

INCOME VERIFICATION REQUIREMENTS MATRIX FOR MORTGAGES - St.George, BankSA, Bank of Melbourne

Income Type	V2.4 12/05/2014	DOCUMENTATION REQUIRED and INCOME CALCULATION		Assessed at	DOCUMENT STANDARDS	
	Income Source	Non-Mortgage Insured loans	Mortgage Insured Loans		Type of Document	Detailed Requirements
Salary & Wage Income	Salary / Wages or Car allowance or Commissions or Contract Income (dependant contractor - refer doc standards for definition) or Directors fees (PAYG only) or Overtime or Shift allowance or Salary sacrifice/packaging (any type) or Specific Industry Payments (All Allowances)	<p>Group 1</p> <ul style="list-style-type: none"> * Last 2 pay slips detailing base salary = Use either gross base salary or annualise gross average pays (Income Annualisation Calculator on Broker Website) or * YTD pay slip covering last 2 pay cycles = Use either gross base salary or YTD gross annualised or * Employer's letter = Use total gross income or * Account transaction listing generated from a St George Group system, or account statements/passbook from a Non St George Group financial institution showing salary credits covering the 2 latest pay periods = Use Net to Gross Income calculator on Broker Website <p>Note: if two salary credits differ the lower amount is to be used to annualise income. Note: Care to be taken when assessing contract income paid to an account may be a net figure (use Net to Gross Income calculator on Broker Website) or gross Note: Where calculators are used (ie net to gross or income annualisation calculator) print calculator and retain in file</p> <p>Group 2</p> <ul style="list-style-type: none"> * Latest PAYG Payment Summary = Use gross Payments from PAYG Payment Summary. or * Latest tax return and ATO notice of assessment with an ABN search required if employer name is not provided on the document = Use gross salary/wages from tax return <p>Calculate income = A single document from Group 1 or Group 2</p> <p>Note: if relying on a single Group 2 document, the document is to be from the current employer. If employer is different to that on finance application, a Group 1 document will be required. When Group 1 and Group 2 documents are used together they may be from different employers.</p>	<p>Group 1</p> <ul style="list-style-type: none"> * Last 2 pay slips detailing base salary * YTD pay slip covering last 2 pay cycles * Employer's letter (can only be used with a Group 2 document - refer "calculate income" below) * Account transaction listing generated from a St George Group system, or account statements from a Non St George Group financial institution showing regular salary credits covering the 2 latest pay periods = Use actual deposit (Use Net to Gross Income Calculator on Broker Website) (can only be used with a Group 2 document - refer calculate income below) <p>Note: if two salary credits differ the lower amount is to be used Note: Care to be taken when assessing contract income paid to an account may be a net figure (Use Net to Gross Income Calculator on Broker Website) or gross Note: Where calculators are used, print calculator and retain in file</p> <p>Group 2</p> <ul style="list-style-type: none"> * Latest PAYG Payment Summary * Latest tax return and ATO notice of assessment with an ABN search required if employer name is not provided on the document <p>Calculate income =</p> <ul style="list-style-type: none"> * If using base income, use last 2 pay slips detailing base salary or YTD pay slip covering last 2 pay cycles from Group 1 = Use gross base salary annualised or * If not using base income, a combination of any Group 1 document and a Group 2 document = Use the lower of income from Group 1 or Group 2 document. <p>Note: where a Group 1 document held from current employer the Group 2 document may be from a different employer. Note: Second Full or Part-time employment (Multiple Permanent Jobs) must be held for 2 years for income to be acceptable for Mortgage Insured loans. Note: Group 1 document to be from the current financial year and the Group 2 document from the previous financial year.</p>	<p>All income assessed at 100% for both non mortgage insured and mortgage insured loans.</p> <p>Fringe Benefits are assessed at 0%</p> <p>Note: After 31 December it is mandatory to supply the previous 30 June tax returns and ATO notice of assessment if using a Group 2 document.</p>	<p>Payslip</p> <ul style="list-style-type: none"> * Maximum age 6 weeks at time of formal application * Employer name and ABN (ABN not required for Federal or State Government departments) * Employee name consistent with loan application * The period the payslip covers (e.g. Weekly fortnightly, monthly) * Base salary * Gross salary for this pay period * Tax paid * Net salary for this pay period * YTD figures (if applicable) * Note: Handwritten income verification documents are not acceptable. <p>Payment Summaries</p> <ul style="list-style-type: none"> * After 31 Aug it is mandatory to supply the previous 30 June payment summary * Employer name and ABN * Employee name consistent with loan application * Note: Handwritten Payment Summary is acceptable <p>Salary Credits to account</p> <ul style="list-style-type: none"> * Salary credit narrative has to be from a specific employer (eg "St George"), general narratives such as "pay" are not permitted <p>Account statement issued by financial institution</p> <p>Note: An Internet statement is acceptable provided all "Detailed Requirements" are met.