

Consumer Lending Overview

The following outlines the general requirements for Retail Home Loan lending to consumers and is to be used as a guide only.

Eligible customers

Must	Cannot
<ul style="list-style-type: none">• Be an individual:<ul style="list-style-type: none">◦ Aged 18 or over; and◦ Is either an Australian citizen or Permanent Australian Resident. Note: Restrictions apply to New Zealand citizen or Australian Temporary Residents and Non-Australian Residents;• Meet individual product rules; and• Have satisfactory credit check history.	<ul style="list-style-type: none">• Be a company acting on its own behalf.• Be an individual or company acting ATF for any type of trust.• Be an incorporated association.• Be explicitly for business purposes.

Citizenship and residency

Citizenship

Residency status	Description and Passport notation
Australian Citizen New Zealand (NZ) Citizen	<ul style="list-style-type: none">• Customers who were born in Australia or New Zealand, to a parent with permanent residency rights or, have obtained Australia or New Zealand citizenship via other means.• Australian citizenship is typically proved by a passport, a birth certificate (with accompanying documents proving parental residency status), or by a certificate of citizenship.• NZ citizenship is typically proved by a passport. New Zealanders have the legal right to live and work in Australia without a visa.

Non-citizens

- Under Australian immigration laws, all permanent and temporary Australian residents must hold an approved visa as defined by the Australian Immigration Department.

- The type of visa impacts whether the holder can work, live or only visit.
- When considering applications involving Non Australian Citizens, the originator must obtain a copy of the customer's original passport and electronic visa (e-visa) and retain this with the
- application. In addition, the Visa type and expiry date must be recorded in the appropriate Bank systems.
- When considering applications involving Non Australian Citizens, the originator must obtain the customer's Passport details (Country of issue, and passport number).
- The Bank must complete a Visa Entitlement Verification Online, and upload this check to the appropriate Bank system.

For further information relating to specific Visa types, and the entitlements that they provide, refer to the Foreign Investment Review Board website.

Residency status	Description
Australian permanent residents	<ul style="list-style-type: none"> • The holder may stay for 'as long as they wish'.
Australian temporary residents	<ul style="list-style-type: none"> • The person may only stay for a certain length of time (and often subject to other conditions). • Temporary visa holders may have been in Australia for an extended period of time and many visa types can also be renewed.

If the originator is in any doubt as to a customer's residency / immigrations status, they must make reasonable inquiry.

Note: Ethnicity, skin colour and accented language are not reasonable grounds for asking a customer to prove they are an Australian or NZ citizen.

If verification is required, the originator should request to sight sufficient documentation to confirm their residency status. Examples include, but are not limited to, a passport, birth certificate or citizenship certificate.

Foreign Investment Review Board approval for home loan applications

The Foreign Investment Review Board (FIRB) examines proposals by foreign interests to undertake direct investment in Australia. This means that most overseas citizens (without permanent Australian residency) must gain prior FIRB approval before purchasing

residential real estate in Australia. For more information on whether or not FIRB approval is required, refer to the Foreign Investment Review Board website.

Eligible purposes and products

In all instances, originators can only originate a consumer exposure where the lending is for domestic or personal investment use.

Note:

- Margin lending is not considered as a retail exposure.
- Refinance of existing loan facilities is acceptable provided the initial facility was for an acceptable purpose.

For individuals paid in a currency other than Australian dollars (AUD), temporary residents, and all other individuals not covered above, colleagues should refer to below table and the Eligible borrower matrix. Refer Appendix A – Borrowing Matrix – Home Loan below.

