

AMP First home loan offer

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'AMP Bank', 'we', 'us' or 'our' means AMP Bank Limited ABN 15 081 596 009, Australian Credit Licence 234517, AFSL No. 234517.

Overview

The AMP First Home Loan is a residential home loan product available to certain eligible clients (see **Section 1: Eligibility criteria**).

A key feature of the AMP First Home Loan is that variable interest rates are reviewed quarterly (in January/February, April/May, July/August, and October/November) in addition to being reviewed when the Reserve Bank of Australia (**RBA**) changes the Official Cash Rate (**OCR**) (also known as the cash rate target or the cash rate). All new and existing customers in the same AMP First variable rate product will receive the same variable rate change to their interest rate based on these reviews, if applicable.

The AMP First fixed rates will also generally be our lowest fixed rates on offer for new business, when compared to our non-AMP First fixed rates of the same term.

It is important you understand how this product works and is managed by us. This document details the eligibility criteria, rules and requirements to help you decide if this product is suitable for you.

This document sets out the AMP First Home Loan Rules and you should read these in full to understand how it works.

Information including interest rates is current as at the date on the front of this document and is subject to change giving reasonable notice to you.

Section 1: Eligibility Criteria

To be eligible for an AMP First Home Loan, at least one borrower must be in one of the following groups when the home loan application is submitted. An AMP First Home Loan is only available when applying directly with AMP Bank (not for applications made through a loan originator, financial adviser, mortgage broker or other intermediary).

Eligible clients

- Employees or contractors of an AMP group company¹
- Employees of Resolution Life
- Friends and Family of AMP group employees
- AMP Limited shareholders²
- SuperConcepts clients³
- AMP Superannuation members

- Friends and Family of AMP Superannuation members
- AMP Pension Account clients
- Investors in Superannuation, Pension and IDPS products available through North Online, including Summit iAccess, Generations, North and MyNorth (**North Investors**)
- Employees of First Mortgage Services
- Employees of Dexus
- Other people determined by AMP Bank from time to time

To apply for an AMP First Home Loan, one of the borrowers must be an eligible client. During the term of the loan, if none of the borrowers are eligible clients then the AMP First Home Loan may be switched to an AMP Bank Professional Package Home Loan⁴. See **Section 4: Features and other product specific rules** for details.

- 1 AMP group means AMP Limited ABN 49 079 354 519 and its subsidiaries which are all related bodies corporate.
- 2 A minimum of 500 shares are required. For shares first purchased prior to 31 January 2006, there is no minimum limit.
- 3 SMSF Administration Solutions Pty trading as SuperConcepts.
- 4 Details of the Professional Package Home Loan are available at <https://www.amp.com.au/home-loans/loans/professional-package-home-loan>.

Section 2: Review process to ensure competitiveness

The AMP First Home Loan is reviewed at least quarterly each year (in January/February, April/May, July/August, and October/November) to ensure it remains competitive. At each of these reviews, the AMP First Home Loan variable interest rates are set to have their comparison rate⁵ in the top 3 comparison rates across the lenders listed below (**the Comparison Rate Review**).

Additional reviews may be carried out at any time.

It is important you understand how the AMP First Home Loan review process occurs when you are considering whether it is suitable for you.

| Where are the comparison rates gathered from for the Comparison Rate Review? | What variable rates are compared in the Comparison Rate Review? | What products are compared to AMP First in the Comparison Rate Review? |
|---|--|--|
| The comparison rates used for review will be those published by Canstar (or a similar comparison group determined by us). | The review considers a \$500,000 loan with an LVR of 80%, a variable interest rate and which are part of a package ⁶ . The comparison rate ⁷ that is relevant to those loans is used in the Comparison Rate Review. AMP First where construction is a feature is not part of the Comparison Rate Review. | The AMP First Home Loan is compared against the lowest ongoing comparison rate: <ul style="list-style-type: none"> – in each loan purpose category of Owner Occupied / Investment; and – across each repayment type category of Principal and Interest / Interest Only for packaged loan products⁶. (Introductory loan rates will not be used for the comparison). |
| What rules apply for Line of Credit products? | What fixed interest rates are compared? | What else triggers a review of the variable interest rates (other than the Comparison Rate Review)? |
| AMP First Home Loan Line of Credit products interest rates are 0.20% pa higher than the AMP First Home Loan variable interest rate. There is no comparison against other Line of Credit products to determine the interest rate. The AMP First Home loan Line of Credit interest rate will move in line with any variable interest rate change. For example, if the AMP First Home Loan Owner Occupied Interest Only variable rate is 3.00% pa, the AMP First Home Loan Owner Occupied Line of Credit interest rate will be 3.20% pa (0.20% pa higher). | AMP First Home Loan fixed rate loans will generally be priced lower than the best interest rate available from us for new fixed rate loans of the same term for our non-AMP First home loan products. There is no comparison against fixed rates offered by competitors. | We can choose to review interest rates at any time. Any interest rate review in addition to the Comparison Rate Review will not be against the comparison rates of other lenders. Other events that might trigger an interest rate review include: <ul style="list-style-type: none"> – If the RBA announces a change to the Official Cash Rate. – Changes in our costs (including funding costs). – The need for us to maintain a balanced portfolio. – Changes to the regulatory or market environment. There are other events that will cause a review. |

- 5 A comparison rate is designed to help you estimate the total cost of a loan per year. It is expressed as an annual percentage rate and includes the loan's interest rate as well as most upfront and ongoing fees and charges. The comparison rate combines the interest rate plus most fees and charges that come with the loan. This is designed to help you identify the cost of the loan more accurately and make it easier to compare products.
To enable comparisons, comparison rates are based on a secured loan amount of \$150,000 repaid over a 25-year term. A different loan amount of a different term will mean that the comparison rate is not accurate, but can help in comparing loans, which is a key reason we use the comparison rate for AMP First Home Loan reviews.
- 6 A packaged loan is a loan with an annual fee, which provides additional benefits such as a discounted interest rate, offset accounts, and discounts on other products.
- 7 For a loan of \$150,000 over a term of 25 years.