</p> <ul style="list-style-type: none"> * Maximum age 6 weeks at time of formal application date * Name of Financial Institution * Name of all account holders consistent with loan application * BSB and account number * Statement dated for the statement period * Transaction details including: date / credit & debit amounts with detailed narratives / running balances per dated transaction 	
	Bonus	<ul style="list-style-type: none"> * Employers letter confirming - bonus is a regular performance payment, bonus frequency, bonus amount paid and * A Group 1 document and a Group 2 document in total must cover a minimum 2 years history of the bonus payment. <p>Note: where a Group 1 document held from current employer the Group 2 document may be from a different employer = Use the lower of income from Group 1 or Group 2 document. Note: Any applications using annual bonus amounts greater than \$30K are to be referred to Credit for assessment.</p>	Same requirements as Non-mortgage insured loans	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Account transaction listing STG / BSA / BoM	<ul style="list-style-type: none"> * Maximum age 6 weeks at time of formal application date * An account transaction listing (not an account statement) is to be produced and printed internally from St George group system * Account number can be matched to applicant * Transaction details including: <ul style="list-style-type: none"> - date - credit / debit amounts with detailed narratives
	Casual income / employment	<p>One document from Group 1 - (annualised using the Income Annualisation Calculator on broker website - print calculation and retain in file) and one document from Group 2 = Use the lower of annualised income from Group 1 or Group 2 document. (Load annual figure to serviceability calculation)</p> <p>Note: where a Group 1 document held from current employer the Group 2 document may be partly from a different employer provided a 6 month history in current employment is evidenced with the same employer. Note: Income Annualisation Calculator will annualise income over a 46 week period (ie allowing 4 weeks leave and 2 weeks sick leave annually).</p>	<p>One document from Group 1 - (annualised using the Income Annualisation Calculator on broker website - print calculation and retain in file) and one document from Group 2 = Use the lower of annualised income from Group 1 or Group 2 document. (Load annual figure to serviceability calculation)</p> <p>Note: where a Group 1 document held from current employer the Group 2 document may be partly from a different employer provided a 12 month history in current employment is evidenced with the same employer. Note: Income Annualisation Calculator will annualise income over a 46 week period (ie allowing 4 weeks leave and 2 weeks sick leave annually).</p>	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Employer's letter	<ul style="list-style-type: none"> * Maximum age 6 weeks at time of formal application date * Be on employer's letterhead which includes ABN & signed * Applicant name consistent with loan application * Gross income * Net income
	Family employee not part owner of the business. (part owner of business to be assessed as Self Employed)	<p>A single document from Group 1 or Group 2 supported by account transaction listing generated from a St George Group system, or account statements from a Non St George Group financial institution showing salary credits covering the 2 latest pay periods = Use actual deposit (Use Net to Gross Income Calculator on Broker Website) or the latest tax return and ATO notice of assessment (if not already held) = Calculate in terms of Salary / Wages above.</p> <p>Note: Two documents must be held Note: Confirm applicant not owner or part owner of the business by checking Credit Bureau for directorship or if registered business name ABN search via DTLK ref Lending policy 7.4</p>	Same requirements as Non-mortgage insured loans	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Dependant contractor	<ul style="list-style-type: none"> * Persons employed on a commercial contract but with work arrangements consistent with them being an employee will be Classified as a dependant contractor. * A dependant contractor can be considered as having full-time PAYG employment provided that the applicant: <ul style="list-style-type: none"> - has had a minimum of 6 months employment in this position for Non MI and 12 months MI, and - is reliant on income from this source only (ie does not have multiple contracts with different employers).
