

Equity Release Product Guide



At ASAG, we pride ourselves on our commitment to assist you in accessing equity in your biggest asset, your property. ASAG aims to help you live a life of confidence and comfort, the life you have earned in retirement.

Independent Financial Consultation & Family Counsel

As someone who is eligible for an ASAG Equity Release your loan is designed to assist you in achieving your retirement goals. At ASAG, we recommend that you first discuss any ASAG Equity Release with your family, as like us, they have your best interests at heart.

We further recommend consulting with a financial advisor to further your understanding of your rights and obligations around an ASAG Equity Release, as well as what impacts this may have on your pension entitlements or other benefits.

Eligibility requirements for an ASAG Equity Release

To be eligible to apply for ASAG Equity Release:

- Applicants must be 60 years of age or over;
- Applicants must already own the property that they intend to use as security for the ASAG Equity Release facility, or intend to pay off any outstanding mortgage with the ASAG Equity Release facility.

Property Qualification & Valuation

Your property must meet ASAG's basic criteria, being a primary residence in good repair and of standard construction. We will arrange for an independent registered valuer to assess the property's value and a copy of the assessment will be provided to you. To be eligible to apply for ASAG Equity Release your residence must be mortgage free, unless the Equity Release is used to repay any outstanding mortgage and therefore assist you to access your equity for a comfortable retirement.

How the Money Can be Used

Eligible seniors often use the ASAG Equity Release to budget for home renovations, upgrade their car, take a holiday, pay off debt, medical expenses, access a retirement aged care facility, assist family members, or just use it to maintain a steady income stream during your retirement.

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years. Its purpose changes with you, as your needs change. Essentially, the choice is yours with an ASAG Equity Release. It is designed to assist you in achieving comfort and confidence in your retirement.

How Much of Your Equity You Can Access

The following details show your available options as well as the maximum percentage of your home's value (assessed through independent valuation) that you can borrow at different ages. The LVR (Loan to Value Ratio) percentage is based on the age of the youngest nominated borrower.

ASAG Standard Equity Release LVR Table

ASAG's Standard Equity Release Option is the most common equity release where we take the age of the youngest qualified borrower for the loan and apply the age percentage to the home's value.

Age	60	65	70	75	80	85	90+
LVR	15%	20%	25%	30%	35%	40%	45%

ASAG Equity Release Aged Care Option

ASAG's Equity Release Aged Care Option is available for one, or both, eligible borrowers who reside in the home. The same qualification criteria as the ASAG Standard Equity Release apply but can be used for moving into permanent long-term aged care. ASAG's Equity Release Aged Care Option has a maximum term of 5 years. Additionally, if the move to aged care applies to only one member of the household, the remaining member can continue to reside in the family home without having to sell until they choose to leave the home permanently.

Age	60	65	70	75	80	85	90+
LVR	20%	25%	30%	35%	40%	45%	50%

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ASAG Equity Release Secondary Property Option

This option is similar to ASAG's Standard Equity Release Option but using a secondary property as the security. If you choose to use a second property that you do not reside in such as an investment property or holiday home, we will simply reduce the LVR calculation taken from the age of the youngest nominated borrower and equity release purpose by 25%.

Minimum Release Options

Minimum Initial Release:	\$2,500
Minimum Regular Instalment:	\$50 of any frequency
Minimum Cash Reserve Drawdown:	\$50

Ways You Can Access Your Wealth

ASAG manage access to your home equity in the way you choose. We give you flexible drawdown options that can be used individually, or in combination, to provide you with peace of mind:

Lump Sum

A Lump Sum is great for any discretionary spending such as a holiday, a new car or home renovations, as well as paying down any existing debt. There are no required regular repayments, rather the full outstanding amount is paid at the end of the loan.

Regular Instalments

A Regular Instalments are perfect for supplementing one's regular living expenses and maintaining a steady flow of regular income. Money can be used for an increase in your day-to-day cash flow or supplement renovations or home improvements on your residing property. If you select this option and you later require a lump sum payment, you can contact ASAG to adjust this schedule.

