



Debt Servicing Support Guide

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Debt Service

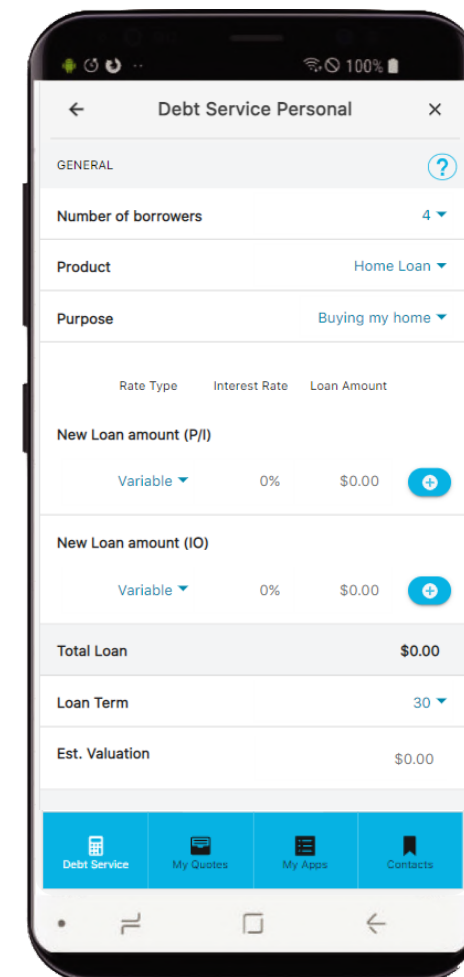
01 General

Complete the details of the new loan you are applying for.

Details of other loan limits / commitments will be entered under 'Limits' displayed on a later page.

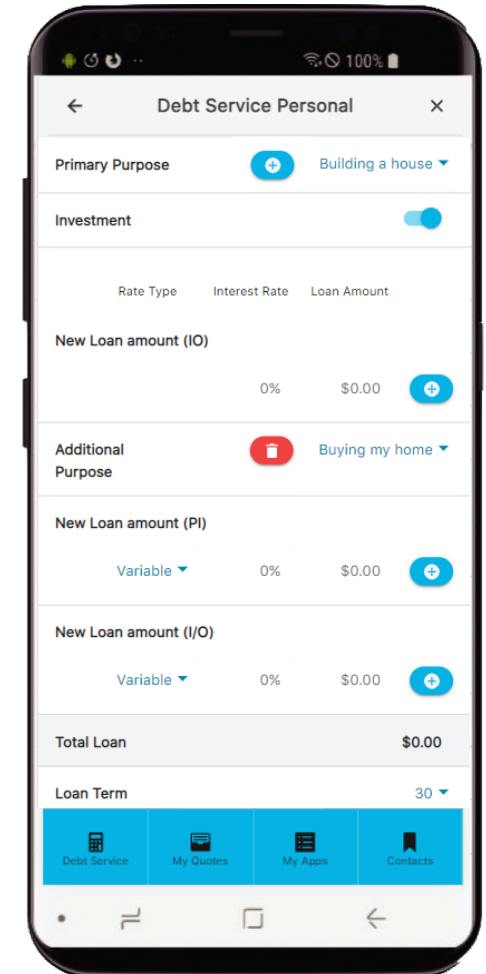
All recent scenarios can be viewed by clicking View Completed Servicing Calculators link on the home screen.

Number of Borrowers	<p>Enter the Number of borrowers (maximum 4).</p> <p><i>If two or more borrowers are selected each Borrower will have a page displayed to enter their income details.</i></p>
Product	<p>Confirm the Product you are applying for ie a Home or Car Loan. The appropriate fields will display based on this selection. Note: if a Car Loan is selected the option for Loan Amount (IO) will be removed and the loan term presented will update.</p>
Purpose	<p>The Purpose or Primary Purpose will update based on the Product selection.</p> <p>Select the most appropriate purpose for your scenario. The appropriate fields will display based on this selection.</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Home Loan options:</p> <ul style="list-style-type: none"> • Buying my home • Refinancing my home • Building a house • Refinancing my investment property • Buying an investment property </div> <div style="width: 45%;"> <p>Car Loan options:</p> <ul style="list-style-type: none"> • Buying a new car • Buying a used car from a dealer • Refinancing my car loan </div> </div> <p>Note: If the purpose Building a house is selected, New Loan Amount (P/I) will be removed. Construction lending is assessed based on IO for 1 year if OO or 5 years if IO. The calculator will determine the appropriate IO term based on the selection.</p>