	Fully Maintained Company Car	<ul style="list-style-type: none"> * Employers letter confirming that the applicant's package includes a car fully maintained by the company. <p>Calculate = Add \$5k gross per annum to base salary</p>	Same requirements as Non-mortgage insured loans	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Foreign Income documents	<ul style="list-style-type: none"> * Maximum age 6 weeks at time of formal application date * Translation Checklist to be completed in all cases. * Foreign income payslips must meet all "Payslip" requirements listed above except an ABN is not required. * Foreign bank statements must meet all "Account statement issued by financial institution" requirements listed above except detailed narratives are not required. <p>Note: In the event documents can not be translated internally by a St George Group staff member or St George Group Broker, applicant is to provide an English translation prepared by an accredited translator at their own cost. Refer https://www.naati.com.au/online/ for a list of translators' in your local area (click on the "online directory"). Translated documents are to be stamped with translators NAATI stamp.</p>
	Foreign salary / wage	<ul style="list-style-type: none"> * Employer's letter or * 2 consecutive payslips (Note: a single YTD payslip is not acceptable) and * in all cases a minimum of 3 months consistent salary credits into a bank account (copies of bank account statements to be obtained and held on file). <p>Note: if two salary credits differ the lower amount is to be used to annualise income Note: if the income amount varies between employers letter, payslips or credit to account, the lowest value on either the letter, payslips or credits to account are to be accepted in the Translation Checklist. To calculate foreign income ensure a completed Translation Checklist is held =</p> <ol style="list-style-type: none"> Convert foreign total to AUD using the Foreign Exchange calculator on the Broker Website select "selling - foreign currency and choose transaction type - cheques." (if rate not available use www.xe.com) Load Serviceability Calculator with AUD Gross as taxable income. (Australian tax is to apply, for exceptions refer to Non Resident policy 9.1) 	<p>Same requirements as Non-mortgage insured loans, for Australian Citizens only.</p> <p>Note: Mortgage insured loans for Australian Citizens are available to a maximum 90% inclusive of capped LMI Refer Non Resident policy 9.1</p> <p>Note: Mortgage insured loans are not available to non residents. Refer LVR Policy 18.4</p>	All foreign income assessed at 100% for both non mortgage insured and mortgage insured loans.	<p>Translation Checklist refer Forms section of Broker website</p>	
	Directors fees (self employed)	See section Self Employed below	See section Self Employed below			
Professional Sportspersons	See section Self Employed below	See section Self Employed below				
Investment Income	Interest Income or Dividend (other than from own company)	<ul style="list-style-type: none"> * Last 2 years personal tax returns and last 2 years ATO Notice of Assessments for each applicant. <p>Calculate income =</p> <ul style="list-style-type: none"> * If the current year's total interest or dividend income is lower than previous years then = the current year's income is used. * If the current year's interest or dividend income is higher than previous years then = the average of both years income is used. <p>Note: All Interest or Dividend income is to be loaded in CLAS as "Other (incl Dividends, director's fees etc)", tick "Rate Override" and change to 80%. Note: Less than 2 years tax returns and ATO Notice of Assessments = refer to Credit with current investment certificate and bank account statements evidencing payment over a 6 month period. Note: Interest / Dividend income is not to exceed a maximum of 50% of total income. (for consideration > 50% refer to MCT)</p>	Same requirements as Non-mortgage insured loans	<p>Interest or Dividend income assessed at 80% for both non mortgage insured and mortgage insured loans.</p> <p>Note: After 31 December it is mandatory to supply the previous 30 June tax returns and ATO notice of assessment.</p>	<p>Note: The following two documents can only be accepted by credit.</p> <p>Investment Certificates</p> <ul style="list-style-type: none"> * Current investment certificate (maximum 12 months old) at time of formal application date * Certificate holder is consistent with loan application <p>Dividend advice</p> <ul style="list-style-type: none"> * Latest dividend payment advice issued (maximum 12 months old) at time of formal application date * Dividend recipient is consistent with loan application 	
	Annuity, superannuation, or private pension	<ul style="list-style-type: none"> * A letter from the provider, and * Account transaction listing generated by a St George Group system, over a 6 month period, or * Bank statements / passbooks, over a 6 month period. <p>Calculate income = Use the lower of the letter from the provider or average of the last 6 months payments to account.</p>	Same requirements as Non-mortgage insured loans	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Letter from the provider used to confirm Annuities, Superannuation, Private Pension income.	<ul style="list-style-type: none"> * Last letter issued (maximum 12 months old) at time of formal application date * Recipients name is consistent with loan application

