



9 February 2009

POLICY UPDATE FROM QBE LENDERS' MORTGAGE INSURANCE LIMITED

Response to Bush Fire affected areas in Victoria

Due to recent bush fires in Victoria QBE LMI is offering borrowers a relief package.

In the event of cases of hardship arising from the immediate loss or damage of property and/or loss of income, QBE LMI has introduced the following options effective immediately.

Delegated Authority for Lenders

- **Interest Capitalisation or Repayment deferrals** - Until 31 May 2009 and subject to the additional conditions below, we agree to allow the lender to approve Bush Fire Affected Hardship Applications without seeking QBE LMI consent subject to the following:
 - Up to 3 months repayment deferral and loan re-amortisation
 - A Maximum Loan to Value Ratio of 95% for Full Doc and 80% for Low Doc

We will require details of the relief provided to update our records. As a minimum please provide borrower name, LMI Policy # and assistance amount. Please email the list of affected policies to hardship@qbelmi.com with Subject: BUSH FIRE HARDSHIP – VICTORIA.

QBE LMI Approval Required

- **Interest Capitalisation or Repayment deferrals**

Should a borrower require assistance beyond the above, please refer to QBE LMI for approval via email to hardship@qbelmi.com with Subject: BUSH FIRE HARDSHIP – VICTORIA. Up to 6 months repayment deferral and loan re-amortisation may be approved.
- **Top-Up/Additional Loan** - To the extent that the provision of Hardship Assistance increases the loan amount beyond the currently insured amount then no additional LMI premium is payable. That is, a loan increase to the value of 6 months repayments may be approved. Please refer all applications for additional loans/top-ups to our underwriting office for assessment.

Additional conditions to apply

- This offer is available until 31 May 2009
- Loans currently in arrears should be referred to QBE LMI for assessment via e-mail to hardship@qbelmi.com

QBE LMI will endeavour to approach these hardship cases in a positive manner and if lenders wish to clarify any issues regarding QBE LMI's interim policies please contact the appropriate Senior Relationship Manager or Melissa Windon via hardship@qbelmi.com