01 General

New Loan Amount (P/I)	Home Loan: Enter the rate type, interest rate and amount of any P/I new loan splits. Car Loan: Enter the total loan amount being applied for. This field is not available for Construction loans.
New Loan Amount (IO)	Home Loan: Enter the rate type, interest rate and amount of any IO new loan splits. Car Loan: This field is not available for Car Loans.
Investment	If the purpose Building a house is selected, a toggle will be presented to select Investment or Owner Occupied. If the toggle is on (blue) servicing will be treated as Investment.
Additional Purpose	<p>If the purpose Building a house is selected, a blue button with + symbol will appear. When clicked, a new section for Additional Purpose will appear right after the New Loan Amount (IO) field.</p> <p>This section allows a single service result for both construction and any other purposes such as Refinance. New Loan amount fields (PI & I/O) will also be available for the Additional Purpose.</p> <p>Additional Purpose options:</p> <ul style="list-style-type: none"> • Buying my home • Refinancing my investment property • Refinancing my home • Buying an investment property <p>Maximum of two (2) Additional Purposes can be added for each debt service calculator submission.</p> <p>User can also remove an Additional Purpose by clicking on the red bin button.</p>

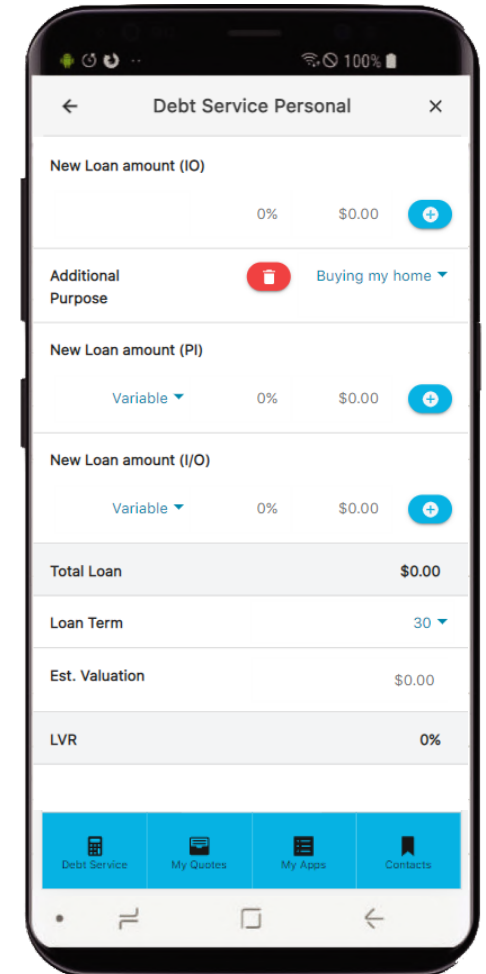


Note: If the user changes Primary Purpose (e.g. Building a house to Refinancing a home) and there is an existing Additional Purpose entered, a message "**Changing the primary purpose will remove existing additional purpose entry. Do wish to proceed?**" will display. Selecting Yes will remove the Additional Purpose sections and update the Primary Purpose field with its new value.

01 General

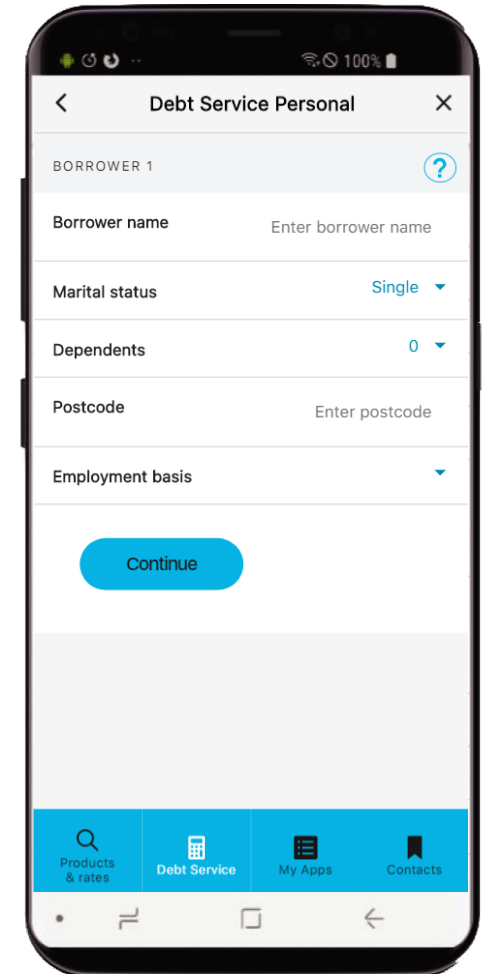
Total Loan	Total loan will auto calculate based on the amounts entered in Loan Amount (P/I) and Loan Amount (I/O).
Loan Term	Home Loan: Default is 30 years. Select loan term from the options available. Car Loan: Default is 5 years. Select loan term from the options available.
Est. Valuation	Enter the estimated value (Est Valuation) of the security being taken by Firstmac.
LVR	LVR will automatically calculate based on the Total Loan and Est. Valuation fields.

