

resi home loans

HOME LOAN APPLICATION - ANNEXURES SMART PRO PRODUCT RANGE

SMART PRO

- | | |
|--|-------------|
| <input type="checkbox"/> 100 Points Identification Form Identity | Page 2 |
| <input type="checkbox"/> Check - Australia Post (print out separately) | Page 3 & 4 |
| <input type="checkbox"/> Broker Interview Guide | Page 5 - 12 |
| <input type="checkbox"/> Co-Borrower Acknowledgement | Page 13-14 |

***Please scan and email this signed application together with
the supporting documents to: applications@resi.com.au***

Failure to supply all supporting information may delay your application

100 PONITS IDENTIFICATION CHECK FORM

Identification check **MUST** include a document with photo identification. Original documents **MUST** be sighted by an authorised Broker and a clear copy of the documents must accompany this form. 100 points of verification is required in the possible combinations:

- 2 X Primary Photographic documents **OR**
- 1 X Primary Photographic documents **AND** 1 X Primary non-Photographic document **OR**
- 1 X Primary Photographic documents **AND** 1 X Secondary document

| Acceptable Documents | Notes | Points value per document |
|---|--|---------------------------|
| 1. Primary Photographic Documents: | | |
| Australian Drivers Licence | Must have photo and sealed in plastic. For road motor vehicles and cannot be expired | 70 |
| Australian Passport | Must have photo. Can be expired within preceding 2 years but not cancelled. | |
| Foreign Passport | Must have photo. Cannot be expired. Must have confirmation of citizenship/permanent residency. | |
| Proof of age Card (Photo ID Card QLD) | Must have photo and sealed in plastic. Must be Australian Government, State or Territory issued. | |
| 2. Primary non-Photographic Documents: | | |
| Australian or Foreign Birth certificate | Must not be birth extract. | 70 |
| Citizenship Certificate | Issued by Australian or Foreign Government. | |
| Australian Government Pension/ Social Security/Health Care Card | Must include name, address and cannot be expired. | |
| 3. Secondary Documents: | | |
| Australian Tax Office Notice | Must include name and address and be under 12 months old from date of issue. | 30 |
| Australian Student Photo ID Card | Includes name, address or date of birth and cannot be expired. | |
| Identification card/permit | Must be Australian Government, State or Territory issued and cannot be expired. | |
| International License or ID Card | Must include name, date of birth, photo and cannot be expired. | |
| Australian Medicare Card | Cannot be expired. | |
| Australian Local Government Rates Notice | Must include name and residential address and be under 3 months old from date of issue. | |
| Australian Utility Bill/Registration notice | Must include name and residential address and be under 3 months old from date of issue. | |

APPLICANT 1:

| | Document 1 | Document 2 | Document 3 |
|---|---|------------|------------|
| Document Type | | | |
| Document Number | | | |
| Full Legal Name (Surname first, please print) | Former Name ^ (Surname first, please print) | | |

^where names on supporting documents are inconsistent with ID Documents provided please provide: Change of Name, Marriage or Birth Certificate

APPLICANT 2:

| | Document 1 | Document 2 | Document 3 |
|---|---|------------|------------|
| Document Type | | | |
| Document Number | | | |
| Full Legal Name (Surname first, please print) | Former Name ^ (Surname first, please print) | | |

^where names on supporting documents are inconsistent with ID Documents provided please provide: Change of Name, Marriage or Birth Certificate

I am satisfied that the identity of the Applicant/s whose name, former name (if applicable), date of birth **or** residential address has been verified in accordance with the criteria listed above. I have sighted the original documents listed above. I have completed this in the presence of the Applicant and I verify that the above is true and correct. I am aware that any wilful breach of identification obligations are punishable under the AML/CTF Act 2006

| | | |
|---------------------|--|-----------------------|
| Broker Name: | Broker Signature: Electronic Signatures are not acceptable | Date Verified: |
|---------------------|--|-----------------------|

Broker Interview Guide (for NCCP Regulated Lending Only)

This form only applies to regulated loans that are secured over residential property. It should only be used where there is an application for a loan secured by residential property and where the purpose is wholly or predominantly for:

- personal, domestic or household purposes; or
- to purchase, renovate or improve residential property for investment purposes or to refinance credit provided for that purpose.