Cash Reserve

If you have no additional use for the funds at this point in time, ASAG can hold them for you in a separate account that you can access as and when required. This is a great way to keep a

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reserve of readily available funds for any unforeseen circumstances, providing peace of mind and confidence in your retirement planning. Fees and minimum accessed amounts may apply.

Earlier Repayments

Regular repayments are not mandatory however, they can be made optionally at any time. There are no fees for making earlier repayments.

Your Obligations

As an applicant, you have a number of responsibilities to ASAG so we can ensure we meet our following three key regulatory obligations to you:

1. Lifetime Occupancy;
2. ASAG's No Negative Equity Guarantee; and
3. No requirement for you to make any loan repayments until the end of the loan, unless you choose to do so.

We will only ask from you a few simple homeowner obligations under your ASAG Equity Release. These are already things that you would naturally be doing without ASAG being:

1. Continue to live in your home.
2. Protect it from any damage and make required repairs.
3. Keep your home insurance policy up to date.
4. Pay your council rates and any applicable strata levies (body corporate fees).

Once a year, we will have an annual catch up. There will be a basic Questionnaire and we will check in on these points to ensure that you aren't experiencing any difficulties. Failure to meet these obligations under the loan may be considered a breach of contract.

Interest Rate

Interest will be charged at our variable interest rate. Interest is calculated on the daily balance, compounded and added monthly to your loan account. Together with the principal, interest will be repaid at the end of the term.

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Variable interest rates are subject to change. Should this change happen, we will inform you by email, publishing the applicable new rate on our website and detailing the new interest rate on your next statement.

Account Statements

Statements confirming the current loan balance are automatically issued twice a year in January and July.

Possible Increase in Available Equity

You may request an increase in your accessible equity once the initial release, including any cash reserve and/or redraw, has been fully drawn.

By lodging a new application, we will perform a second property valuation on the security property. The applicable loan to value ratio (LVR) will be applied, and the outstanding loan balance will be included into the calculation to assess if an increase is possible. Fees and charges will apply as outlined within our Fee Schedule.

Portability

Provided it meets ASAG's latest terms and conditions, the loan may be able to be transferred to a new security property. Contact an ASAG representative to discuss the proposed transfer.

Equity Protection

Under the Equity Protection Option, you may choose to protect 10%, 20% or any allowable percentage up to 50% of the eventual net proceeds from a sale of your property.

The protected equity returned on the sale of the residence is based on the percentage selected in the Equity Protection Option and is your guaranteed percentage return at the time of the loan repayment, regardless of the loan balance based on the actual sale price of the home and the loan value. You or your estate are guaranteed to receive this percentage when your loan is repaid.

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Keep in mind that choosing the Equity Protection Option will reduce the loan amount available by the selected percentage you wish to protect. Loan approval, fees and charges, terms and conditions apply.

Other Residents

If you have a nominated and approved spouse or partner at the time of the ASAG Equity Release, they will benefit from the protection that they can continue to live in the home until they permanently move from the property.

Additional occupants in your property, such as children or caretakers, are permitted. Although, they have to sign an acknowledgement to confirm they understand that 'tenancy protection' will not apply to them.

Subject to approval, but the loan may also be applied for under a Power of Attorney.

IMPORTANT NOTICE:

The information within this brochure provided is general in nature has been prepared without taking into account your individual circumstance. If you are considering an ASAG Equity Release or other ASAG products, we encourage you to understand how it may affect your personal situation and whether the information is appropriate to your needs. Talk to family and friends, or seek professional advice, and use the tools and resources made available by ASAG. Our team is happy to guide you through this decision-making process to ensure that you are fully informed before making any final decision.

ASAG products are subject to loan approval criteria. Terms, conditions, fees and charges apply. Credit provided by Panthera Leo Pty Ltd, Australian Credit License Number 481816.

Information provided is accurate as of 19th April, 2021 and may change from time to time.