Click **Continue** to proceed to Borrower Details



02 Borrower

Borrower name	Enter your Borrower's name. This will allow you to search for your servicing result easily in your email at a later date. It will also allow you to retrieve your servicing to review later under 'View Completed Servicing Calculators'
Marital status	<p>Marital Status option definitions are:</p> <ul style="list-style-type: none"> • Single: Borrower is not married or in a defacto relationship • Couple with Applicant: Borrower is married or in a defacto relationship with one of the other applicants (<i>only use this option when the number of borrowers is 2 or more</i>) • Couple with Non Applicant: Borrower is married or in a defacto relationship with a partner who is not an applicant on the loan (make sure you contact your BDM to <i>discuss our Household servicing policy if your result is a Fail</i>)
Dependents	Select the Number of Dependents (children under 18) that live with your applicant. Give your <i>BDM</i> a call if you are unsure of the number of dependents to enter due to separation or child support payments.
Postcode	Postcode is a required field to obtain your servicing result. If you have selected 2 applicants as a Couple with Applicant (e.g. Borrower 1 & 2 are couples) you will only need to enter their postcode once.
Employment Basis	<p>Select the borrowers Employment type. If the applicant is not working but stays at home to care for children, is retired or is unemployed select Non Labour Force.</p> <p>The appropriate PAYG, Non Labour Force, or Self Employed for Sole Traders and Partnerships income fields will load on the next page.</p>



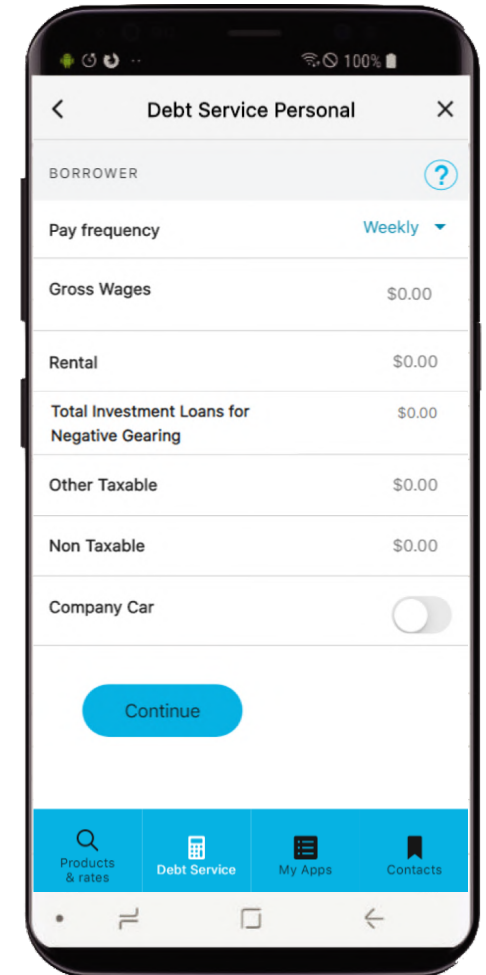
Note: Depending on the employment basis selected, different information will be required from the borrower. Next section below details all fields required for the following employment basis options: PAYG & Non Labour Force.

02 Borrower

Information required for PAYG

<p>Pay frequency</p>	<p>The Pay Frequency selected applies to all the remaining fields on this screen with the exception of Total Investment Loans and Company Car. Note: the email output will convert all figures entered to annual totals regardless of the frequency selected on the Debt Service Calculator.</p>
<p>Gross Wages</p>	<p>Gross Wages is your applicants' full PAYG income. For applicants who are self employed through a Company or Trust structure, enter the income available for servicing as per their individual tax returns and Firstmac's policy. <i>Please contact your BDM if you require help calculating self-employed income figures for servicing.</i></p>
<p>Company Car</p>	<p>Company Car is a toggle button. Firstmac will add \$5000 income where the customer has a fully maintained company car. By clicking the toggle on we will add an extra \$5000 to servicing. You will see an additional \$5000 in the Other Taxable income field on the email output sent to you at completion of the calculator.</p>

Note: Please continue to page 5 for information on Rental, Other Taxable Non Taxable and Total Investment Loans.