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	Income Source	Non-Mortgage Insured loans	Mortgage Insured Loans		Type of Document	Detailed Requirements
Investment Income	Rental Income	<p>For a new purchase:</p> <ul style="list-style-type: none"> * A rental opinion from a real estate agent in the form of a letter or * Existing residential lease agreement (if existing lease arrangements are to continue) or * Rental estimate provided in a valuation report <p>Property currently tenanted use actual rent from:</p> <ul style="list-style-type: none"> * Recent rental statement from managing Real estate agent or * Account transaction listing generated from a St George Group system, or account statements/passbook from a Non St George Group financial institution (6 month period) all with detailed narrative or * Existing residential lease agreement or * Latest completed Australian Tax Return with ATO Notice of Assessment (refer specific rental Property statement in the ATO return). <p>Property not currently tenanted:</p> <ul style="list-style-type: none"> * A rental opinion from a real estate agent in the form of a letter or * Rental estimate provided in a valuation report <p>Calculate income in all scenarios = Use gross amount</p> <p>Note: If multiple documents evidencing rental income are provided, the lower amount must be used in all cases.</p> <p>Note: All rental income must be loaded against the related property icon in Serviceability Calculator.</p> <p>Note: Rent is not to exceed a maximum of 50% of total income (for consideration > 50% refer to Credit)</p>	<p>Same requirements as Non-mortgage insured loans except:</p> <p>Note: Rent from Serviced apartments and rural residential are not acceptable for Mortgage Insured Loans.</p>	<p>Rent assessed at 80% unless received in a Concentration Risk Postcode, Serviced Apartment or Commercial Property in which case assessed at 60%.</p> <p>Refer Rental Policy 6.4.2</p> <p>NRAS refer 17.5.12</p> <p>Defence Housing Authority (DHA) rental guarantee - net of management fees (16.5%) assessed at 100%</p>	<p>All Rental verification documents (including any existing valuation(s) showing a rental estimate, but excluding existing lease agreement(s))</p> <p>Additional individual requirements for below documents:</p> <p>Rental Opinion from a Real Estate Agent</p> <p>Existing Lease agreement</p>	<p>* Maximum age 3 months at time of formal application date (except latest completed Australian Tax Return with ATO Notice of Assessment which after 31 December it is mandatory to supply the previous 30 June tax returns)</p> <ul style="list-style-type: none"> * Name of property owner consistent with loan application * NRAS security under a Head Lease structure not currently owned or rented, the market rental stated on rental income verification documentation is to be discounted by 25%. <p>* Original signed and dated document on company letterhead.</p> <ul style="list-style-type: none"> * Address of rental property * Estimated amount of rental income per cycle (e.g. weekly, fortnightly, monthly). <p>* Current signed and dated document (only if existing lease arrangements are to continue).</p> <ul style="list-style-type: none"> * Maximum age of lease agreement 12 mths at time of formal application date * Address of rental property * Current rent received and frequency
	Foreign rental income	<p>* a minimum of 6 months consistent rental credits into a bank account (copies of bank account statements to be obtained and held on file).</p> <p>Note: if two rental credits differ the lower amount is to be used.</p> <p>To calculate foreign income ensure a completed Translation Checklist is held =</p> <ol style="list-style-type: none"> Convert foreign total to AUD using the Foreign Exchange calculator on Broker website select "selling - foreign currency and choose transaction type - cheques." (if rate not available use www.xe.com) Load Serviceability Calculator with AUD Gross as taxable income. (Australian tax is to apply, for exceptions refer to Non Resident policy 9.1) <p>Note: All rental income must be loaded against the related property in the Serviceability Calculator</p>	<p>Same requirements as Non-mortgage insured loans</p> <p>Note: Mortgage insured loans for Australian Citizens are available to a maximum 90% inclusive of capped LMI</p> <p>Refer Non resident policy 9.1</p> <p>Note: Mortgage insured loans are not available to non residents. Refer LVR policy 18.4</p>	<p>All foreign rental income assessed at 80%.</p>	<p>Foreign Income documents</p> <p>Translation Checklist refer Forms section of Broker website</p>	<p>* Maximum age 6 weeks at time of formal application date</p> <ul style="list-style-type: none"> * Translation Checklist to be completed in all cases. * Foreign bank statements must meet all "Account statement issued by financial institution" requirements listed above except detailed narratives are not required.