REQUIREMENTS AND OBJECTIVES

1. APPLICANT DECLARED PURPOSE

1.1 Tick the applicable box to confirm the loan purpose type: Owner Occupier Residential Investment

1.2 Select the purpose for which the loan proceeds will be used and specify the proposed amount required for each purpose selected (Multiple purposes can be selected.):

If purpose is wholly or predominantly commercial or investment (other than in residential property), this interview guide is not intended to be used.

| Purpose | Amount (\$) |
|---|-------------|
| <input type="checkbox"/> Purchase a property | |
| <input type="checkbox"/> Construction | |
| <input type="checkbox"/> Renovations | |
| <input type="checkbox"/> Investment Purposes | |
| <input type="checkbox"/> Purchase a motor vehicle, boat, trailer etc. | |
| <input type="checkbox"/> Refinance | |
| <input type="checkbox"/> Debt consolidation | |

Other Purpose(s) being:

Total Amount of Credit Sought:

1.3 Select the purpose for which the loan proceeds will be used and specify the proposed amount required for each purpose selected (Multiple purposes can be selected.):

If purpose is wholly or predominantly commercial or investment (other than in residential property), this interview guide is not intended to be used.

Where loan purpose declared in 1.2 includes Refinance, Debt Consolidation and/or Purchase a motor vehicle, boat, trailer etc, the following declarations would need to be made by the broker and acknowledged by the applicant(s).

I have discussed that the goods being financed / refinanced may not hold their value for as long as the remaining term of the loan and so the applicant(s) may be paying for those goods beyond their useful lifespan and value. Additionally, I have discussed that the applicant(s) may not be in a position to finance the replacement of those goods if the term exceeds the lifespan of the original goods.

I have discussed with the applicant(s) that they may end up paying more interest compared to taking the loan over a shorter term more in line with the useful life of the goods.

I have discussed with the applicant the option of a separate loan with a shorter term for the part of the loan required for the purpose of the goods.

The applicant(s) appeared to understand and wants to proceed.

Where Debt Consolidation has been selected in 1.2, please complete 1.3 and 1.4.

Otherwise, continue to 1.5.

1.3 If Debt Consolidation was selected in 1.2, will existing credit card limits be reduced or cancelled?

Yes No

If Yes, please give details below:

1.4 I have discussed with the applicant(s) that they may end up paying more interest, particularly if the applicant(s) incurs further credit card, personal loan or car loan debt after consolidating existing debts.

The applicant(s) appeared to understand and wants to proceed.

1.5 Term of credit sought:

Years

Months

2. REFINANCE & DEBT CONSOLIDATION

This section is to be completed if the applicant(s) is refinancing or consolidating debts with the proceeds of the proposed loan. If the applicant(s) is not refinancing or consolidating debts, continue to the 3. Possible Adverse Changes to Financial Situation.

2.1 Why does the applicant(s) want to refinance the existing loan? (Multiple options can be selected.)

Reduced repayments

Please specify current and anticipated repayments under the existing loan:

Lower interest rate

Please specify current and anticipated interest rates under the existing loan:

Increase total loan amount

Greater flexibility / extra or specific loan features under proposed loan

Please give details:

Wants to reduce number of lenders / consolidate debts

Please give details:

Dissatisfied with other financial institution

Please give details:

Close to end of current loan term

Please give details:

Other

Please give details:

3. POSSIBLE ADVERSE CHANGES TO FINANCIAL SITUATION

3.1 Do the applicant(s) plan or anticipate changes (other than retirement - see 3.4) to their future financial circumstances that could ADVERSELY impact their ability to repay the loan?

Yes No

If Yes, specify to which applicant(s) the changes apply and answer the remaining questions for all applicants together.

Applicant 1 Applicant 2

3.2 If Yes, what is the nature of the planned or anticipated change?

Select one or more of the relevant options and give details of the expected change or changes in the table below.

| | Period of Impact | Monthly Financial Impact (\$) |
|---|----------------------|-------------------------------|
| <input type="checkbox"/> Extended unpaid leave (e.g. parental leave) | <input type="text"/> | <input type="text"/> |
| <input type="checkbox"/> Reduced income | <input type="text"/> | <input type="text"/> |
| <input type="checkbox"/> End of contract / loss of employment | <input type="text"/> | <input type="text"/> |
| <input type="checkbox"/> Leaving employment | <input type="text"/> | <input type="text"/> |
| <input type="checkbox"/> Increased debt repayment(s) for an existing loan | <input type="text"/> | <input type="text"/> |
| <input type="checkbox"/> Large expenditure | <input type="text"/> | <input type="text"/> |
| <input type="checkbox"/> Medical treatment / illness | <input type="text"/> | <input type="text"/> |

