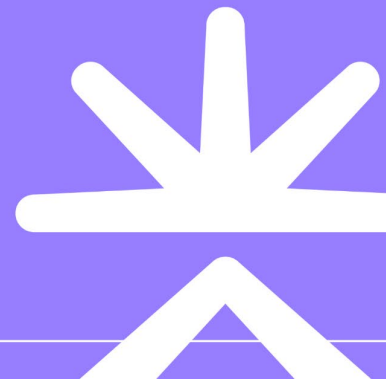


Debt recovery process.

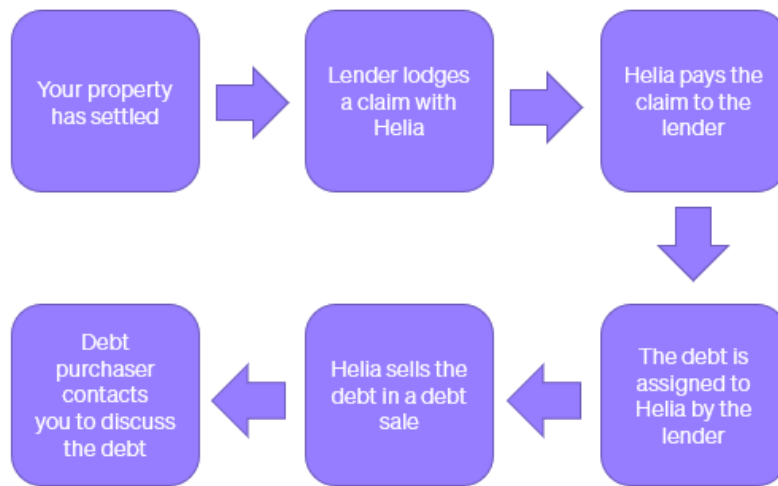
Borrower information.



Your property has been sold with a shortfall. What happens now?

Once your property is sold with a shortfall, the lender submits a claim, and the outstanding debt is assigned to Helia. The timeframe from when settlement occurs and when the debt is assigned to Helia will vary depending on your lender's processes. However, if you have any queries, Helia can be contacted at any stage to discuss the recovery process.

The below map shows the current process for debt recovery:



Frequently Asked Questions

Who is Helia?

Helia provides Lenders Mortgage Insurance (LMI) which allows lenders to lend over 80% loan-to-value ratio (LVR) and protects the lender against the risk of potential losses, in case you are unable to make your home loan repayments, and the lender is unable to recover the outstanding loan amount from the sale of the security property.

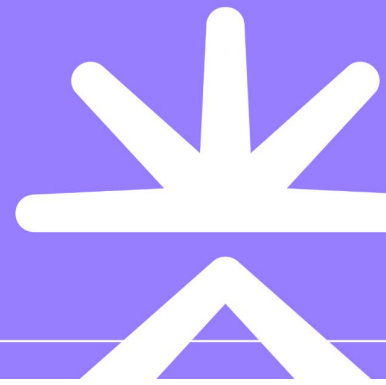
By taking out LMI, a lender reduces its risk at the outset, allowing borrowers to secure a loan with a deposit as low as five per cent. This takes much of the difficulty out of saving a deposit for prospective home buyers.

What is the difference between Lenders Mortgage Insurance and mortgage protection insurance?

LMI covers the lender in the event the property is sold with a shortfall, whereas mortgage protection insurance covers you in the event of death, sickness, unemployment or disability.

Debt recovery process.

Borrower information.



What is a shortfall debt?

If you experience financial difficulty, and your home needs to be sold, a shortfall debt arises if the net proceeds from the sale are not enough to fully repay your loan amount.

Can I talk with my lender?

While the property is on the market or a sale is taking place, contact should only be made with the lender. You can also discuss other alternatives with your lender to assist you with arrears, payment arrangements or even if you have a complaint.

Standards for recoveries

We, as well as our debt buyer, will comply with the debt collection guideline published by the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission.

We, as well as our debt buyer, are required to:

- (a) understand the financial hardship requirements in the General Insurance Code of Practice (the code); and
- (b) receive training to help identify whether you might need financial hardship support.

If we or our debt buyer communicates with you about money owed, then that communication will identify Helia as the insurer and will specify the nature of the claim against you. This communication will provide you with information to show that the amount being sought from you is fair and reasonable, which may include information on the relevant loss and the evidence we relied on when we calculated the amount.

This communication will also include information about the financial hardship process and the contact details to enable you to contact us or our debt buyer to discuss financial hardship support, including if you have any questions.