Vias type	Products	Comments
Temporary Australian residency Visa	<ul style="list-style-type: none"> • Housing (retail) loans secured by residential property – Refer Appendix A : Borrowing Matrix – Home Loan below 	<p>Acceptable Visa sub-classes:</p> <ul style="list-style-type: none"> • 188 • 457 • TSS 482 Medium-term • 491 – Main applicant stream only. Must have a conversation with the customer to confirm that they comply with the regional component of their visa and record a comment on the Home Loan application. <p>Unacceptable borrowers:</p> <ul style="list-style-type: none"> • All other temporary Australian residents (on a working visa). <p>Purchases of property in Australia maybe subject to FIRB approval. Refer to Foreign Investment Review Board approval for home loan applications (above).</p>
Overseas	<ul style="list-style-type: none"> • Housing (retail) loans 	<ul style="list-style-type: none"> • Applications must be joint with either

Vias type	Products	Comments
citizen without Australian residency visa	secured by residential property – Refer Appendix A : Borrowing Matrix – Home Loan below.	<p>an Australian or New Zealand citizen or Australian Permanent resident.</p> <ul style="list-style-type: none">• Purchases of property in Australia maybe subject to FIRB approval. Refer to the Foreign Investment Review Board website.

Appendix A: Borrowing Matrix – Home Loan

Note: CNY is currently not an acceptable foreign currency for servicing purposes.

If the borrower is:	Living and working:	Source/currency of income		Borrowing limits	
		Currency of income	% of income available for servicing assessments	Maximum LVR <u>without</u> LMI Subject to Security Type, Purpose, and Loan Amount	Maximum LVR <u>with</u> LMI Subject to Security Type, Purpose, and Loan Amount
Australian Citizen	In Australia	AUD	100%		
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR, VND, JPY, AED	80%	Owner Occupied 80%. Investment 80%.	Owner Occupied 95% (98% including capitalisation of the LMI premium).
		All other foreign currencies are subject to approval by LDA holder. Note: CNY is currently not an acceptable foreign currency for servicing purposes.	70%	Owner Occupied 70%. Investment 70%.	Investment 95% including capitalisation of the LMI premium.
	Overseas	AUD	100%	Owner	

		Source/currency of income		Borrowing limits	
If the borrower is:	Living and working:	Currency of income	% of income available for servicing assessments	Maximum LVR <u>without</u> LMI Subject to Security Type, Purpose, and Loan Amount	Maximum LVR <u>with</u> LMI Subject to Security Type, Purpose, and Loan Amount
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR, VND, JPY, AED	80%	Occupied 80%. Investment (P&I Repayments) 80%. Investment (IO Repayments) N/A.	LMI not available.
		All other foreign currencies are subject to approval by LDA holder. Note: CNY is currently not an acceptable foreign currency for servicing purposes.	70%	Owner Occupied 70%. Investment (P&I Repayments) 60%. Investment (IO Repayments) N/A.	
Permanent Australian Resident	In Australia	AUD	100%	Owner Occupied 80%. Investment 80%.	Owner Occupied 95% (98% including capitalisation of the LMI)
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR,	80%		

		Source/currency of income		Borrowing limits	
If the borrower is:	Living and working:	Currency of income	% of income available for servicing assessments	Maximum LVR <u>without</u> LMI Subject to Security Type, Purpose, and Loan Amount	Maximum LVR <u>with</u> LMI Subject to Security Type, Purpose, and Loan Amount
		VND, JPY, AED			premium).
		All other foreign currencies are subject to approval by LDA holder. Note: CNY is currently not an acceptable foreign currency for servicing purposes.	70%	Owner Occupied 70%. Investment 70%.	Investment 95% including capitalisation of the LMI premium.
	Overseas	AUD	100%	Owner Occupied 80%. Investment (P&I Repayments) 80%.	LMI not available.
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR, VND, JPY, AED	80%	Investment (IO Repayments) N/A.	
		All other foreign	70%	Owner Occupied 70%.	

