

## OFFSET ACCOUNTS ON ELIGIBLE LOANS

Loan Type	Loan Offset (\$9)	Mortgage Crusher (\$10)
Basic Variable	✓	✗
Standard Variable	✓	✓
Premium Variable	✓	✓
Bridging Loan	✗	✗
Professional Package Variable	✓	✓
Professional Package Fixed	✓	✗
Fixed Rate Loans	✓	✗
Personal Loans	✓	✗

Where a loan is eligible for an Offset account the member may choose to have either a Loan Offset or Mortgage Crusher account (where applicable) linked to the loan but not both.

### WARNING

The advice contained in this document has not taken into account your objectives, financial situation or needs. Before acting upon it, you should consider its appropriateness with regard to your objectives, financial situation and needs.

You should also obtain and consider the Product Disclosure Statement, available at any Heritage branch or by phoning 13 14 22, before deciding whether to acquire or retain any product described in this document.

Information is current as at effective date stated below. All product terms and conditions are subject to change.

### SAVINGS

### INVESTMENTS

### LOANS



Heritage Building Society Limited  
 ABN 32 087 652 024 AFS Licence No. 240984  
 Effective 03/08 LE003

## OFFSET ACCOUNTS



### LOAN OFFSET ACCOUNT

### MORTGAGE CRUSHER



# PEOPLE FIRST IS THE WAY WE DO BUSINESS

At Heritage, we do things a little differently to the banks. For starters, we're owned by members, not shareholders, so our focus is always on providing member benefits - in the form of better rates and better service - rather than maximising profits. In everything we do, we put 'People first'. We actively encourage people to come in to our branches. We keep them open for longer hours. We don't turn our backs on less-populated and rural areas. And unlike the banks, we're opening new branches all the time, instead of closing them.

## OFFSET ACCOUNT

Imagine paying back your loan sooner than you thought possible and cutting the amount of interest paid, without having to increase your repayments.

Sounds too good to be true! At Heritage we put people first and that's why we've developed the Loan Offset account that offers partial interest offset and the Mortgage Crusher account with full interest offset that puts you in control of your future and can return big savings on your Heritage loan.

## BENEFITS

A Heritage Offset facility

- Can help reduce the term of your loan
- Can help save the amount of interest you pay on the loan

## HOW DOES IT WORK?

Linked to your eligible loan account, funds in the offset account help to reduce the interest costs on your loan.

### Loan Offset Account

Tiered interest rate applies calculated on balances between: \$1 - \$4,999 and \$5000+

### Mortgage Crusher Account

Maintain a minimum balance of \$500 to receive full offset benefit.

### Here's how it works:

Loan amount: \$100,000

Interest Rate = 7.5% p.a.

**Loan Offset Account** = If you have a credit balance of at least \$1 in your Loan Offset account on any given day, the Society will apply a partial set-off (reduction) to calculate the interest on your linked mortgage or personal loan. The Society does this by setting off the interest rate applicable to the daily balance in your Loan Offset account against the interest rate applicable to the part of your loan equalling the Loan Offset account daily balance. *For Example:* Linked Loan Offset account with daily balance of \$10,000 earning 2% p.a. Interest is calculated on \$90,000 at 7.5% p.a. and \$10,000 at 5.5% p.a. (i.e. 7.5% - 2%). Loan Offset account is not credited with any interest payment.

**Mortgage Crusher Account** with a balance of \$10,000. Interest is charged on the loan amount minus the balance in the account.

*For Example:* Loan amount of \$100,000 - \$10,000 = \$90,000 the balance on which interest will be calculated.

*These interest rates are provided by way of example only.*

## HOW TO USE AN OFFSET ACCOUNT

In order to get the most out of the offset account:

1. Have all your income directly credited to your offset account.
2. Minimise your withdrawal transactions to maximise the period funds are held in your offset account.
3. Pay for most purchases throughout the month with your Heritage VISA Credit Card.
4. Before the interest free period on your Heritage VISA Credit Card has passed, pay off your entire credit card balance by an automatic deduction from your offset account.

How your account and loan package is structured as well as the benefits obtained will depend on individual circumstances, but the results speak for themselves.

For more information call into your local Heritage Branch or mini branch, phone Heritage on 13 14 22 or visit [www.heritageonline.com.au](http://www.heritageonline.com.au).