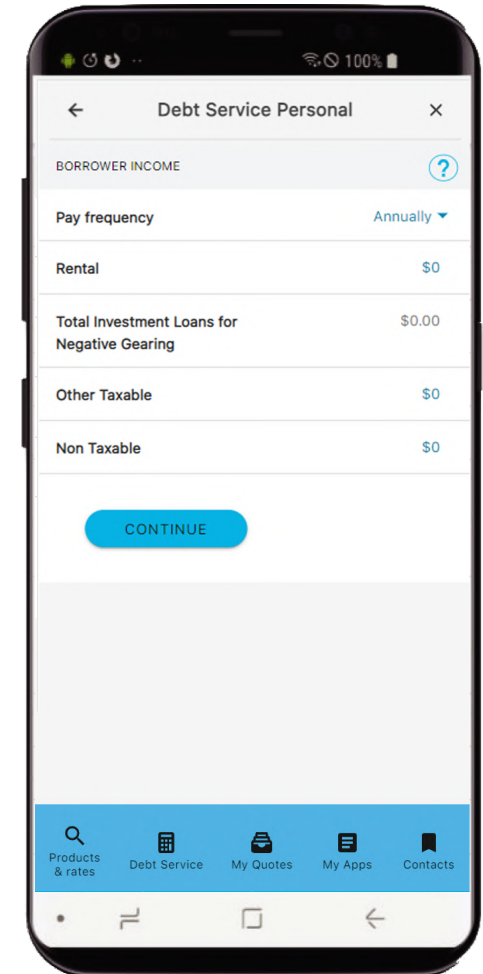


Employment basis: PAYG

02 Borrower

Information required for PAYG, Non Labour Force and Self-Employed

Pay frequency	The Pay Frequency selected applies to all income fields on this screen. Note: the output email will convert all figures entered to annual totals regardless of the frequency selected on the Debt Service Calculator.
Rental	Rental Income should be entered as the gross rental income being received. Debt Service will automatically calculate 80% of the income entered. Where income is being entered from a commercial property (70% to be added to servicing) or High Density property (50-80% to be added to servicing) use the following calculation to obtain the figure to enter into the calculator: Gross rent multiplied by % allowed in servicing. Then divide by 80%. If property is owned 50/50 enter the applicants share of rent based on the title split.
Total Investment Loans for Negative Gearing	Total Investment Loans for Negative Gearing is the total of all Investment debt including the new loan entered on page 1 if investment purposes is selected. Note: Firstmac will only apply Investment addback based on the owing balance of any investment loans. Not the loan limit. If property is owned 50/50 enter the applicants share of investment loans based on the title split.
Other Taxable	Other Taxable income such as income from a second job / pensions etc can be added here.
Non Taxable	Non Taxable income used in servicing can be entered here. E.g Family Tax A & B. Fringe benefits cannot be added as non-taxable income. Contact your BDM to discuss.

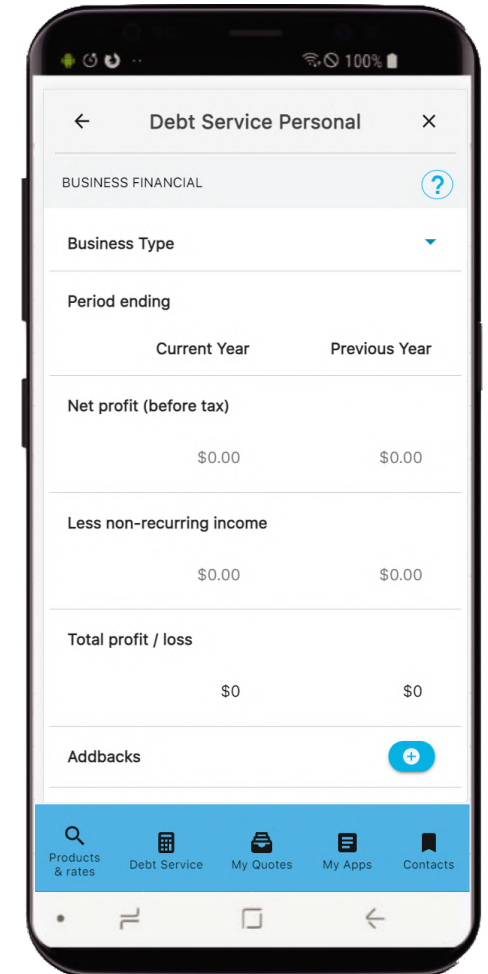


02 Borrower

Additional information required for Self-Employed for Sole Traders and Partnerships

Enter 100% of all figures in these fields. The calculator will use the appropriate amounts as per the current Firstmac policy to calculate the income available for servicing.

Business Type	Select the appropriate Business Type: Sole Trader or Partnership . (The income calculator for Applicants with a Company or Trust structure is coming soon. Their income can be entered as PAYG using the figures from their individual tax returns. (Company Profit cannot be used is servicing for loans in an individual name). Please call your BDM for assistance if required. Selecting Partnership will prompt you to enter the applicants share of the partnership distribution.
Period ending - Current Year	Current Year = The most recent years Tax Return (ie 2020 Financial Year)
Period ending - Previous Year	Previous Year = The prior year. (ie 2019 Financial Year)
Net profit (before tax)	Enter the Business Income before Tax.
Non-recurring income	Enter any once off income such as income from sale of assets etc.
Addbacks	Please only enter one of each addback type.
Income used for servicing	The calculator will determine the amount to be used for servicing based on your figures entered and our policy.



