



## Quiz

### The banker-customer relationship

1. What was the status of consideration provided by the bank in the variation of the loan term?
  - a. There was no consideration provided by the bank for the variation of the loan term
  - b. As the variation of the term could have benefited either party, it was held that consideration was provided
  - c. Consideration was found to exist as per objective theory of contract
  - d. The borrowers signed the variation, and this was considered enough for the requirement of consideration to be waived
2. Which of the following issues did the cases *Marsden v DCL Developments Pty Ltd* (No. 3) NSWSC 1795 and *Doggett v Commonwealth Bank of Australia* [2015] VSCA 351 involve?
  - a. Negligent lending
  - b. The lack of certainty in relation to the credit code
  - c. Asset lending
  - d. The notional 15-year term
3. What was the finding of the court in *Haynes v St George Bank a Division of Westpac Banking Corporation*; *Haynes v Westpac Banking Corporation* [2018] SASCFC 51 in relation to serviceability criteria in the banking code?
  - a. The bank does not need to form a view that there will be no default
  - b. The bank must only approve loans if there is no chance of default

- c. The bank does not need to look at borrower's default when assessing loans
  - d. The likelihood of default is the sole criteria that a bank officer must use when looking at whether or not to approve a loan
- 4. What was the finding by the Court in *Gooley v NSW Rural Assistance Authority* [2020] NSWCA 156?
  - a. The Court at both first instance and in the Court of Appeal found in favour of the bank
  - b. The Court at both first instance and in the Court of Appeal found in favour of the customer
  - c. The Court of Appeal referred the matter back to the trial judge citing an error of law
  - d. Both B and C
- 5. How did the bank attempt to recover the unpaid monies?
  - a. By making a demand to be repaid
  - b. By attempting to enter into a forbearance type arrangement
  - c. Through farm debt mediation
  - d. All of the above

Answers:

1. B 2. A 3. A 4. A 5. D