Other (please give details below)

3.3 How do the applicant(s) intend to meet their loan repayments following the planned or anticipated change(s)?

Select one or more of the relevant options and give details of those options in the table below.

| | Details |
|--|---------|
| <input type="checkbox"/> Additional income source | |
| <input type="checkbox"/> Reduce expenditure | |
| <input type="checkbox"/> Sale of assets | |
| <input type="checkbox"/> Savings and/or Superannuation (please give details if not already captured in Financials) | |
| <input type="checkbox"/> Co-applicant's income (please give details if not already captured in Financials) | |
| <input type="checkbox"/> Other (please give details below) | |
| | |
| | |
| | |

3.4 At what age is the applicant(s) planning to retire?

Applicant 1

Applicant 2

If either applicant(s) plan(s) to retire during the proposed loan term or past age 70 (deemed retirement age) which will occur during the proposed loan term, continue to 3.5 (using whichever is the lower of the planned or deemed retirement age). Otherwise, continue to Section 4.

3.5 How would the applicant(s) propose to repay the loan? (Multiple options can be selected.)

| | |
|---|---|
| <input type="checkbox"/> Repayment of loan prior to retirement | <input type="checkbox"/> Downsizing home |
| <input type="checkbox"/> Sale of assets | <input type="checkbox"/> Recurring income from superannuation |
| <input type="checkbox"/> Superannuation lump sum following retirement | <input type="checkbox"/> Savings |
| <input type="checkbox"/> Income from other investments | <input type="checkbox"/> Co-applicant's income |
| <input type="checkbox"/> Other (please give details below) | |
| | |
| | |
| | |

4. LOAN FEATURES

Loan Features Selection

In order to complete this section, brokers must consider all answers previously given, and in particular, those relating to:

- Loan Purpose (Section 1);
- Refinance & Debt Consolidation (if applicable) (Section 2);
- Possible adverse changes to financial situation (Section 3);

Each feature in the table is to be marked as 'Important', 'Not Important' or 'Don't Want', depending on the broker's discussion with the applicant(s).

'Important' means the feature is a high priority for the applicant(s). 'Not Important' means it is not of high priority to the applicant(s). 'Don't Want' should be selected where the applicant(s) expressly do not want the feature.

Where a feature is identified as 'Not Important' or 'Don't Want', no further action is required for the purposes of this table.

Where a feature is identified as 'Important', the broker must ascertain from the applicant(s) why that feature is important to them. Please select the appropriate reasons in the 'Reason' column for any feature that is marked 'Important'. In selecting the reasons, the broker should ensure the applicant(s) consider the particular benefit(s) of the feature that is/are important to them (e.g. if fixed rate period is important a reason may be because the applicants want certainty of the repayment amount during the fixed rate period).

Where the feature has been selected for reasons other than for reasons already provided, ensure details of those 'Other' reasons are captured in the same column.

Where a feature is identified as 'Important', confirm the applicant(s) understands each of the risks contained in the 'Features' column by ticking the relevant box alongside that risk.

