate and the market.

“Almost 100 other RHG customers with similar problems to Ms Hamilton have now contacted us for advice and assistance,” said Mr Gillett.

“Unfortunately we simply do not have the resources to act for each of these consumers individually.

“We are currently investigating whether there are other ways in which we might be able to assist consumers who have complaints about their RHG home loan.”

Mr Gillett said that consumers seeking advice could contact Consumer Action’s legal team on 03 9629 6300.

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