You will also find your scenario saved under 'View Completed Servicing Calculators' to Edit later if required.

02 Guarantor 2, 3 and 4

Postcode	If you have selected 'Single' or 'Couple with Non Applicant' you will need to enter the Postcode of the applicant.
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Note: The remaining fields are as per Borrower 1

Click **Continue** to proceed to All Other Repayments

The screenshot shows the 'Debt Service Personal' app interface for 'BORROWER 2'. The form includes the following fields:

- Borrower name: Enter borrower name
- Marital status: dropdown menu
- Dependents: 0 (dropdown menu)
- Postcode: Enter postcode
- Employment basis: dropdown menu

A blue 'Continue' button is located at the bottom of the form. The bottom navigation bar contains icons for 'Products & rates', 'Debt Service', 'My Apps', and 'Contacts'.

The screenshot shows the summary screen for 'Debt Service Personal' for 'BORROWER'. The summary includes the following items:

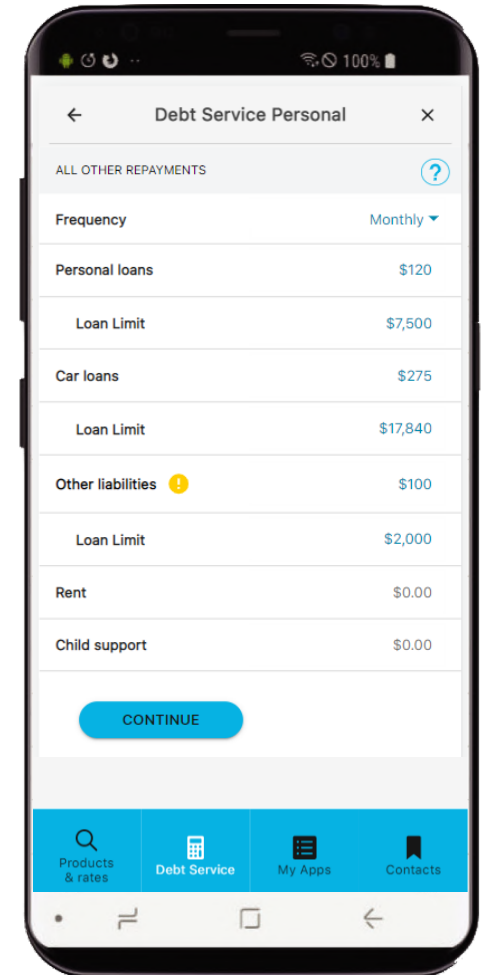
- Rental: \$0.00
- Total Investment Loans for Negative Gearing: \$0.00
- Other Taxable: \$0.00
- Non Taxable: \$0.00

A blue 'Continue' button is located below the summary. The bottom navigation bar contains icons for 'Products & rates', 'Debt Service', 'My Apps', and 'Contacts'.

03 All Other Repayments

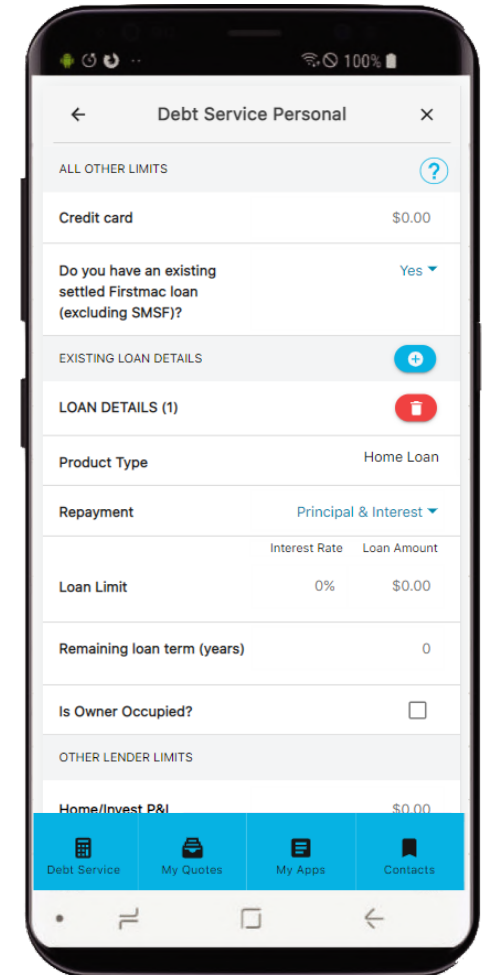
Frequency	As per the borrower page, the Frequency selected applies to all Repayments entered. Note: This does not apply to the Limits section.
Personal loans	Enter the total repayments for all existing ongoing Personal loans, based on the Frequency selected (exclude repayment for any Personal loans that are being paid out by this new loan).
Car loans	Enter the total repayments for all existing ongoing Car loans, based on the Frequency selected (exclude repayment for any Car loans that are being paid out by this new loan).
Other Liabilities	'Other Liabilities' can be used to enter any other ongoing commitments such as HECS / HELP. (Please do not enter other Mortgages here.)
Rent	Enter the existing ongoing Rent expense (exclude if ceasing as part of this new loan eg Purpose is 'Buying my home').
Child support	Child Support payments as mandated by either CSA agreement or Private agreement to be entered here.
Loan Limit	This field will display dynamically if required. Please enter the total limit of the facility.