Supplementary income	Maintenance / Child Support Payments	<p>May only be considered when received by an applicant as supplementary income (ie in addition to PAYG income)</p> <ul style="list-style-type: none"> * Subject to written verification * Maximum age of dependent children is up to and including 13 years of age at time of application (unless the payment of these benefits can be sustained for the term of the loan) <p>*Evidence via child support agency letter and proof of receipt of maintenance for a continuous period of at least six months (Account transaction listing generated from a St George Group system or account statements/passbook from a Non St George Group financial institution)</p> <p>*Child Support Agency confirmation is to be obtained and retained in the file</p>	<p>Same requirements as Non-mortgage insured loans except:</p> <p>Note: Maximum age of dependent children is up to and including 11 years of age at time of application (unless the payment of these benefits can be sustained for the term of the loan)</p>	<p>All income assessed at 100% for both non mortgage insured and mortgage insured loans.</p>	<p>Child Support Agency letter</p>	<p>* Maximum age of letter 3 months at time of formal application date</p> <ul style="list-style-type: none"> * Applicants name is consistent with loan application * Amount of payment * number of dependents related to payment being received
Social security income	Social security income: * Age pension * Widow's allowance * Department of Veterans' Affairs (service or widow pension) *Widow B Pension *Wife Pension > Family tax benefit part A or B > Large family supplement > Disability support pension	<p>A letter from the relevant government department confirming the benefit and payment frequency = Use gross amount.</p> <p>Note: Service Pensions (only) may also be verified to:</p> <ul style="list-style-type: none"> * Account transaction listing generated by a St George group system, over a 6 month period, or * Bank statements / passbooks, over a 6 month period. <p>Note: Income should be loaded as normal taxable income, the bank's lending system will apply the correct tax free thresholds</p> <p>Note: * These income sources may additionally include a "pension supplement" or "pension basic supplement" which is also acceptable income assessed at 100%.</p> <ul style="list-style-type: none"> * Other social security allowances which may be payable (e.g. pharmaceutical and telephone allowances) are not acceptable income sources. <p>>Only accept these payments where the applicant will receive payments for at least 5 years from the date of the loan application = Use gross amount.</p> <p>Note: Family Tax part A or B is only paid for dependants aged to 16 years.</p>	<p>Same requirements as Non-mortgage insured loans</p>	<p>All income assessed at 100% for both non mortgage insured and mortgage insured loans.</p>	<p>Government letter confirming benefits</p>	<p>* Maximum age of letter 3 months at time of formal application date</p> <ul style="list-style-type: none"> * Applicants name is consistent with loan application <p>Note: If annual benefit payment is received, then a statement of account confirming the direct credit amount is to be obtained. (eg Family Payment paid annually after Self Employed / PAYG tax returns completed).</p>
	Foreign Pension eg Foreign currency pension received to foreign bank account Refer Policy 9.1 Applications from Non-residents or Foreign income applications	<p>*A letter from the relevant government department confirming the benefit and payment frequency and</p> <p>*A minimum of 3 months consistent pension credits into a bank account (copies of bank account statements are to be obtained and held on file)</p> <p>Note: If the income amount varies between the government department letter and credits to the bank account, the lowest value on either document is to be used and recorded on the Translation Checklist.</p> <p>To calculate foreign income, ensure a completed Translation Checklist is held:</p> <ol style="list-style-type: none"> Convert foreign total to AUD using the Foreign Exchange calculator select "selling - foreign currency and choose transaction type - cheques." (if rate not available use www.xe.com) Load Serviceability calculator with AUD Gross as taxable income. (Australian tax is to apply, for exceptions refer to Non Resident policy 9.1) <p>Income should be loaded as normal taxable income, calculator will apply the correct tax free thresholds</p>	<p>Same requirements as Non-mortgage insured loans</p> <p>Note: Mortgage insured loans for Australian Citizens are available to a maximum 90% inclusive of capped LMI</p> <p>Note: Mortgage insured loans are not available to non residents. Refer LVR Policy 18.4</p>	<p>All foreign pension income assessed at 100% for both non mortgage insured and mortgage insured loans.</p>	<p>Foreign Income documents</p> <p>Foreign Bank Statements</p> <p>Translation checklist refer Forms section of Broker website</p> <p>Government letter confirming benefits</p>	<p>* Maximum age 6 weeks at time of formal application date</p> <ul style="list-style-type: none"> * Translation Checklist to be completed in all cases. * Foreign bank statements must meet all "Account statement issued by financial institution" requirements listed above except detailed narratives are not required. <p>* Maximum age of letter 3 months at time of formal application date</p> <ul style="list-style-type: none"> * Applicants name is consistent with loan application
Fully Verified (Full doc) Self employed	<p>* the last 2 years:</p> <ul style="list-style-type: none"> - personal tax returns and supported by the most recent ATO Notice of Assessment for each applicant (ie 2 years tax returns but only the single most recent ATO NOA), and - partnership tax returns, and - trust or company tax returns and Financial Statements (including Profit and Loss Accounts and Balance Sheets) where the applicant has earned income from any of these sources. <p>Calculate = complete Serviceability Calculator self employed or company, servicing to be evident over 2 year trends, where not demonstrated referral to Credit required (for further info regarding self employed refer to Policy 7. Self Employed applicants and Policy 8.3 Self employed and company applicants)</p> <p>Note: Less than 2 years self employed to be referred to Credit with interim financials and accountants letter</p> <p>Note: All rental income must be split out from base income and loaded against the related property.</p> <p>Note: All Interest or Dividend income (other than from their own company) must be split out from base income and loaded in the Serviceability Calculator as "Other (incl Dividends, director's fees etc), tick "Rate Override" and change to 80%.</p>	<p>Same requirements as Non-mortgage insured loans.</p>	<p>All income assessed at 100% for both non mortgage insured and mortgage insured loans.</p> <p>Projected income assessed at 0% for both non mortgage insured and mortgage insured loans.</p> <p>Note: After 28 February it is mandatory to supply the previous 30 June financials.</p>	<p>Full Financials</p> <p>Interim financials</p> <p>Accountants letter</p>	<p>* Tax Return and Profit and Loss Statement and Balance Sheet</p> <ul style="list-style-type: none"> * If taxable income is not stable between years, a full explanation as to any variation will be required. <p>* At least one full tax year return and Profit and Loss Statement and Balance Sheet must be provided</p> <ul style="list-style-type: none"> * Interim trading results must be prepared by a certified accountant * If taxable income is not stable between years, a full explanation as to any variation will be required. <p>* Maximum age 6 weeks at time of formal application date</p> <ul style="list-style-type: none"> * Must be on letterhead and signed * Accountants letter is to contain an estimate of the taxable income the applicant is expected to earn in the current financial year. 	
