

# Discount Variable Rate Loan

Effective 1<sup>st</sup> November 2005

General Features	
General Description	<ul style="list-style-type: none"> <li>- A discount off the Standard Variable Rate Loan for the first 12 months, with a range of flexible features</li> <li>- Automatic conversion to the SVR product with no cost at the end of the 12-month discounted term</li> </ul>
Target Market	<ul style="list-style-type: none"> <li>- Borrowers requiring a low interest rate who specifically wish to minimise repayments during the first year of the loan.</li> </ul>
Product Benefits	
<ul style="list-style-type: none"> <li>• LMI Capitalisation – maximises applicant’s borrowing with a cheaper premium</li> <li>• Lower interest rate initial year</li> <li>• Ideal for the First Home Buyer</li> <li>• More money in borrower’s pocket first year to purchase furniture, complete landscaping etc</li> <li>• Family Support policy available</li> <li>• May be linked to any other product (except Lo Doc).</li> <li>• Repayments calculated on outstanding balance for Interest Only loans</li> <li>• Easy access to redraw</li> </ul>	
Product Features	
Eligible Borrowers	<ul style="list-style-type: none"> <li>- Personal borrowers</li> <li>- Companies</li> <li>- Trusts</li> </ul>
Loan Purpose	The purchase or refinance of residential property: <ul style="list-style-type: none"> <li>- Owner Occupied</li> <li>- Investment Properties</li> </ul>
Loan Term	<ul style="list-style-type: none"> <li>- 30 years</li> </ul>
Repayment Type	<ul style="list-style-type: none"> <li>- Principal &amp; Interest (P &amp; I)</li> <li>- Interest Only (IO)</li> </ul>
Repayment Frequency	<ul style="list-style-type: none"> <li>- P&amp;I: Fortnightly or monthly</li> <li>- IO: Monthly</li> </ul>
Repayment Method	<ul style="list-style-type: none"> <li>- Direct Debit</li> <li>- Salary Credit</li> <li>- Internet &amp; Telephone Banking</li> <li>- Cheque or Cash deposits at any Westpac, Bank of Melbourne or challenge Bank Branch (using an encoded deposit slip)</li> </ul>
Minimum Loan	<ul style="list-style-type: none"> <li>- \$50,000 (\$25,000 in combination)</li> </ul>

# Discount Variable Rate Loan

Maximum Loan	<ul style="list-style-type: none"> <li>- \$1 Million</li> <li>- Higher amounts may be available, subject to individual assessment and stricter credit criteria</li> </ul>
Redraw	<ul style="list-style-type: none"> <li>- Available on P&amp;I &amp; IO loan types</li> </ul>
Redraw Fee	<ul style="list-style-type: none"> <li>- P &amp; I (No Fee)</li> <li>- IO (\$50 Fee)</li> </ul>
Combination Loans	<ul style="list-style-type: none"> <li>- May be combined with any other loan type</li> </ul>
Maximum Number of Splits	<ul style="list-style-type: none"> <li>- No maximum</li> </ul>
<b>Other Features</b>	
Account Keeping Fees	No ongoing monthly or annual fees
Additional Repayments	<p>Additional payments may be made at anytime without any fee or penalty via:</p> <ul style="list-style-type: none"> <li>- Internet &amp; Telephone Banking</li> <li>- Cheque or cash deposits through Westpac, Bank of Melbourne or Challenge Bank (using an encoded deposit slip)</li> </ul>
Portable	<ul style="list-style-type: none"> <li>- Yes, substitution of security subject to credit assessment</li> <li>- Can switch all or part of the limit to another product subject to product guidelines.</li> </ul>
Statements	<ul style="list-style-type: none"> <li>- Quarterly statements for P&amp;I loans</li> <li>- Monthly statements for IO loans</li> </ul>
Repayment Order	All outstanding fees and arrears interest owed are capitalised to the loan amount
Interest Calculations	<ul style="list-style-type: none"> <li>- Monthly interest owed equals the daily interest rate multiplied by unpaid balance at 5pm Sydney time each day of the month</li> <li>- Daily interest rate is the interest rate (annual percentage rate) divided by 365 at 5pm Sydney time each day</li> <li>- Interest is charged only on the principal advanced</li> </ul>
Interest Rate Setting	Variable rates are based on the official cash rate and may change from time to time
Broken Period Interest for P & I Loans	If the drawdown date is not an interest due date (ie. first of each month), broken period interest is calculated. No principal is repaid on the initial broken period repayment (interest only).
Default Interest	<ul style="list-style-type: none"> <li>- Default interest may apply if the borrower does not pay an amount required to pay us under the loan agreement</li> <li>- Refer to Terms and Conditions booklet for more details</li> </ul>

# Discount Variable Rate Loan

Discharge	Discharge amount includes: <ul style="list-style-type: none"><li>- Current balance</li><li>- Unpaid interest estimated to payout date</li><li>- Unpaid fees and fines</li><li>- Deferred Establishment Fee (if applicable)</li><li>- Discharge fee</li></ul>
-----------	--

*ING Bank makes no representations or warranties as to the accuracy of any information contained herein. The information herein is subject to change without notice. Fees and charges are payable. Details of these and full details of terms and conditions are available on request by calling 131 688 or at [www.ingbank.com.au](http://www.ingbank.com.au). ING Bank (Australia) Limited, ABN 24 000 843 292. ING Bank is a Registered Trademark of ING Groep N.V.*