







## Credit Policy | Eligible and Excluded Borrowers

	What	Aside from helping customers make the right home lending decisions, we also need to consider each customer's <b>unique personal circumstances</b> . This policy defines loan <b>eligibility criteria</b> for borrowers.								
	Why	To manage expectations and avoid disappointment, it's important we provide clarity around <b>who is</b> and <b>who isn't eligible</b> for a loan.								
	How	<div><div>ELIGIBLE BORROWER CRITERIA (Owner Occupied purposes)</div><div><div><div>▶ Individuals 18 years or older living and working in Australia who are:</div><div><div>- Australian citizens</div><div>- Australian permanent residents; or</div><div>- NZ citizens</div><div>- Specified temporary Australian residents (see residency status for requirements)</div></div></div><div>▶ Individuals who are 18 years or older living and working overseas who are:</div><div><div>- Australian citizens or;</div><div>- Australian permanent residents</div></div><div>▶ Non-Trading Family, unit and hybrid trusts, where the trustee must be an individual, or a company where the beneficiaries are individuals if:</div><div><div>- the trustee will not claim any rental income, tax deductibility or negative gearing from the property being purchased; and</div><div>- the trustee is an individual and one or more of the beneficiaries will reside in the property on a permanent or periodic basis; or</div><div>- the trustee is a non-trading company and the beneficiaries are individuals, and one or more of the beneficiaries will reside in the property on a permanent or periodic basis</div></div></div></div> <div><div>ELIGIBLE BORROWER CRITERIA (Investment purposes)</div><div>As above</div><div>AND</div><div>Australian registered non-trading companies</div><div>Note: Rental income, tax deductibility and/or negative gearing for the property being purchased can be considered for Investment home loans</div></div> <div><div>RESIDENCY STATUS SUPPORTING DOCUMENTATION (provide copy)</div><table><tr><th>AUSTRALIAN CITIZENS</th><th>AUSTRALIAN PERMANENT &amp; TEMPORARY RESIDENTS</th><th>SPECIFIED TEMPORARY RESIDENTS</th></tr><tr><td>Australian passport, Australian Birth Certificate or Australian Citizenship Certificate. Residents of Norfolk Island, Cocos Island and Christmas Island are classed as residents of Australia</td><td><div>Passport stamped as follows:</div><div><div>- Permanent resident: "Holder(s) permitted to remain in Australia indefinitely"</div><div>- Temporary resident: "Holder(s) permitted to remain in Australia until [expiry date]"</div><div>- <b>Or a</b> copy of original passport and electronic visa</div></div><div>▶ Note: A New Zealand citizen living and working in Australia is treated as an Australian permanent resident.</div></td><td><div>The following visa holders are eligible:</div><div><div>▶ 188 (excluding Entrepreneur stream)</div><div>▶ TSS 482 (medium term stream only)</div><div>▶ 491 (main applicant stream only)</div><div>▶ 494 (employer sponsored stream only).</div></div><div>Temporary Australian residents are required to obtain foreign investment approval before purchasing any residential real estate in Australia except when</div><div><div>▶ They hold a FIRB Exemption Certificate to purchase property OR</div><div>▶ Are applying as a co-borrower with their Australian Citizen Spouse/ Defacto or Australian Permanent Resident Spouse/Defacto and purchasing property as joint tenants</div></div><div>(exemption does not include purchasing property as tenants in common) Note: If the co-borrower is not an Australian Citizen Spouse/Defacto or Australian Permanent Resident Spouse/Defacto then FIRB approval will be required.</div></td></tr></table></div>			AUSTRALIAN CITIZENS	AUSTRALIAN PERMANENT & TEMPORARY RESIDENTS	SPECIFIED TEMPORARY RESIDENTS	Australian passport, Australian Birth Certificate or Australian Citizenship Certificate. Residents of Norfolk Island, Cocos Island and Christmas Island are classed as residents of Australia	<div>Passport stamped as follows:</div> <div><div>- Permanent resident: "Holder(s) permitted to remain in Australia indefinitely"</div><div>- Temporary resident: "Holder(s) permitted to remain in Australia until [expiry date]"</div><div>- <b>Or a</b> copy of original passport and electronic visa</div></div> <div>▶ Note: A New Zealand citizen living and working in Australia is treated as an Australian permanent resident.</div>	<div>The following visa holders are eligible:</div> <div><div>▶ 188 (excluding Entrepreneur stream)</div><div>▶ TSS 482 (medium term stream only)</div><div>▶ 491 (main applicant stream only)</div><div>▶ 494 (employer sponsored stream only).</div></div> <div>Temporary Australian residents are required to obtain foreign investment approval before purchasing any residential real estate in Australia except when</div> <div><div>▶ They hold a FIRB Exemption Certificate to purchase property OR</div><div>▶ Are applying as a co-borrower with their Australian Citizen Spouse/ Defacto or Australian Permanent Resident Spouse/Defacto and purchasing property as joint tenants</div></div> <div>(exemption does not include purchasing property as tenants in common) Note: If the co-borrower is not an Australian Citizen Spouse/Defacto or Australian Permanent Resident Spouse/Defacto then FIRB approval will be required.</div>
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Please refer to the FIRB website for the current requirements - <http://firb.gov.au/>