Click Continue to proceed to All Other Limits



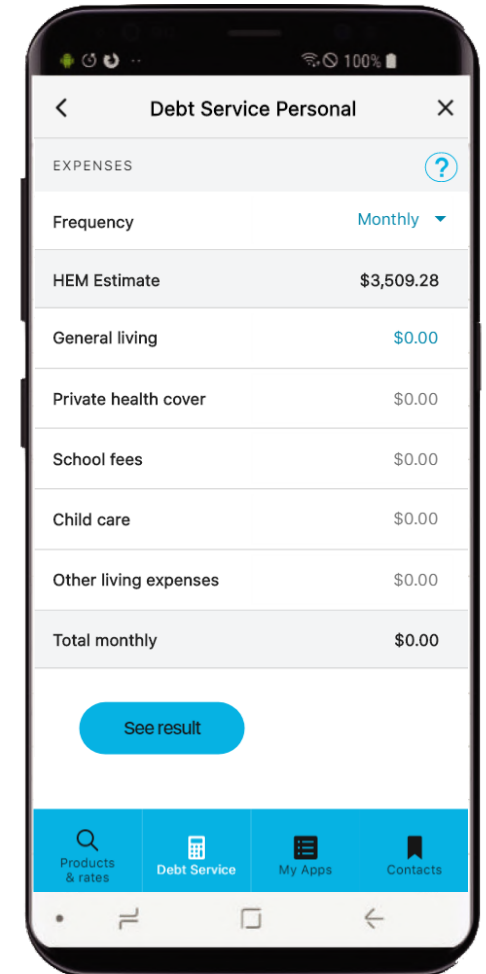
04 All Other Limits

Credit card	<p>Enter the Credit card limits and limits of any other debt.</p> <p>The limit is the Balance + Redraw. If the balance only is entered the servicing result may be incorrect.</p>
Home/Invest P&I	<p>Enter the total limit (ie balance owing + redraw available from the loan) of existing ongoing home or investment home loans, that have Principal and Interest repayments (exclude repayment for any loans that are being paid out by this new loan).</p> <p>Home Loan - Debt Service will automatically calculate the monthly P&I repayment on the limit entered, using the Firstmac Assessment Rate.</p>
Home/Invest IO	<p>Enter the total limit (ie balance owing + redraw available from the loan) of existing ongoing home or investment home loans, that have Interest Only repayments (exclude repayment for any loans that are being paid out by this new loan).</p> <p>Home Loan - Debt Service will automatically calculate the monthly P&I repayment on the limit entered, using the Firstmac Assessment Rate.</p>
Repayments	<p>For Car Loans, a new field will display once the loan limit is populated. This new field requires the actual monthly repayment to be entered.</p>
Do you have an existing settled Firstmac loan (excluding SMSF)?	<ul style="list-style-type: none"> • Set drop down to Yes if you wish to enter existing loan details with Firstmac. You can enter multiple loan details. • You will be required to select a repayment type and enter loan limit interest rate and amount plus the remaining loan term in years for each.
Product Type, Repayment, Loan Limit and Remaining loan term (years)	<ul style="list-style-type: none"> • Set product type of your existing settled loan that is relevant to the selected serviceability. • Select repayment, enter the current loan limit values and loan term of the existing loan. • These information only applies if you have an existing settled loan with Firstmac.
Is Owner Occupied?	<p>Tick if any existing properties are used as the primary residence.</p>



05 Expenses

Pay Frequency	Frequency applies to all repayments entered as per previous pages. Servicing is based on the following calculation: the higher of "General Living" and "Childcare" OR HEM, plus "School fees", "Private health cover" and "Other living expenses". The borrower's living expenses will need to be categorised correctly to obtain the correct servicing result.
HEM Estimate	The monthly HEM Estimate displayed is based on the borrower's postcode, marital status selected, number of dependents, and household income calculated by Debt Service. HEM estimate does not replace the Broker's obligation to make reasonable enquiries regarding the borrower's living expenses. Note: the HEM estimate will always display as a monthly value. The email output will calculate and display the expenses values as monthly.
General living	Reasonable enquiries regarding a borrower's living expense should include discussion around the amount the borrower spends on a regular basis on basic, essential items such as groceries, clothing, utilities, phone/mobile, internet, motor vehicle/transport, rates, general insurance (car / home). Enter the total expense for these items here.
Private health cover; School fees; Child care	Private health cover, Medical, School fees, and Child care are required as per the Firstmac living expenses addendum.
Other living expenses	Other living expenses is a discretionary field for anything else that is deemed appropriate to be declared.
Total monthly	Total monthly is calculated automatically based on the declared expenses entered.