	<p>Fully Verified (Full doc) Self employed</p> <p>For existing StG, BSA or BoM customer with Home Loan history > 12 months</p> <p>Refer policy 7.0 Self Employed Applicants</p> <p>Refer policy 8.3 Self Employed and Company applicants</p>	<p>Eligibility criteria</p> <ul style="list-style-type: none"> - individual borrower type ie sole or joint - Borrower has held an existing residential mortgage loans with either StG, BSA or BoM and demonstrated a satisfactory credit history over the past 12 months* - Applicant has been self employed for a minimum of two full financial years (verified verbally during customer interview) <p>Refer to policy 7.2.2 for exclusion criteria and further information related to application assessment</p> <p>The last years:</p> <ul style="list-style-type: none"> - personal tax return and supported by the most recent ATO Notice of Assessment for each applicant , and - partnership tax return, and - trust or company tax return and Financial Statements (including Profit and Loss Accounts and Balance Sheets) where the applicant has earned income from any of these sources. <p>Calculate = complete Serviceability Calculator self employed or company. (for further info regarding self employed refer to policy 7. Self Employed applicants and policy 8.3 Self employed and company applicants)</p> <p>Note: *For building loans the 12-month repayment history commences after the final progress payment and the loan is fully drawn</p> <p>Note: All rental income must be split out from base income and loaded against the related property.</p> <p>Note: All Interest or Dividend income (other than from their own company) must be split out from base income and loaded in the Serviceability calculator as "Other (incl Dividends, director's fees etc), tick "Rate Override" and change to 80%.</p>	<p>Eligibility criteria</p> <ul style="list-style-type: none"> - individual borrower type ie sole or joint - Borrower has held an existing residential mortgage loans with either StG, BSA or BoM and demonstrated a satisfactory credit history over the past 12 months* - Applicant has been self employed for a minimum of two full financial years (verified verbally during customer interview) <p>Refer to policy 7.2.2 for exclusion criteria and further information related to application assessment</p> <p>- Maximum LVR 90% (where available) inclusive of any capitalised Mortgage Insurance premium.</p> <p>The last years:</p> <ul style="list-style-type: none"> - personal tax return and supported by the most recent ATO Notice of Assessment for each applicant , and - partnership tax return, and - trust or company tax return and Financial Statements (including Profit and Loss Accounts and Balance Sheets) where the applicant has earned income from any of these sources. <p>Calculate = complete Serviceability Calculator self employed or company. (for further info regarding self employed refer to policy 7. Self Employed applicants and policy 8.3 Self employed and company applicants)</p> <p>Note: *For building loans the 12-month repayment history commences after the final progress payment and the loan is fully drawn</p> <p>Note: All rental income must be split out from base income and loaded against the related property.</p> <p>Note: All Interest or Dividend income (other than from their own company) must be split out from base income and loaded in the Serviceability calculator as "Other (incl Dividends, director's fees etc), tick "Rate Override" and change to 80%.</p>	<p>All income assessed at 100% for non mortgage insured loans</p> <p>NOTE: After 28 February it is mandatory to supply the previous 30 June financials.</p>	<p>Full Financials</p>	<p>* Tax Return and Profit and Loss Statement and Balance Sheet</p>

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	Income Source	Non-Mortgage Insured loans	Mortgage Insured Loans		Type of Document	Detailed Requirements
Self Employed Income	Fast Track Self Employed (not available for Foreign Income)	<p>*Last 2 years personal ATO Notice of Assessment (NOA) Calculate income = complete Serviceability Calculator (regardless of S/E structure operated under), servicing to be evident over 2 year trends. Rental income for investment properties being purchased as part of this transaction or existing properties acquired after the end of the financial year NOA's held (evidence required), must be split out from base income and loaded against the related property. (refer Policy 7.2.3 Documentation - Self employed Fast Track Process) NOTE: Fast Track cannot be used when: * Application has Mortgage Insurance * PAYG income which is derived from an un-related company is also included in the NOA * CCR is not met across both years in Trends * Existing rental income is used in the loan application and the property has been owned in the years covered by the NOA * Add-backs are needed for the loan to service * Capital gains are included in the NOA and have not been excluded for income assessment * Income is from a non-recurring source * Applicants have been Self Employed for less than 2 full financial years * The applicant has less than 2 years NOA's * NOA do not meet age of document requirements * Company or Trust income is required to meet servicing * Foreign Income is received by the applicant</p>	Fast Track is not available to applications requiring lenders Mortgage Insurance	All income assessed at 100% for non mortgage insured loans NOTE: After 28 February it is mandatory to supply the previous 30 June financials.	