



Partial Discharge Fact Sheet

Partial Discharge overview

Where RAMS holds multiple properties as security for a loan or loans and not all of the security properties are to be discharged on the same day, the process is referred to as a partial discharge. A borrower may request a partial discharge, for example, because they are selling one of the security properties. On receipt of a signed discharge authority, RAMS will assess the request and determine a maximum loan amount against the remaining security properties held in accordance with the original loan approval. However, if RAMS is unable to approve a remaining balance up to the originally approved LVR we will call you or your RAMS Representative to discuss your options.

Documentation

A RAMS discharge authority form must be signed by all borrowers and guarantors and faxed or mailed to the RAMS discharge team. The discharge authority form can be obtained by calling **13 RAMS, that's 13 7267** who can fax, email or mail the form.

Timeframe

On receipt of the request, the RAMS discharge team will contact the borrower to verify the instructions. RAMS will then undertake the following steps within an expected 10 business days:

- Validate application and instructions
- Order and receive updated valuations on remaining properties (if required)
- Confirm instructions prior to formal credit approval
- Seek credit approval and mortgage insurance approval (if applicable)
- Instruct RAMS Panel Solicitor
- Book settlement and provide final payout figure
- Complete settlement

Valuation of Remaining Security Properties

In order to assess the application RAMS may require any remaining properties held as security against the loan to be re-valued depending on when the last valuation was completed.

Fees

The following fees will be payable on finalisation of a partial discharge. RAMS fees are charged to the loan after settlement. Solicitor fees are collected at settlement.

Fees charged by RAMS on finalisation of the variation:	Fees charged by the instructed Solicitor:
<ul style="list-style-type: none">▪ \$295 partial discharge fee▪ A valuation fee of up to \$220 per security property▪ \$150 fixed rate break fee (if applicable)▪ Fixed rate unwind adjustment (if applicable)	<ul style="list-style-type: none">▪ \$220 legal costs



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PARTIAL DISCHARGE FAQ'S

How do you calculate the amount by which I need to reduce my loan?

On application RAMS will seek to approve the total loan facility against the remaining security properties in line with the original loan to security value ratio.

For example:

Original Approval:	New Approval at Partial Release:
Total loan limit \$480,000	Total loan limit \$256,000
Security Property A \$300,000	Security Property A discharging
Security Property B \$300,000	Security Property B re-valued at \$320,000
Loan to Value ratio approved is 80%	Loan to Value ratio approved is 80%
(\$480,000 divided by \$600,000 multiplied by 100)	(\$256,000 divided by \$320,000 multiplied by 100)
	Loan reduction required: \$224,000 plus fees

How can I borrow more than the originally approved LVR?

RAMS requires an *Application to vary your loan* form, together with the privacy consent and disclosure statement, signed by all borrowers and guarantors on the loan. RAMS will then assess your application using the RAMS responsible lending guidelines.

Can I reduce my remaining loans by more than the payout figure quoted?

RAMS accepts funds over and above the payout figure quoted at settlement and will deposit into the loan account as available redraw or, if you request it, as a permanent reduction not available for redraw.

What happens to my repayments?

The funds received at settlement will be deposited to the loan account and the loan amount reduced. You will receive a confirmation letter confirming the new approved loan amount, the address of the property that has been discharged, the address of the remaining security properties and the new loan repayments.

Who can I call for further information?

RAMS offers a direct line to the discharges team from 8:30am to 5:30pm AEST Monday to Friday on (02) 9647 6953. The general Contact Centre can also be called on **13 RAMS, that's 13 7267** between 7:00am and 11:00pm AEST, 7 days a week.

Will my application be considered if I am in arrears?

RAMS takes into consideration the loan conduct when assessing the application. We may request full proceeds of sale less selling costs as a condition of the approval.

Fees, charges and RAMS lending criteria apply. RAMS Financial Group Pty Limited ABN 30 105 207 538 AR 405465 Australian credit licence 388065. Credit Provider: Westpac Banking Corporation ABN 33 007 457 141 AFSL and Australian credit licence 233714. Updated February 2013