



## Guide to hardship applications for funds in wind up

This guide to hardship applications applies to the following AXA mortgage funds:

- Australian Income Fund (AIF)
- Australian Monthly Income Fund (AMIF)
- Wholesale Australian Income Fund (WAIF)
- Wholesale Australian Monthly Income Fund (WAMIF)
- Generations Mortgage No.1 Trust (GMT)

Accessing funds in circumstances of hardship

AXA has obtained approval from the Australian Securities and Investments Commission (ASIC) to consider applications from mortgage fund investors to access some or all of their capital repayments earlier in cases of hardship. To qualify, you must meet ASIC's criteria and there must be sufficient liquid assets available in the fund.

Who may apply?

You are eligible to make a hardship application if:

- (a) you are a direct investor in one of the above funds;
- (b) you are a beneficiary of the deceased estate of an investor in one of the above funds\*; or
- (c) you are a beneficiary of a trust, superannuation fund or self-managed superannuation fund that is an investor in one of the above funds\*.

Grounds for financial hardship

ASIC has provided the following five criteria in which AXA, as responsible entity of a terminated fund, may consider in assessing a hardship application. The criteria are:

### 1. Severe financial hardship

The amount requested is needed to enable the applicant to meet reasonable and immediate living expenses for themselves or their dependents.

### 2. Unemployment

Where the applicant has been unemployed for at least three months and has no other means of financial support (except government assistance such as unemployment benefits).

### 3. Compassionate grounds

The amount requested is needed by the applicant (and/or the applicant's dependant):

- a) to help pay for medical costs (and transport costs) required to treat a life-threatening illness or injury, to alleviate acute or chronic pain, or to alleviate an acute or chronic mental disturbance where 2 registered medical practitioners (at least one of whom must be a specialist) have provided certified statements confirming the medical condition to this effect
- b) to fund specific modifications (to a principal place or residence or vehicle) that are necessary to accommodate special needs arising from severe disability
- c) to assist with funeral and other expenses related to the death of the applicant's dependants;

\* The executor or administrator of an investor's deceased estate or trustee of a trust, superannuation fund or self-managed superannuation fund must ensure that a beneficiary meets the relevant hardship criteria before making the application on behalf of the beneficiary. AXA will not respond to applications or request for information from beneficiaries directly. Additional eligibility requirements may apply.

\*\* aged care means residential care (within the meaning of section 41-3 of the *Aged Care Act 1997*) that is provided by a person or body in respect of which an approval under Part 2.1 of that Act is in force.

- d) to enable the applicant to provide care for a person who is dying from a terminal illness, including home care
- e) to prevent an applicant's mortgagee (lender) from selling the applicant's principal place of residence
- f) to meet a binding financial obligation entered into by an applicant prior to AXA determining that the relevant fund was not liquid or otherwise that withdrawals be suspended;
- (g) to meet expenses in other cases consistent with the grounds in (a) – (f) where the applicant does not otherwise have financial capacity to meet the expense.

#### 4. Permanent incapacity

Where an applicant has ceased gainful employment by reason of mental or physical ill-health and AXA is satisfied that the applicant is unlikely ever again to engage in gainful employment of the type for which the applicant is reasonably qualified by education, training or experience.

#### 5. Aged Care

The amount requested is needed to enable the applicant to make payments required to be made to secure, or remain in, aged care\*\*.

Important note

Please note that satisfying one of these grounds will **not** automatically result in AXA approving your hardship application. AXA reserves the right to refuse to make some or none of the requested payments. Before an application can be approved, AXA must be satisfied of certain criteria, including ensuring that it complies with the terms of ASIC's approval and the constitution of the relevant Fund.

How much can be released?

AXA is permitted to process a maximum of four hardship payments per calendar year per client (or five hardship payments where the last payment is from the aged care category and the first four were not from the aged care category) and the total amount AXA can release is up to \$100,000 per calendar year per client (or \$300,000 where the payment is made under the aged care category). However, additional payment conditions may apply.

How do I apply?

To apply, simply:

1. Call our Customer Service Centre on 131 737 or download the Statutory Declaration and accompanying paperwork from [axa.com.au/investment](http://axa.com.au/investment) > **Changes to AXA's property and mortgage funds**
2. After you have completed your application and compiled supporting documentation, please either:
  - a. **Post to:**

AXA Australia Customer Service  
GPO Box 14330  
Melbourne VIC 8001

or

- b. **Fax to:**

(03) 8688 5796

Platform investors

ASIC's relief also extends to platforms who can apply on behalf of clients who are invested in the above funds and who are suffering hardship. Please contact your platform provider directly for further information.

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## More information

If you have any questions or require further assistance, please

- Contact your financial adviser
- Call our Customer Service Centre on 131 737
- Email us at [client.enquiry@axa.com.au](mailto:client.enquiry@axa.com.au).

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