Where a customer holds an eligible regional visa (subclass 491, 494), you must have a conversation with the customer to confirm that they comply with the regional component of their visa. Record the following comment in the application. "The customer has confirmed that they understand their responsibility to comply with their regional visa conditions".

**Note:** For identification requirements, please refer to the [Acceptable ID](#) page

#### CUSTOMERS RESIDING OVERSEAS

Customers that reside overseas will need to complete a [Source of Wealth](#) form to satisfy our Anti-Money Laundering obligations. Refer to [Customers Residing Overseas](#) for further details.

Note: This does not apply to customers that are overseas citizens (refer below).

#### OVERSEAS CITIZEN

Overseas citizens (without Australian permanent or temporary Australian residency) are unacceptable borrowers and only eligible if applying as a co-borrower with an Australia Citizen or Australian Permanent resident

If...	Then
Overseas citizen co-borrowing with Australian Citizen Spouse/Defacto or Australian Permanent Resident Spouse/Defacto and they are purchasing property as Joint Tenants.	FIRB approval not required
Overseas citizen co-borrowing with Australian Citizen or Australian Permanent Resident who is not their Spouse/Defacto	FIRB approval is required
<b>Notes:</b> Refer to the <a href="#">Foreign Investment Review Board FIRB website</a> regarding the current requirements.	

#### LENDER'S MORTGAGE INSURANCE (LMI)

Not all borrowers listed above are eligible for LMI or LDP. Refer to the [Eligible Borrowers Matrix](#) for more details

**Notes:** A co-borrower can be included on the application if all borrowers will receive a substantial benefit from the transaction. Where all borrowers will not receive a substantial benefit please refer to *Credit Policy – Co-Borrowers*. Record the reason for the product/service in the application comments. Refer to the Foreign Investment Review Board FIRB website regarding the specific requirements.

\*A owner occupied home loan may be offered to Trust borrowers where:

- ▶ The trustee will not claim any rental income, tax deductibility or negative gearing from the property being purchased; and
- ▶ The trustee is an individual and one or more of the beneficiaries will reside in the property on a permanent or periodic basis; or
- ▶ The trustee is a non-trading company and the beneficiaries are individuals, and one or more of the beneficiaries will reside in the property on a permanent or periodic basis

In all other scenarios an investment home loan must be offered. This includes where the borrower is an Australian registered non-trading company.

#### BORROWERS SUBMISSION OF OWN LOAN

CBA does not allow Brokers to originate their own applications. A broker cannot be a party to the transaction in any manner (eg. Joint borrower, applicant, guarantor, trustee, beneficiary, shareholder etc)

#### FAMILY AND FRIENDS

As a guiding principle, where there is a perceived or actual conflict of interest; transactions and interactions should be kept at arms-length; however, we understand that networking encompasses a multitude of social relationship types, including professional and personal relationships.

Brokers are to:

- ▶ Place their customer's interests ahead of their own and are required to act in the best interest of the customer
- ▶ Give priority to the customers interest and must not prioritise their own interests

Brokers are permitted to submit applications for their family members, friends or acquaintances, as these relationships wouldn't be seen to impact on a broker's impartiality when dealing with their customer's banking matters.

#### Resources

See [Eligible Borrowers Matrix](#),

[FIRB website](#) or

[Home Affairs](#)