



# GO Home Loan Product Guide for Advisers

Commercial in confidence | September 2021

› [asb.co.nz](https://www.asb.co.nz)

**ASB**  
ONE STEP › AHEAD

# Contents

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<b>Version updates</b>	<b>2</b>
<b>Section 1 Welcome to GO Home Loans</b>	<b>3</b>
1.1 Tools, resources and information directory	4
1.2 How to get in touch	5
<b>Section 2: GO Home Loan product information</b>	<b>6</b>
2.1 GO Home Loan	7
2.1.1 Benefits of a GO Home Loan	7
2.2 Interest rates and fees	8
2.3 Repayment options & refixing facilities	9
2.4 Onboarding new GO Home Loan customers	10
2.5 Insurance	11
2.5.1 Home insurance	11
2.5.2 Life, loan and income protection insurance	11
<b>Section 3: Terms of business</b>	<b>12</b>
3.1 Disclaimers	13
<b>Thank you.</b>	<b>14</b>

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# Version updates



Date of change 23 September 2021.

What has changed	Action needed	Link
<p>Major revision to the previously named "Guide to Sovereign Home Loans Lending Criteria" document to improve the overall accuracy and structure. There are now two distinct guides as follows:</p> <ol style="list-style-type: none"> <li><b>ASB Home Lending Policy Guide for Advisers</b> <ul style="list-style-type: none"> <li>ASB home lending policy including CCCFA requirements</li> </ul> </li> <li><b>GO Home Loan Product Guide for Advisers</b> <ul style="list-style-type: none"> <li>GO Home Loan product information</li> </ul> </li> </ol>	<p><b>GO Home Loan Product Guide for Advisers.</b> Please read through this document in detail.</p>	N/A





# Section 1

## Welcome to GO Home Loans



**Let's work together to help your clients get one step ahead.**

### How to use this guide

This guide will help familiarise you with the GO Home Loan product and why it might be suitable for your clients. It includes details on interest rates, the information required for new customers and who to contact about an application.

If you're not able to find the information you're after, or you have a question specific to a client's individual circumstances, call our [Lending Helpline](#) to find out what's possible.

The work you're doing will help more Kiwis to get into their next home, to diversify their property portfolios, to take that next step. We're keen to work with you to make that happen.

### AIA Accredited Advisers:

ASB has an arrangement with AIA to distribute the GO Home Loan product through AIA accredited advisers. The GO Home Loan is a product of ASB and is administered by ASB.



## 1.1 Tools, resources and information directory



Unless otherwise stated, the following tools, resources and information can be located via [www.sovlink.co.nz](http://www.sovlink.co.nz)

	Resource	How to access
 <b>Forms</b>	Adviser declaration form	Sovlink
 <b>Tools</b>	UMI calculator	Sovlink
 <b>Rates &amp; Fees</b>	Current rates and fees	<a href="#">GO Home Loan interest rates and fees.</a>
 <b>Guidebooks</b>	ASB Home Lending Policy Guide for Advisers	Sovlink
	GO Home Loan Product Guide for Advisers	Updates sent to accredited advisers when there are updates to the GO Home Loan product. The latest version will be made via Sovlink.
	Ongoing updates	Sent when there are regulatory or other updates. If you're not currently receiving it please <a href="#">contact us</a> .
 <b>Onboarding new customers, entities and trusts</b>	Onboarding quick reference guide	Sovlink
	Nature & purpose forms for individuals, entities and trusts	Sovlink
	Trust onboarding form	Sovlink
	Company onboarding form	Sovlink

**For general assistance:**

- For inquiries relating to lending policy and ongoing customer inquiries, call the lending helpline on 0800 920 920.
- Customers may call our contact centre on: 0800 500 174.
- You may also contact your:
  - BDM: by calling directly to their mobile; or call 0800 500 103 to be transferred.
  - National Sales Manager Home Loans: Nick Russell - [Nick.russell@aia.com](mailto:Nick.russell@aia.com).

**Submitting applications and new loan inquiries:**

- Applications and general new loan inquiries should be emailed to [applications@sovhomeloans.co.nz](mailto:applications@sovhomeloans.co.nz)
- You will receive an instant acknowledgement followed by a second email within 1 business hour that will include a MAPs number. This is the unique identifier to track your application.
- You can also access the status of the home loan application from [www.sovlink.co.nz](http://www.sovlink.co.nz)

**When sending further information about an existing application that is in progress:**

- Email the information to [applications@sovhomeloans.co.nz](mailto:applications@sovhomeloans.co.nz).
- Include the MAPs number in the header of your email.

**Further information could include:**

- Additional information to support an in-progress application.
- Loan acceptance and information to enable the loan to be documented, including customer Identification and requirements for AML.
- Progress payment requests.

**When sending us requests for information or to make a change to existing home loans:**

- Email the information to [homeloans@sovhomeloans.co.nz](mailto:homeloans@sovhomeloans.co.nz)



## Section 2

# Go Home Loan product information





The GO Home Loan floating facility is an all-in-one account combining features of an everyday bank account, a reducing overdraft facility and a loan facility. A GO Home Loan floating facility is a revolving credit product whereby the limit reduces over a specified term. This ensures that the customer's home loan is always repaid by the end of the term.

While a facility is floating, a customer can transact on the loan account and repay or redraw up to their reducing limit at any time, giving them greater flexibility and control over their finances.