Note: the **HEM estimate** will always display as a monthly value. The email output will calculate and display the expenses values as monthly.

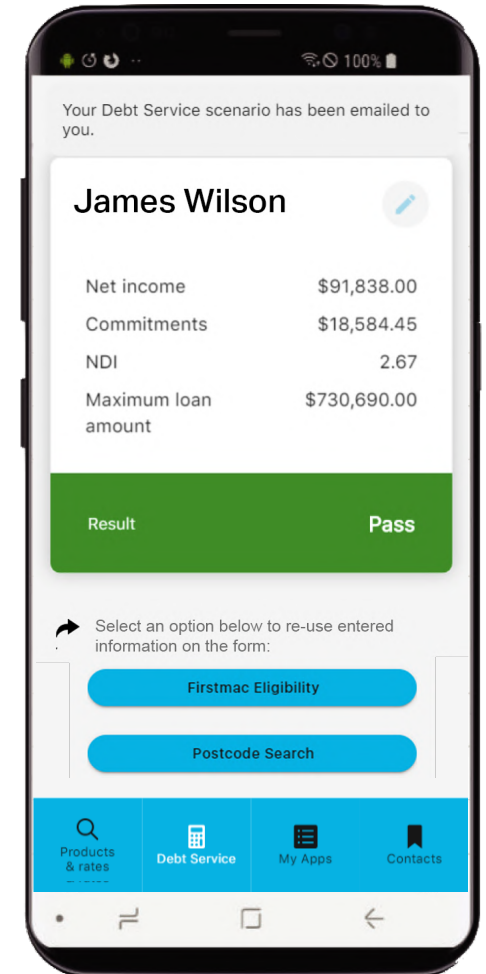
Click **See result** to proceed to Summary

06 Summary

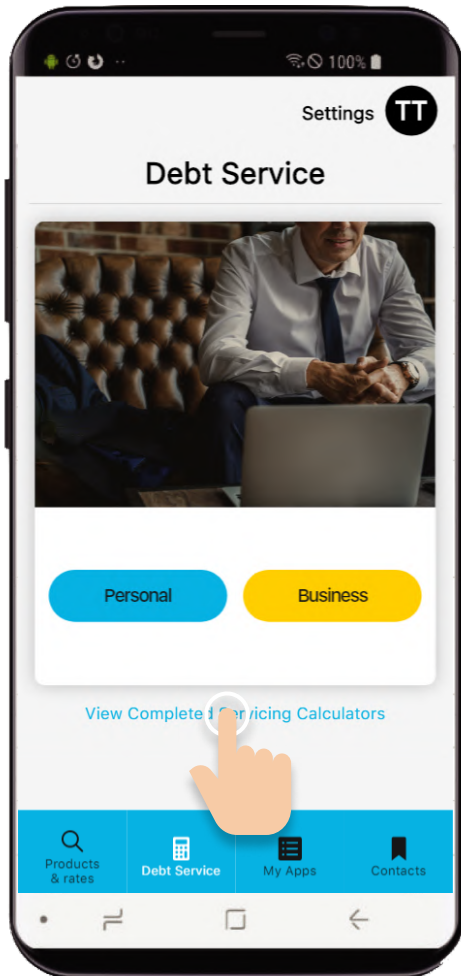
Net Income and Commitments	Net Income and Commitments are values calculated based on the income and expenses entered into the calculator. These include Gross Income, Rental Income, Investment Interest addback, Ongoing loan repayments, and living expenses.
NDI Ratio	The NDI Ratio is the outcome of your servicing assessment.
Maximum borrowing Capacity	The Maximum Borrowing Capacity is the maximum Principal and Interest loan amount available calculated based on the data entered into the Debt Servicing Calculator. Changes to data in the Debt Service Calculator will result in changes to the Maximum Loan Amount.
Result	Result advises if your applicants pass or fail: <ul style="list-style-type: none"> • 1.00 or Higher is a pass and loan should be submitted to Firstmac for review. • 0.99:1 or lower is a Fail and loan cannot be assessed as entered.

Hit the **Pencil icon** to Edit your scenario.

You will also find your scenario saved under **View Completed Servicing Calculators** to Edit later if required.