| Feature | Important | Reason | Not important | Don't Want |
|---|--|---|--------------------------|--------------------------|
| 4.1 Rate Type | | | | |
| <p>Fixed rate</p> <p>Rate is fixed for a specified term giving certainty of interest and repayments for that term.</p> <p><i>Ensure each applicant understands each of the following risks:</i></p> <ul style="list-style-type: none"> • Rate is fixed at a point in time and applicant(s) will not benefit from subsequent market interest rate reductions during fixed rate period. • Rate may change between the time of approval and the time of drawdown if rate lock has not been obtained. • Limited or no ability to make additional repayments while the interest rate is fixed. • May not have the ability to redraw. • Possibility of expensive break/economic costs if, during the fixed interest rate period, applicant(s): <ul style="list-style-type: none"> – Repay loan in full; – Switch to another product or loan type; – Make additional repayments over and above any prescribed limit; – Sell the property; or – Seek further funds. | <p><input type="checkbox"/> <i>If feature is marked 'Important', confirm that each of the risks listed in 'Features' have been explained to the applicant(s):</i></p> <p>AND</p> <p><input type="checkbox"/> indicate the preferred duration of the fixed rate period:</p> <p><input type="checkbox"/> 1 year</p> <p><input type="checkbox"/> 2 years</p> <p><input type="checkbox"/> 3 years</p> <p><input type="checkbox"/> 4 years</p> <p><input type="checkbox"/> 5 years</p> | <p>Where fixed rate is important, why is this?</p> <p><input type="checkbox"/> Certainty of repayments.</p> <p><input type="checkbox"/> Make budgeting easier.</p> <p><input type="checkbox"/> Other.</p> <p>Details for "Other":</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Variable rate</p> <p>Interest charged and repayments will change to reflect interest rate movements.</p> <p><i>Ensure each applicant understands the following risk:</i></p> <ul style="list-style-type: none"> • Interest rate and repayment amount may increase while the loan is on a variable rate. | <p><input type="checkbox"/> <i>If feature is marked 'Important', confirm that each of the risks listed in 'Features' have been explained to the applicant(s):</i></p> | <p>Where variable rate is important, why is this?</p> <p><input type="checkbox"/> To take advantage of potential future decreases in the interest rate.</p> <p><input type="checkbox"/> Flexibility with respect to repayment, redraw and/or early repayment of loan.</p> <p><input type="checkbox"/> Other.</p> <p>Details for "Other":</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <input type="checkbox"/> | <input type="checkbox"/> |

| Feature | Important | Reason | Not important | Don't Want |
|--|---|--|--------------------------|--------------------------|
| Rate Type | | | | |
| Fixed and Variable rate | <input type="checkbox"/> | | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>The applicant(s) may want a loan split into fixed and variable portions.</p> <p>Fixed rate portion Rate is fixed for a specified term giving certainty of interest and repayments for the fixed rate portion.</p> <p>Variable rate portion Interest charged and repayments will change to reflect interest rate movements for the variable rate portion.</p> <p><i>Ensure each applicant understands each of the following risks associated with fixed and variable splits of the loan:</i></p> <ul style="list-style-type: none"> • Applicant(s) will not obtain the full benefit of rate decreases and will still have some exposure to the risk of rate increases. • Applicant(s) will generally not be able to change the ratio of the fixed and variable portions. • Applicant(s) will be required to make separate repayments for each portion. • Fixed rate may change between the time of approval and the time of drawdown if rate lock has not been obtained. • Limited or no flexibility in relation to the fixed rate portion concerning making additional repayments and redraws during the fixed rate period. • Possibility of expensive break/economic costs in relation to the fixed rate portion if during the fixed rate period, the applicant(s): <ul style="list-style-type: none"> – Repay loan in full; – Switch to another product or loan type; – Make additional repayments over and above any prescribed limit; – Sell the property; or – Seek further funds. | <input type="checkbox"/> If feature is marked 'Important', confirm that each of the risks listed in 'Features' have been explained to the applicant(s): AND <input type="checkbox"/> indicate the preferred duration of the fixed rate period: <input type="checkbox"/> 1 year <input type="checkbox"/> 2 years <input type="checkbox"/> 3 years <input type="checkbox"/> 4 years <input type="checkbox"/> 5 years | <p>Where fixed and variable rate is important, why is this?</p> <input type="checkbox"/> Limiting risk of increasing variable interest rate to obtain some benefit from potential future decreases in the interest rate. <input type="checkbox"/> Retaining a degree of flexibility in relation to increased repayments, redraws and/or early repayment of part of the loan. <input type="checkbox"/> Make budgeting easier than if the entire loan were variable. <input type="checkbox"/> Other. Details for "Other": <hr/> <hr/> <hr/> <hr/> <hr/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.2 Repayment Type | | | | |
| Principal and Interest | <input type="checkbox"/> | | <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> • Repayments cover loan principal and interest so that the loan is repaid in full by the end of the loan term. • Applicant(s) could pay less interest over the life of the loan when compared to a loan which features a period of interest only repayments. • Interest rates on principal and interest repayments are generally lower than interest only. | <input type="checkbox"/> If feature is marked important, indicate preferred repayment frequency: <input type="checkbox"/> weekly <input type="checkbox"/> fortnightly <input type="checkbox"/> monthly | <p>Where principal and interest is important, why is this?</p> <input type="checkbox"/> Minimise interest paid over life of loan. <input type="checkbox"/> Higher lending limit. <input type="checkbox"/> Lower deposit required. <input type="checkbox"/> Build up equity from the start. <input type="checkbox"/> Other. Details for "Other": <hr/> <hr/> <hr/> <hr/> <hr/> | <input type="checkbox"/> | <input type="checkbox"/> |