### i) Who might suit a GO Home Loan Floating Account?

The GO Home Loan floating facility is for personal clients, family trusts and LTCs:

- Who are using residential property as security.
- With lending of \$10,000 or more.
- For personal purposes (not business lending).
- Who meet ASB's lending criteria.
- Who require a reducing line of credit.

It suits clients who want their loan to be repaid within a certain timeframe, but who also want the ability to redraw up to their reducing limit at any time.

It could be a good option for:

- First home buyers who want to make improvements to their new home.
- Clients who'd like to use the funds for a holiday or a new car but want to pay it off over a certain period.
- Existing homeowners completing renovations.

With a GO Home Loan floating account; interest costs are reduced due to fluctuations caused by salary payments and other credits; however, to make the most of the product, customers should be good at keeping tabs on their finances and budgeting.

**A revolving credit loan isn't likely to be suitable for customers who aren't confident in budgeting or actively managing their finances.**

With a GO Home Loan, customers can choose to either fix or float all or part of their lending. While a facility is on a fixed interest rate a customer cannot transact in the same manner they can while it is on a floating rate. Once the facility comes off its fixed rate it can again be transacted on as above.

## 2.1.1 Benefits of a GO Home Loan

### Decrease the amount of interest paid

- By paying their salary (and any other income) directly into their Floating Rate account, the client immediately lowers their loan account balance and the amount of interest they pay.
- If they use their credit card for all their everyday purchases, they can keep their Floating Rate account balance lower for even longer. To maximise the benefit, they should always pay their credit card balance in full on the due date.

### Reduce or eliminate bank fees

- See our [rates and fees](#) for more details.

### Make savings work more effectively

- By paying their savings into their Floating Rate account, the client still has the security of knowing the funds are available for redraw should they be required.

## 2.2

# Interest rates and fees



Your client can choose between floating and fixed rates or take up a split loan - a combination of both.

A range of fees may apply depending on what transaction your customers are undertaking. For all our rates and fees please refer to the [tools, resources, and information directory](#).

### i) Floating/variable rate

An interest rate that is subject to change. Generally, a customer's repayments will change when the interest rates change.

### ii) Fixed rate

An interest rate that is fixed for a specified period. Your client may be able to increase the principal repayments on a fixed rate loan within certain parameters. [Talk to us for more information](#).

Lump sum payments of \$1,000 and above are permitted, however an Early Repayment Adjustment (ERA) may apply.

### iii Early Repayment Adjustments (ERA) for fixed rate loans

For loans in place before April 2015: An ERA may be charged when the interest rate on a fixed rate loan is higher than the current interest rate (at which ASB could re-lend the money for the remainder of the fixed rate period).

For loans documented on or after April 2015: An ERA may be charged when there is a difference between the wholesale interest rate at the start of a fixed interest rate period, and the wholesale interest rate at the date of early repayment (which incurs a loss for ASB).

### iv) Fees

A range of fees may apply depending on what transaction your customers are undertaking. For all our rates and fees please refer to the [tools, resources and information directory](#).



## 2.3

# Repayment options & refixing facilities



### i) Repayment options

Your client can make monthly or fortnightly repayments. To request a change to a repayment schedule, please [send an email](#) noting the following:

- The change to the frequency of their repayments.
- The change to the amount they want to repay.
- The date they'd like to make their repayments on.

### ii) Refixing loan facilities

Before an existing fixed rate loan expires, we will contact your client and detail the future fixed interest rates available to them. Your client can seek advice from you as their adviser on future fixed rate options.



## 2.4

# Onboarding new GO Home Loan customers



Prior to a new home loan account being opened or the introduction of another individual, trust or company we must ensure we meet our statutory obligations.

**NOTE: For full details on AML requirements, refer to the GO Home Loan customer AML reference guide.**

- You must personally conduct a face-to-face interview with your client/s and guarantor/s.
- You must provide us with proof of address and individual identification.
- Where a trust or company is applying for the loan, the guarantors, trustees, and certain beneficiaries, directors and shareholders who own more than 25% must also provide proof of address and individual identification.



## 2.5 Insurance



### 2.5.1 Home insurance

Your client's home is probably their most expensive asset - it's important it's protected. Your client has to have home insurance in place to secure an ASB mortgage - you'll need to provide evidence of this policy prior to drawdown. [ASB Home Insurance](#) is designed to protect your client from financial loss as a result of sudden or accidental damage to their home. Their home and contents insurance policies do not have to be with ASB.

### 2.5.2 Life, loan and income protection insurance

It is important that customers have appropriate insurance to provide adequate protection. As individual circumstances differ, ASB recommends your clients seek appropriate professional advice.





## Section 3

# Terms of business



## 3.1

# Disclaimers



### i) ASB Bank Standard Broker Terms and Conditions

If there is any conflict between this guide and the ASB Bank Standard Broker Terms and Conditions, the ASB Bank Standard Broker Terms and Conditions will prevail.

### ii) ASB Bank Insurances

The availability of insurance cover is subject to your client's application being approved. All applications are subject to individual consideration. Special conditions, exclusions or premium loadings may apply.

General insurance is underwritten by IAG New Zealand Limited (IAG).



# Thank you.

Your partnership with us helps Kiwis realise the New Zealand dream of owning their own home or investment property. You're a vital part of our team and we value the work you're doing to help New Zealanders find a home loan that works for them.

We hope this document has helped you to understand the GO Home Loan product. If you haven't been able to find the information you need - or you have an out of the box scenario you'd like to run past us, please [contact us](#).



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