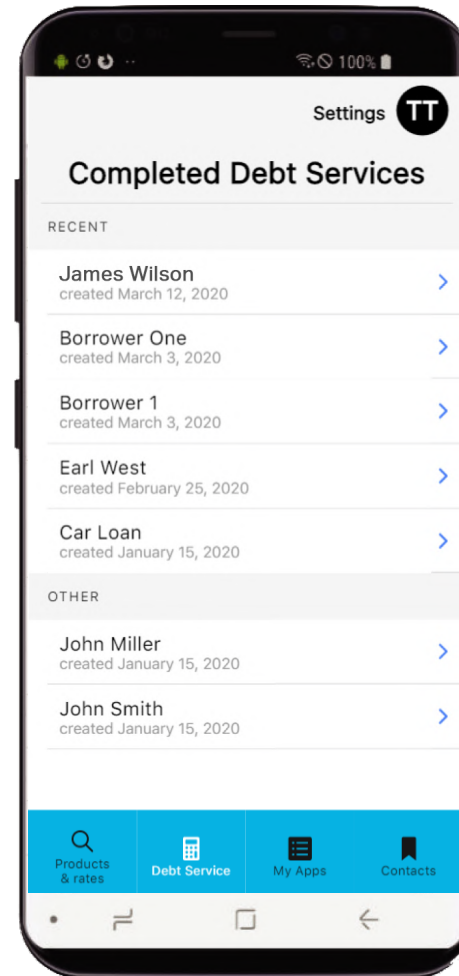


Completed Servicing Calculators



Step 1

All recent scenarios can be viewed by clicking **View Completed Servicing Calculators** button on the home screen

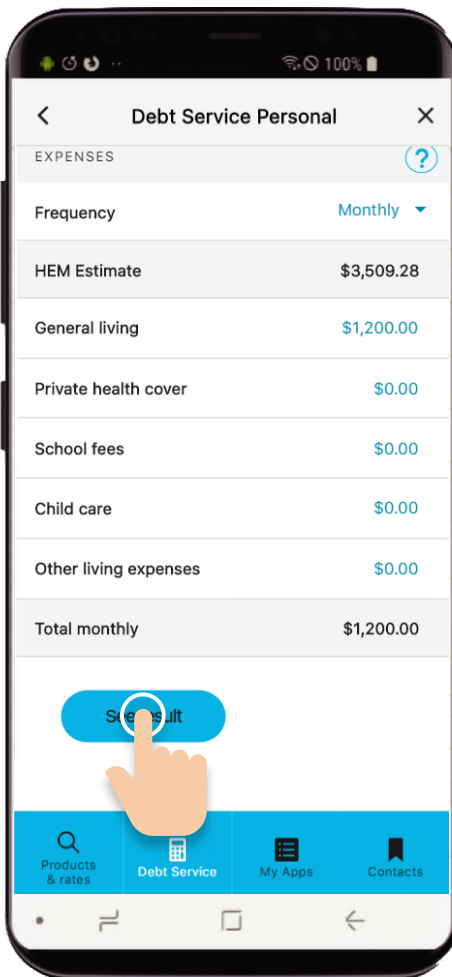
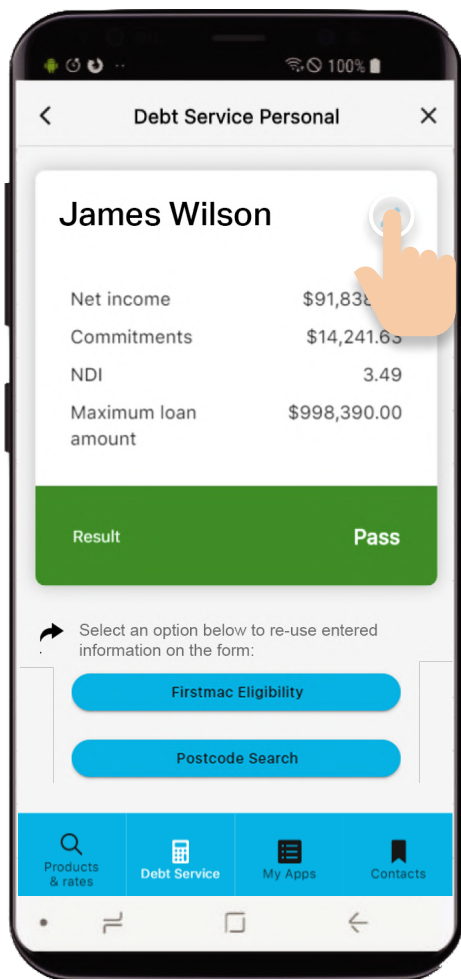


Step 2

Select the customer you would like to retrieve the servicing for.

Step 3

By clicking the **Pencil icon**, you can make changes to the original Debt Servicing calculator.



Step 4

Once you have completed all changes, click **See result**.

Step 5

Your updated Debt Service scenario will be emailed to you. You will still have the option to edit your scenario.

