

# Helpful guide to understanding Financial Hardship Assistance



**We get that financial issues can be stressful, but the good news is we're here to help.**

This handy guide is designed to help you better understand financial hardship, what your options are and if applying for assistance is the right solution for you.

<b>What is financial hardship?</b>	<b>2</b>
<b>Before you apply for assistance</b>	<b>2</b>
<b>The impact of entering a hardship arrangement on your finances</b>	<b>3</b>
<b>About Bluestone Home Loans Financial Hardship Assistance</b>	<b>3</b>
Hardship Assistance options currently available	3
Options at the end of Hardship Assistance	4
<b>How do I apply for Hardship Assistance?</b>	<b>4</b>
<b>Need additional support?</b>	<b>5</b>

## What is financial hardship?

Generally, if you're temporarily unable to meet your repayments on a debt, such as a credit card, personal loan or home loan, this is called Financial hardship.

Some common causes of financial hardship can include temporary unemployment, illness, natural disaster or family breakdown.

The purpose of Hardship Assistance programs are to help our borrowers during these times.



## Before you apply for assistance

Hardship Assistance is designed to provide you with financial relief for a **short period of time, generally up to 3 months**, before resuming your repayments.

If you're in a situation where you're temporarily unable to meet your repayment obligations, seeking Hardship Assistance may help you deal with life so you can get back on track as quickly as possible.

### Some Hardship Assistance solutions available are:

- Reducing or deferring repayments for a period of time
- Changing the loan to Interest Only
- Varying your loan set up in other ways

It is important to understand that it is not a long-term solution and does not waive your repayment obligations, meaning you will be expected to return to normal repayments and also agree on a plan to make up the missed repayments.

If you are in a situation that will impact your ability to repay your loan for an extended period of time i.e longer than 3 months, please contact us to discuss other long term solutions on **13 25 83** or seek free, confidential financial counseling support through the National Debt Helpline on **1800 007 007** or visit [www.ndh.org.au](http://www.ndh.org.au)

## The impact of entering a hardship arrangement on your finances

While entering a hardship arrangement may give short term relief, there are some consequences to be aware of, such as:

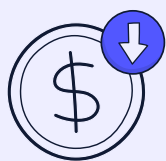
- By entering a Hardship Assistance, your obligations to repay your loan are not waived and you will be expected to return to regular repayments, plus make up any additional amounts due.
- You're likely to pay more over the term of the loan, particularly if you do not increase the repayment amount at any point after the hardship period ends.
- Switching your repayments to Interest Only, may result in paying more interest over the life of the loan.
- By paying interest only, you will not be paying down the balance of your loan.
- If receiving short term deferral of repayments - usually for a max of three months - interest continues to accrue and be applied to your loan during this time. So your loan balance will increase during this period.
- Lenders are required to report hardship arrangements to the credit bureaus. This information will appear on your credit report and is visible to other lenders. This may impact your ability to borrow money in the future.

## About Bluestone Home Loans Financial Hardship Assistance

We look at every application individually and with care. There may be instances where an application for Hardship Assistance will be declined. For example, where:

- The assessment team determines that your situation is ongoing and unlikely to improve.
- You don't give us enough information to make a proper assessment,
- or you fail to respond to our request to provide additional data to enable us to make our assessment

### Hardship Assistance options currently available



#### Reduced repayments

Reducing or deferring repayments for a period of time



#### Interest only

Reducing your repayments to cover the interest due only. During this time your total loan amount will not decrease.



#### Repayment Deferral

Repayments may be deferred for an agreed length of time in exceptional circumstances. During this time interest and loan amount continue to accrue.

## Options at the end of Hardship Assistance

At the end of the agreed hardship period, you'll need to return to your normal repayments. If you are still experiencing financial hardship, you may apply for an extension which will require further assessment and updated supporting documentation.



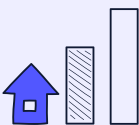
### Lump sum repayment

If you have the funds available, you can simply repay the arrears in a lump sum and get back to scheduled repayments.



### Payment plan

Bring the account up to date over an agreed length of time by repaying the arrears in installments, on top of your normal monthly payment.



### Capitalisation

Subject to approval, add arrears amount into the principal balance of your loan to be repaid over the remaining loan term. Note, this will increase your monthly repayments and interest charges or require a loan term extension.

## How do I apply for Hardship Assistance?

Applying for Hardship Assistance with us is easy. Choose the option that best suits your current situation and supply as much information as possible to help us to find a suitable solution to get you back on track as soon as possible.



### I need 1-3 months support

Simply fill out our quick online form at: [bluestone.com.au/connect/](https://bluestone.com.au/connect/)

### I need more than 3 months support

Download [this form](#) and email to [hardship@bluestone.com.au](mailto:hardship@bluestone.com.au)

## What happens next?

- We'll assess your application as quickly as possible. Please be patient as it can take up to 7 days for us to assess and provide you with the outcome.
- We may need to get in touch to request additional information or documentation. Please ensure you respond to avoid delays.

## During the agreed Hardship Assistance period

- Normal repayments will pause while you have an active hardship arrangement.
- If you have a reduced payment arrangement, you must meet the agreed payments to maintain your hardship arrangement. Not doing so will result in the agreement being cancelled, your credit rating may be impacted, and we may commence collections activity.
- Prior to the end expiry of your hardship period, we will contact you to get an update on your situation and to understand your intentions with the loan moving forward.

## Need additional support?

We understand financial matters can be overwhelming, but the good news is there's free and easily accessible support available. If you would like to seek independent financial advice, you may contact the National Debt Helpline (NDH).

**Website** [www.ndh.org.au](http://www.ndh.org.au)

**Phone Number** 1800 007 007

## Complaints

If you have any complaints on how your case is managed, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA).

**Website** [www.afca.org.au](http://www.afca.org.au)

**Email** [info@afca.org.au](mailto:info@afca.org.au)

**Phone Number** 1800 931 678 (free call)

**Mailing address** Australian Financial  
Complaints Authority  
GPO Box 3,  
Melbourne VIC 3001