Financial hardship support

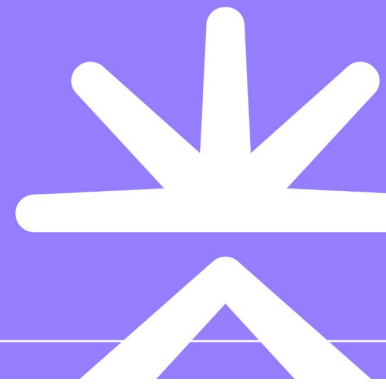
We encourage you, or your representative, to tell us about your financial hardship so that we can work with you to discuss your situation and the options available to support you – otherwise there is a risk that we may not find out about it.

If you are seeking financial hardship, please complete the financial hardship application form and submit to RecoveriesAU@helia.com.au

We will put action on hold if we identify that you are experiencing financial hardship, or if you ask us for financial hardship support in relation to that amount prior to selling your debt to our debt buyer.

Debt recovery process.

Borrower information.



If we decide you are entitled to financial hardship support, then you may ask us to release, to discharge, or to waive a debt or obligation. However, you are not automatically entitled to this.

Communication

When we communicate with you about your financial hardship support application, where possible, we will use your preferred method of communication. If we know that you have nominated a representative, then we will keep that person updated about your request for financial hardship support, unless you tell us not to.

Our Assessment

When we are assessing your request for financial hardship support, we will consider all reasonable evidence — for example:

- (a) evidence of serious illness that prevents you from earning income
- (b) evidence of a disability, including a disability caused by mental illness
- (c) if you are a Centrelink client, your Centrelink statements; and
- (d) evidence of your unemployment.

We will request information from you only if it is reasonably necessary for us to assess your application for financial hardship support. If you do not believe the information, we have requested is necessary, we encourage you to contact us to discuss this further.

If, after we receive your application for financial hardship support, we need more information from you before we can make our decision, then we will:

- (a) tell you the information we need as early as possible; and
- (b) be specific about the information we need.

You have 21 calendar days from the date of our further information request to provide that information to us. If you need further time to provide the information which has been requested, we encourage you to contact us to agree an extension to this timeframe.

Our decision

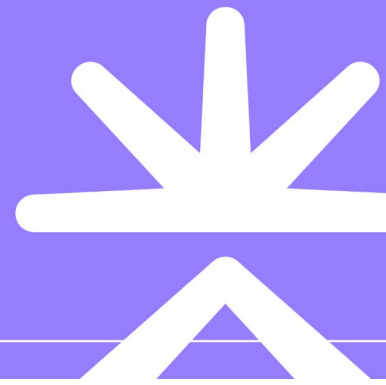
We will tell you in writing of our decision about whether to give you financial hardship support within 21 calendar days after we receive your application unless we have asked you to provide us with more information.

If we do ask you for more information and:

- (a) you provide all information we requested, then within 21 calendar days of receiving it we will tell you in writing, our decision about whether to give you financial hardship support; or
- (b) you do not provide all information we requested within 21 calendar days (or by a later date we agree to), then within 7 calendar days of that deadline passing, we will tell you in writing, our decision about whether to give you financial hardship support.

Debt recovery process.

Borrower information.



If we decide you are entitled to financial hardship support, then we will work with you to implement an arrangement that could include any one or more of the following:

- (a) delaying the date on which the payment must be made;
- (b) paying us in instalments — we will not refuse a reasonable request from you to pay the amount you owe in instalments;
- (c) paying a reduced lump sum amount; or
- (d) release, discharge or waive a debt or obligation;
- (e) delaying one or more instalment payments, for an agreed period.

We will confirm the agreed arrangement with you. Where possible this will be in your preferred method of communication.

If we agree you are entitled to financial hardship support, but we are unable to agree about how you can be supported, then we will tell you in writing, about our [complaints process](#).

If we decide that you are not entitled to financial hardship support, we will tell you the reasons for our decision and about our [complaints process](#). Where possible, we will tell you this in your preferred method of communication.

Change of circumstances

If your circumstances change, then you may re-apply for financial hardship support in relation to the amount you owe. However, for any further applications you make, it will be at our discretion whether we again put any recovery action on hold.

Independent assistance

If you require independent assistance then there are free services available through Financial Counselling Australia (FCA) (financialcounsellingaustralia.org.au/) or the National Debt Helpline 1800 007 007 for a referral to a not for profit, free financial counselling.

If you require further information on the General Insurance Code of Practice (the Code) this can be accessed on the Code of Practice website (codeofpractice.com.au)

For more information, contact:

Customer service centre 1300 66 118 (option 2)

RecoveriesAU@helia.com.au