| Feature | Important | Reason | Not important | Don't Want |
|--|---|---|--------------------------|--------------------------|
| Repayment Type | | | | |
| Interest Only | <input type="checkbox"/> | | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Allows smaller payments during the interest only period enabling:</p> <ul style="list-style-type: none"> Higher cash on hand for other purposes. Flexibility to manage cash flow. Smaller initial payments on investment home loans may serve a tax purpose. <i>Has the applicant(s) sought tax advice?</i> <p>Ensure each applicant understands each of the following risks:</p> <ul style="list-style-type: none"> Higher interest rates may apply to interest only loans. Interest only payments will not reduce the loan principal. Not repaying loan principal will result in the applicant paying more interest over the loan term. After the end of the interest only period, principal and interest repayments will be required and these will be higher than they would have been if the loan had principal and interest repayments throughout the loan term. The amount of equity that is built-up in the property securing the loan will be less with an interest only loan. | <p><input type="checkbox"/> If feature is marked 'Important', confirm that each of the risks listed in 'Features' have been explained to the applicant(s):</p> <p>AND</p> <p><input type="checkbox"/> indicate the preferred duration of the interest only period:</p> <p><input type="checkbox"/> up to 1 year</p> <p><input type="checkbox"/> 1 to 3 years</p> <p><input type="checkbox"/> 3 to 5 years</p> <p><input type="checkbox"/> 5 years plus</p> | <p>Where interest only is important, why is this?</p> <p><input type="checkbox"/> Accommodate temporary reduction in income (e.g. parental leave, changing circumstances).</p> <p><input type="checkbox"/> Accommodate anticipated non-recurring expense item (e.g. education, renovation/construction, furniture).</p> <p><input type="checkbox"/> Variable and unpredictable income.</p> <p><input type="checkbox"/> Recommendation provided by an independent financial advisor/accountant.</p> <p><input type="checkbox"/> Taxation or accounting reasons (no tax advice is being given), including:</p> <ul style="list-style-type: none"> Release funds for investment purposes (e.g. shares, investment property, super contributions) Priority is paying off non-deductable debts (this loan is for investment purposes) Plan to convert to an investment property in future <p><input type="checkbox"/> Other.</p> <p>Details for "Other":</p> <div style="border: 1px solid black; height: 100px; width: 100%;"></div> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.3 Product Type | | | | |
| Redraw | <input type="checkbox"/> | | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Allows applicant(s) to access extra repayments that they made over and above the required minimum repayments.</p> <p>Ensure each applicant understands each of the following risks:</p> <ul style="list-style-type: none"> Lender may charge fees for each redraw. Each redraw may be subject to the lender's discretion. | <p><input type="checkbox"/> If feature is marked 'Important', confirm that each of the risks listed in 'Features' have been explained to the applicant(s):</p> | <p>Where having a redraw feature is important, why is this?</p> <p><input type="checkbox"/> Flexibility to access prepaid funds if needed.</p> <p><input type="checkbox"/> Other.</p> <p>Details for "Other":</p> <div style="border: 1px solid black; height: 100px; width: 100%;"></div> | <input type="checkbox"/> | <input type="checkbox"/> |

4.4 Conflicts between loan features

4.4.1 Are there any conflicts between any of the loan features marked 'Important' in section 4. Loan Features

Yes No

If Yes:

4.4.2 Explain the conflicts to the applicant(s) and ask them to consider the priority of the loan features they identify as 'Important' so that the conflict can be resolved. Once this is done, set out those priorities and reasons for those priorities below.

| |
|--|
| |
| |

4.5 Other

4.5.1 Do the applicant(s) have any other requirements and objectives not already stated which may affect whether the loan, for which they propose to apply, is suitable, including whether there are any particular personal circumstances of the applicant(s) not documented in any previous responses in this interview guide that are relevant to the loan features that have been identified as 'Important'?

| |
|--|
| |
| |

4.5.2 Co-borrower

This section must be completed for each individual applicant when there is more than one applicant and they are applying for a new loan.