		Source/currency of income		Borrowing limits	
If the borrower is:	Living and working:	Currency of income	% of income available for servicing assessments	Maximum LVR <u>without</u> LMI Subject to Security Type, Purpose, and Loan Amount	Maximum LVR <u>with</u> LMI Subject to Security Type, Purpose, and Loan Amount
		currencies are subject to approval by LDA holder. Note: CNY is currently not an acceptable foreign currency for servicing purposes.		Investment (P&I Repayments) 60%. Investment (IO Repayments) N/A.	
Australian Citizen borrowing with a temporary resident or overseas resident OR Permanent Australian Resident borrowing with a temporary resident or overseas	In Australia or overseas	AUD	100%	Owner Occupied 80%. Investment (P&I Repayments) 80%. Investment (IO Repayments) N/A.	LMI not available.
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR, VND, JPY, AED	80%		
		All other foreign currencies are subject to approval by LDA holder. Note: CNY is	70%	Owner Occupied 70%. Investment (P&I Repayments) 60%. Investment (IO	

		Source/currency of income		Borrowing limits	
If the borrower is:	Living and working:	Currency of income	% of income available for servicing assessments	Maximum LVR <u>without</u> LMI Subject to Security Type, Purpose, and Loan Amount	Maximum LVR <u>with</u> LMI Subject to Security Type, Purpose, and Loan Amount
citizen [Note: FIRB approval required]		currently not an acceptable foreign currency for servicing purposes.		Repayments) N/A.	
New Zealand Citizen	In Australia	AUD	100%	Owner Occupied 80%. Investment 80%.	Owner Occupied 95% (98% including capitalisation of the LMI premium). Investment 95% including capitalisation of the LMI premium.
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR, VND, JPY, AED	80%		
		All other foreign currencies are subject to approval by LDA holder. Note: CNY is currently not an acceptable foreign currency for servicing	70%	Owner Occupied 70%. Investment 70%.	

		Source/currency of income		Borrowing limits	
If the borrower is:	Living and working:	Currency of income	% of income available for servicing assessments	Maximum LVR <u>without</u> LMI Subject to Security Type, Purpose, and Loan Amount	Maximum LVR <u>with</u> LMI Subject to Security Type, Purpose, and Loan Amount
		purposes.			
	Overseas	Excluded Borrower			
Temporary Australian Resident [Note: FIRB approval also required]	In Australia	AUD	100%	Owner Occupied 70%. Investment N/A.	LMI not available.
		GBP, EUR, HKD, NZD, SGD, CAD, USD, INR, IDR, VND, JPY, AED	80%		
	Overseas	Sole borrowings not permitted			
Overseas Citizen without Australian residency visa	Sole borrowings not permitted				

Application system

Originators must submit all Personal Lending via the appropriate application system. This ensures a robust, consistent, and auditable process exists.

Identification and conduct

Know Your Customer	Under the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act 2006, the Bank is required to identify and verify new customers before a designated Product or service can be offered to them.
Special Identification Provisions	We may accept alternate documents from remote Aboriginal and Torres Strait Islander peoples, refugees, people living in a declared natural disaster zone, people who've recently been released from an Australian Correctional Centre. Call us on 13 17 18 to find out what we will accept as identification.
Refinancing	Accounts that refinance from other financial institutions represent a higher risk for Bankwest. For this reason, there are strict requirements on the loan conduct of the accounts that are subject to a refinance. Refer to Housing (Retail) loans secured by residential property for further details.

Servicing

- The customer's eligible income must exceed their expenditure inclusive of the new loan and existing ongoing commitments.
- The Bank must retain all evidence of income on the customer file.
- A customer's ability to meet servicing requirements may be impacted by exchange rate volatility. For this reason the Bank has reduced the % of income that can be used in the servicing assessment.
- All applications with a reliance on foreign income must be sent to the holder of an appropriate delegation for review.

Acceptable repayment plan

The customer's repayment plan must:

- be acceptable to the Bank;
- be consistent with available cash flows;

- take into account the customer's financial goals; and
- include an appropriate end clearance strategy.

Generally, where the customer is an employed person and receives their income on a weekly, fortnightly or monthly basis, the repayment instalment should be structured on a similar basis.

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