ATO Notice of Assessment	* Applicant name is consistent with loan application * Is to relate to self employed income or other ongoing income eg rental, but not previous PAYG employment
	Low Doc	<p>* Self Employed Applicant/s to complete Affordability Statement & self assessment forms with net monthly income (ie after tax) * Evidence of ABN registration at least 2 years prior to the date of the home loan application. Note: An ABN is compulsory under the Act in order for the business to register for compulsory GST where a 'for profit' enterprise has a GST turnover (i.e. business turnover) of >= \$75,000. * Business Activity Statements (BAS) for the last 12 months (latest statement being maximum age 4 months) * Applicants to meet income test of 2:1 has been met. * Low Doc Income Validation Calculator. Print calculator and retain in file * If any PAYG or rental income is used must be fully verified in line with standard policy.</p>	Same requirements as for Non-mortgage insured loans	* Non Self Employed income is verified as per PAYG income or other appropriate verification policy. * Declared income versus turnover validated by the most recent 12 months BAS statements (and less than 50%. If greater than 50% then referral to Credit required)	Australian Business Number registration Affordability Statement Business Activity Statements BAS	* A copy of the Australian Business Register certificate generated at the time of ABN registration, or * The letter issued by the Australian Business Register that confirms the ABN registration and accompanies the certificate, or * A printout from the ABN Lookup website (www.abr.business.gov.au). * Must be completed by applicants * Income declared on the affordability statement must match the income declared on the loan application form. * Maximum age 4 months at time of formal application * BAS may be: > Hand written > Completed ATO BAS templates > Completed BAS created via Accountant software > BAS printout / Summaries from the Tax Agent Portal, Tax Office.
	Foreign Self Employed	<p>* Completed Translation Checklist * the last 2 years (with most recent year not older than 18 months from date of application): - personal tax returns and ATO Notice of Assessments (equivalent) for each applicant, and - partnership tax returns, and - trust or company tax returns and Financial Statements (including Profit and Loss Accounts and Balance Sheets) where the applicant has earned income from any of these sources. Note: Refer to Non Resident Lending DRA Holder / Credit, if Notice of Assessment "equivalent" is not issued in foreign country. To calculate foreign income ensure a completed Translation Checklist is held. Calculate = 1. Convert foreign total to AUD using the Foreign Exchange calculator. Select "selling - foreign currency and choose transaction type - cheques." (if rate not available use www.xe.com) 2. Load Serviceability Calculator with AUD Gross as taxable income. (Australian tax is to apply, for exceptions refer to non resident policy 9.1) * servicing to be evident over 2 year trends, where not demonstrated referral to Credit required (further regarding self employed refer to policy 7. Self Employed applicants and CLM 8. Income documentation and Verification)</p>	Same requirements as for Non-mortgage insured loans Note: Mortgage insured loans for Australian Citizens are available to a maximum 90% inclusive of capped LMI Refer Non resident policy 9.1 Note: Mortgage insured loans are not available to non residents. Refer LVR Policy 18.4	Foreign income assessed at 100%.	Foreign Income documents Translation Checklist refer Forms section of Broker website	* Maximum age 6 weeks at time of formal application date * Translation Checklist to be completed in all cases. Note: In the event documents can not be translated internally by a St George Group staff member or St George Group Broker, applicant is to provide an English translation prepared by an accredited translator at their own cost. Refer https://www.naati.com.au/online/ for a list of translators' in your local area (click on the "online directory"). Translated documents to be stamped with translators NAATI stamp.