Question 1 - Please ensure the co-borrower has confirmed one of the following:

NOTE: Substantial benefit includes where the applicant(s) acquire a reasonably proportionate legal or equitable interest in assets purchased with the loan funds, or a reasonable portion of the loans funds are used to repay their debts or other obligations owed by them.

| Applicant 1 | Applicant 2 |
|--|--|
| <input type="checkbox"/> The applicant will receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds). | <input type="checkbox"/> The applicant will receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds). |
| <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and have confirmed they still want to proceed as a co-borrower. | <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and have confirmed they still want to proceed as a co-borrower. |
| <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and do not want to proceed. | <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and do not want to proceed. |
| Applicant 3 | Applicant 4 |
| <input type="checkbox"/> The applicant will receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds). | <input type="checkbox"/> The applicant will receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds). |
| <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and have confirmed they still want to proceed as a co-borrower. | <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and have confirmed they still want to proceed as a co-borrower. |
| <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and do not want to proceed. | <input type="checkbox"/> The applicant will not receive a substantial benefit from the loan funds (being use of at least 25% or if more than four borrowers, an equal share of the loan funds) and do not want to proceed. |

Question 2 - (If first tick box was selected in Q1). Please confirm how the applicant will receive their substantial benefit. Please select one of the following:

| Applicant 1 | Applicant 2 | | | | | | |
|--|--|--|--|--|--|--|--|
| <input type="checkbox"/> The applicant will acquire a legal or equitable interest of at least 25% (or if more than four borrowers, an equal share) in assets purchased with the loan funds. | <input type="checkbox"/> The applicant will acquire a legal or equitable interest of at least 25% (or if more than four borrowers, an equal share) in assets purchased with the loan funds. | | | | | | |
| <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds to repay their debts or other obligations owed by them. | <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds to repay their debts or other obligations owed by them. | | | | | | |
| <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds for their benefit. | <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds for their benefit. | | | | | | |
| Please list details below: | Please list details below: | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"></td></tr> <tr><td style="height: 20px;"></td></tr> <tr><td style="height: 20px;"></td></tr> </table> | | | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"></td></tr> <tr><td style="height: 20px;"></td></tr> <tr><td style="height: 20px;"></td></tr> </table> | | | |
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| Applicant 3 | Applicant 4 |
|--|--|
| <input type="checkbox"/> The applicant will acquire a legal or equitable interest of at least 25% (or if more than four borrowers, an equal share) in assets purchased with the loan funds. | <input type="checkbox"/> The applicant will acquire a legal or equitable interest of at least 25% (or if more than four borrowers, an equal share) in assets purchased with the loan funds. |
| <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds to repay their debts or other obligations owed by them. | <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds to repay their debts or other obligations owed by them. |
| <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds for their benefit. | <input type="checkbox"/> The applicant will use a share of at least 25% (or if there are more than four borrowers, an equal share) of the loan funds for their benefit. |
| Please list details below: | Please list details below: |
| <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px;"></div> |
| <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px;"></div> |
| <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px;"></div> |

4.6 Acknowledgement by Applicant(s)

I/We acknowledge that the information set out above accurately and fairly reflects the conversation I/we have had with the broker.

| | | | |
|---|--|---|--|
| Applicant 1 Full name | | Applicant 2 Full name | |
| <div style="border: 1px solid black; height: 20px;"></div> | | <div style="border: 1px solid black; height: 20px;"></div> | |
| Signature (Applicant 1) | Date | Signature (Applicant 2) | Date |
| <div style="border: 1px solid black; height: 20px; color: red; text-align: center;">X</div> | <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px; color: red; text-align: center;">X</div> | <div style="border: 1px solid black; height: 20px;"></div> |
| Applicant 3 Full name | | Applicant 4 Full name | |
| <div style="border: 1px solid black; height: 20px;"></div> | | <div style="border: 1px solid black; height: 20px;"></div> | |
| Signature (Applicant 3) | Date | Signature (Applicant 4) | Date |
| <div style="border: 1px solid black; height: 20px; color: red; text-align: center;">X</div> | <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px; color: red; text-align: center;">X</div> | <div style="border: 1px solid black; height: 20px;"></div> |

ACKNOWLEDGEMENT BY BROKER

I acknowledge that I have asked all the above questions and notified the applicant(s) of the risks associated with their selected loan features, including the risks identified above.

| | |
|---|--|
| Broker Full name | |
| <div style="border: 1px solid black; height: 20px;"></div> | |
| Signature (Broker) | Date |
| <div style="border: 1px solid black; height: 20px; color: red; text-align: center;">X</div> | <div style="border: 1px solid black; height: 20px;"></div> |

4.7 Product Selection

Product selection needs to take place having regard to the outcome of the requirements and objectives' enquiries set out above. The broker must give a concise narrative summary of the applicant(s) requirements and objectives and why the particular type of loan product was chosen to meet those requirements and objectives.