| What lenders are included in the Comparison Rate Review? | | |
|--|-----------------------|-----------------------|
| – Adelaide Bank | – Commonwealth Bank | – NAB |
| – ANZ | – Great Southern Bank | – Newcastle Permanent |
| – Aussie | – Greater Bank | – RAMS |
| – Bank of Melbourne | – Heritage Bank | – St. George Bank |
| – BankSA | – HSBC | – Suncorp Bank |
| – Bankwest | – IMB | – UBank |
| – Bendigo Bank | – ING DIRECT | – Westpac |
| – BOQ | – Macquarie Bank | – Yellow Brick Road |
| – Citibank | – ME Bank | |

Section 3: Fees and charges

We won't charge you the upfront fees and charges under the heading "What fees and charges are not applicable for AMP First Home Loans?" below. Some of these fees and charges are also not charged on our other home loans.

Other fees and charges under the heading "What fees and charges are applicable for AMP First Home Loans?" below may apply. Some of these fees and charges are also not charged on our other home loans.

Please speak to an AMP Bank Home Loan Specialist and refer to our Home loan fees and charges guide or your loan contract for more information on our fees and charges.

| What fees and charges are not applicable for AMP First Home Loans? | What fees and charges are applicable for AMP First Home Loans? |
|---|---|
| <p>The following fees do not apply during the life of an AMP First Home Loan:</p> <ul style="list-style-type: none"> – Settlement fee – Master Limit application fee – Rework fee – AMP Internal Refinance fee – Variation fee – Solicitors' and mortgage processing servicers' costs – Valuation fee (up to \$550) – Solicitors' and Mortgage Processing Servicers' discharge costs – AMP Bank discharge fee | <p>The following fees may apply during the life of an AMP First Home Loan:</p> <ul style="list-style-type: none"> – Multiple Security fee – Solicitors' and mortgage processing servicers' costs (for 3 or more securities associated with the application) – Valuation fee (in excess of \$550) – Break costs – Fixed rate lock fee – Verification of identity by Australia Post – Payment dishonour fees and any other bank or other financial institution fees – Solicitors' and mortgage processing servicers' incidental costs – Solicitors' or mortgage processing servicers' non-standard additional costs |

See our Home loan fees and charges guide for details of when these fees may be charged: amp.com.au/banking/bank-terms-and-conditions.

Section 4: Features and other product specific rules

| I have an existing AMP Bank home loan and I am eligible for an AMP First home loan, can I switch to the AMP First Home Loan? | Is there a fee? |
|---|---|
| – If you have a current AMP Bank Variable Rate Principal and Interest (P&I) loan and you would like to switch to the AMP First Variable | – No. There is no variation fee charged when switching to or from an AMP First home loan. |

Rate P&I Loan, provided you are eligible, you can contact an AMP Bank Home Loan Specialist to switch.

If during the life of my loan there are no longer any borrowers on the loan that fall within the eligible groups noted above, what happens to the loan?

If any of the eligible clients who applied for the AMP First Home Loan were:

- Employees or contractors of an AMP group company
- Employees of AMP Resolution Life Limited
- Friends and family of AMP employees or AMP Life employees
- AMP Limited shareholders who acquired shares before 31 January 2006 and held AMP shares when they applied for the loan, once you have an AMP First Home Loan, you can keep your AMP First Home Loan for the term of the loan (even if you lose your status as an eligible client).

If the eligible clients who applied for the AMP First Home Loan were:

- AMP Limited shareholders who acquired shares on or after 31 January 2006
- AMP Assist Advice clients
- SuperConcepts clients⁸
- AMP Superannuation members
- AMP Pension clients
- North Investors
- Employees of Dexus
- Employees of First Mortgage Services
- Other people determined by us from time to time,

if all of the borrowers lose their status as eligible clients, we may switch the AMP First Home Loan to an AMP Bank Professional Package Home Loan⁹.

If you wish to switch from an AMP First Home Loan to another AMP Bank home loan product you will not be able to switch back unless you are in an eligible group when you ask to switch to an AMP First Home Loan.

If I am required to pay Lenders Mortgage Insurance (LMI) is there a discount?

- For AMP group employees/contractors there is a discount available on the LMI premium. Please discuss with an AMP Bank Home Loan Specialist.

8 SMSF Administration Solutions Pty Ltd trading as SuperConcepts

9 Details of the Professional Package Home Loan are available at <https://www.amp.com.au/home-loans/loans/professional-package-home-loan>.

Section 5: General Information

How do we communicate?

If you need to contact us

You can contact us in the following ways for enquiries about an AMP First Home Loan:

- Phone** 1300 300 700
8am to 8pm Monday to Friday (Sydney time)
Should you require AMP Bank assistance on the weekend (9am to 5pm), please call 13 30 30.
- web** <https://www.amp.com.au/superannuation/info/low-rate-home-loan-offer>
- email** direct_lending@ampbanking.com.au
- mail** AMP Bank
Reply Paid 79702
PARRAMATTA NSW 2124

If we need to contact you

To make sure that we can always let you know of any changes, please let us know if your contact details change.

The credit provider is AMP Bank Limited ABN 15 081 596 009, AFSL and Australian Credit Licence 234517. Approval is subject to AMP Bank guidelines. Fees and charges are payable. Information including interest rates is correct as at the date on the front of this document and is subject to change giving reasonable notice to you. Terms and conditions apply and are available at amp.com.au/bankterms or 13 30 30.