	Professional Sportspersons	<p>* All Professional Sportspersons when employed >2 years = same requirements as fully verified self employed loans. * Professional Sportsperson (contract based eg soccer, football, cricket etc) when employed < 2 years = copy of current contract using base salary as gross income in Serviceability Calculator. Any extra income received (endorsements, bonuses, match payments) are to be entered as 'other' income (assessed at 0%) Refer to Credit for consideration to use at >0%. * Professional Sportsperson (performance based eg golf pro, tennis pro etc) when employed < 2 years = latest completed Australian Tax return and ATO Notice of Assessment and Business Tax returns since commencement of profession and any interim trading results prepared by certified accountant accompanied by a Balance Sheet from any companies / trusts formed by the applicant and * Letter from a certified accountant estimating the taxable income the applicant is expected to earn in the current financial year.</p>	Same requirements as Fully verified Self Employed loans.	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Contract	* Must be current as at the formal application date * Applicants name is consistent with loan application * To state the term and expiry date of the contract * To detail all components of income, including remuneration amount and payment frequency, any non-cash components, and any other conditions that relate to payment * Be signed by the applicant and either personnel or management staff of the employer
	Contract Income (independent contractor - refer document standards for definition)	Same requirements as Fully Verified Self Employed loans.	Same requirements as Fully Verified Self Employed loans.	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	Independent contractor	Persons employed on a commercial contract, with work arrangements consistent with the definition of a self-employed person, will be Classified as an independent contractor. An independent contractor is to be considered as self employed. (may have multiple contracts with different employers).
	Partners from selected Companies.	Employer's Letter or Email from: Ernst & Young, KPMG, Minter Ellison, Allens Arthur Robinson, Henry Davis York, Gadens, Corrs Chambers Westgarth, Freehills, Mallesons Stephen Jacques, Clayton Utz, Deloitte, PKF, McGrath Nicol, PWC, Grant Thornton = Use gross amount.	Same requirements as Non-mortgage insured loans.	All income assessed at 100% for both non mortgage insured and mortgage insured loans.	An employers letter or email for partners of :	* Maximum age 6 weeks at time of formal application date * Applicants name is consistent with loan application * Length of service * Income detailed is to reflect the previous financial year's gross income * Document is to confirm the applicant is a partner of the firm. * Must be issued from the Administration Manager (or equivalent). * If in letter form the document must be original and on employers letterhead * If in email form, the email must be sent from the firm's email system (not from a personal email address / system) and issued from the Administration Manager (or equivalent), directly to the sales employee's St George group email address (not on-forwarded by another party).

Income verification matrix change history

Date	Date published	Version number	Affected areas / heading	Old - policy	New - Policy
06/05/2014	19/05/2014	2.4	Documentation required and income calculation Non-mortgage insured loans Foreign salary / wage	<p>* Employer's letter supported by: * 2 consecutive payslips (Note: a single YTD payslip is not acceptable) or * a minimum of 3 months consistent salary credits into a bank account (copies of bank account statements to be obtained and held on file). Note: if two salary credits differ the lower amount is to be used to annualise income</p> <p>To calculate foreign income ensure a completed Translation Checklist is held = 1. Convert foreign total to AUD using the Foreign Exchange calculator select "selling - foreign currency and choose transaction type - cheques." (if rate not available use www.xe.com) 2. Load CLAS with AUD Gross as taxable income. (Australian tax is to apply, for exceptions refer to non resi policy 9.1)</p>	<p>* Employer's letter or * 2 consecutive payslips (Note: a single YTD payslip is not acceptable) and * in all cases a minimum of 3 months consistent salary credits into a bank account (copies of bank account statements to be obtained and held on file). Note: if two salary credits differ the lower amount is to be used to annualise income Note: if the income amount varies between employers letter, payslips or credit to account, the lowest value on either the letter, payslips or credits to account are to be accepted in the Translation Checklist.</p> <p>To calculate foreign income ensure a completed Translation Checklist is held = 1. Convert foreign total to AUD using the Foreign Exchange calculator select "selling - foreign currency and choose transaction type - cheques." (if rate not available use www.xe.com) 2. Load CLAS with AUD Gross as taxable income. (Australian tax is to apply, for exceptions refer to non resi policy 9.1)</p>