Co-Borrower Acknowledgement

Customer may receive no substantial benefit from the loan

Please complete form in full in black or blue pen using CAPITAL LETTERS and ✓ where appropriate.

Please note: ALL SECTIONS of this form need to be completed.

| Loan amount/ Credit limit (Loan) | Loan Product | Application Reference |
|----------------------------------|--------------|-----------------------|
|----------------------------------|--------------|-----------------------|

Your (Borrower's) full name

Other Co-Borrower/s full name/s

Reasons why you want to be a Co-Borrower

You have applied to be a Co-Borrower for the Loan even though on the information that you have provided to us you may not receive a substantial benefit from it. This is for the following reason(s):

Tick all applicable boxes

- The structure of the Loan is being determined in accordance with tax/ financial/ legal advice
- We don't offer this type of Loan with the option of being a Guarantor (only a Co-Borrower)
- Your joint incomes will service the Loan
- Other. Please specify:

Acknowledgement

By signing below, in the absence of your Co-Borrower/s and in the presence of an independent adult witness, you freely, voluntarily and without pressure from your Co-Borrower/s or any other person, acknowledge the following:

1. No substantial benefit

You want to be a borrower of the Loan, even though you may not receive a substantial benefit from the Loan.

2. There are differences between being a Co-Borrower compared to a guarantor:

(a) Co-Borrower liability

You understand that:

- as a Co-Borrower, you may have to repay the entire amount owing yourself;
- we do not have to ask any other Co-Borrower to repay before we ask you, or at the same time we ask you;
- this is because as a Co-Borrower, you and the other Co-Borrower/s are each individually and directly responsible for the Loan repayment obligations. If there's a problem with repayment of the loan, we may pursue all Co-Borrowers or any one of you individually for the amount owing; and
- in applying as Co-Borrower, you and your Co-Borrower/s have asked us to assess the Loan application on the basis that your joint incomes will service the Loan.

(b) Guarantor liability

In comparison, a guarantor is someone who promises to repay money that is owed to us under a loan, if for some reason the borrower doesn't. If you were a guarantor instead of a borrower, we may be required to take steps against the borrower before we can enforce mortgages given by you or judgements against you.

A guarantor may be able to limit their liability in accordance with legislation. A guarantor may also be able to ask for contribution from the borrower/s and from other guarantors. The law generally provides other protections to guarantors that will not apply to you as a borrower.

3. Option to be a Co-Borrower or a Guarantor

As a person who may not receive a substantial benefit from the Loan, we have explained the differences between being a Co-Borrower and a Guarantor and you have the option to:

Tick applicable box

- be a Co-Borrower or Guarantor (where we allow for either option for the type of Loan concerned); or
- be a Co-Borrower only (due to the Loan you have applied for); or
- no longer proceed with your application.

In each case, you:

- (a) understand the difference between being a Co-Borrower and guarantor;
- (b) understand becoming a Co-Borrower or a guarantor involves financial risks, including the risk of losing any security, property and other assets;
- (c) have requested to be a Co-Borrower.

4. Independent advice

We recommend that, before signing this form you obtain independent legal and financial advice about your obligations as a Co-Borrower and:

- you provide your adviser with this form to read;
- if you're seeking legal advice, you ask your solicitor in particular for advice on the following issues:
 - the difference in the obligations between being a Co-Borrower and a guarantor;
 - that becoming a Co-Borrower under a loan agreement or giving a guarantee, both involve considerable risk, including the risk of losing any security, property and other assets.
- if you have concerns about the financial risks associated with the transaction, you should obtain financial advice.

You have had the opportunity to obtain independent legal and financial advice.

You understand your Co-Borrower obligations and either:

Tick all applicable boxes

your adviser/s have provided you with advice on the issues outlined above:

on _____ on _____

date _____ date _____

by _____ by _____

Name of adviser and firm _____ Name of adviser and firm _____

at _____ at _____

address _____ address _____

you have chosen not to obtain legal advice;

you have chosen not to obtain financial advice.

Signature of Co-Borrower _____

Date of signature _____

X

In the presence of
Signature of witness _____

Date of signature _____

X

Name of witness _____

Occupation _____

Address _____

