Midkey ASIC Information Obligations

As of 10 November 2026

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KEY INFORMATION ABOUT THE MIDKEY NO MONTHLY PAYMENTS LOAN

(This information statement is a requirement under ASIC instrument 23-0033)

What is a Midkey No Monthly Payments Loan?

A Midkey No Monthly Payments Loan allows you to borrow money using the equity in your home as security. Fees and interest will be charged on the Midkey No Monthly Payments Loan, but you usually don't need to make repayments until the end of the loan. The loan must be repaid in full, including fees or interest, when you sell the secured property, 12 months after you die or move into aged care, if you own the property as joint tenants: 12 months after the last of you dies or move into aged care, if you own the property as tenants in common: 12 months after anyone of you die or move into aged care, or when one of the other events set out in the contract occurs.

What fees and interest are charged on a Midkey No Monthly Payments Loan?

You will be charged interest on the loan amount you borrow. Simple interest will accrue monthly on the Midkey No Monthly Payments Loan. You will not be required to pay any of this interest until the loan ends, unless the loan-to-value ratio exceeds 100%. The interest rate is also variable so that it could increase over the life of the loan.

A Midkey Deferral Fee will also be charged at the end of the loan or upon an early partial repayment. The Midkey Deferral Fee is based on any increase in the property's value between the date the loan was entered into and the date it ends.

For example, if you take out a Midkey loan of $200,000 on an owner-occupied house, the effect of the interest and Midkey Deferral Fee means that after 10 years, you will owe $440,783. This example is based on a rate of 8.10% pa, 3% pa property price appreciation, and no repayments, and includes the initial 5% valuation discount.

Loan Term	Interest @ 8.10% pa	Deferral Fee @ 3% pa growth	Total amount owing
1 year	$16,200	$16,000	$232,200
2 year	$32,400	$22,180	$254,580
10 year	$162,000	$78,783	$440,783

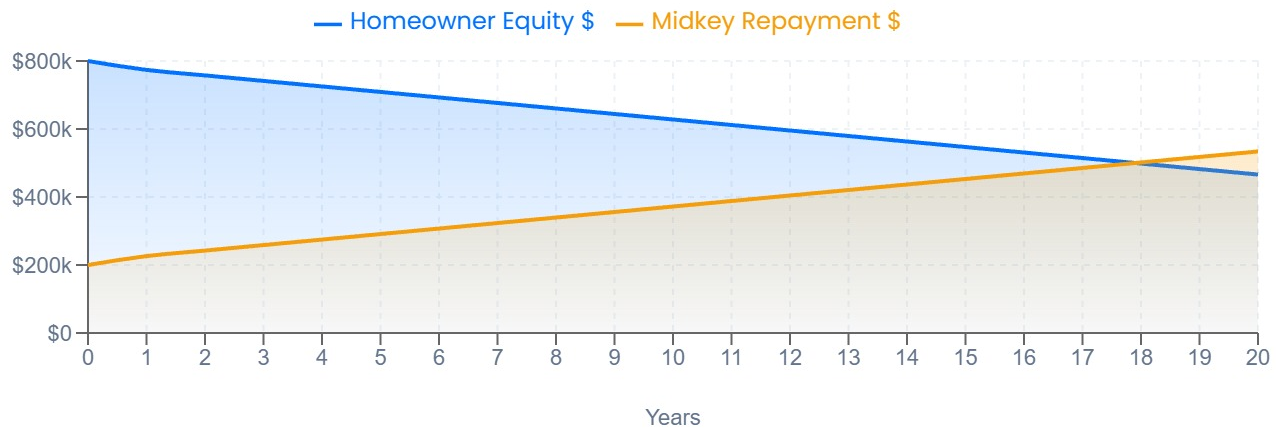
How much equity will I have left after my Midkey No Monthly Payments Loan is repaid?

The amount of equity you have left in your home after repaying your Midkey No Monthly Payments Loan will depend on how much money you borrow, the interest rate, how long you have the loan, and the value of your home.

To understand how a Midkey No Monthly Payments Loan works, let's say the value of the secured property is $1,000,000, and you take out a $200,000 loan, leaving you $800,000 in equity.

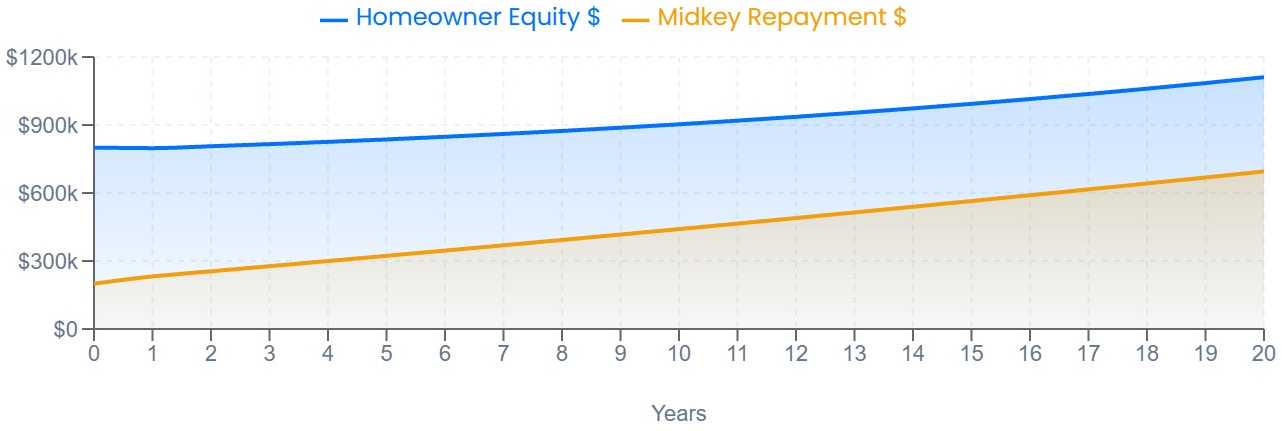
What if the value of your home stays the same? Over 20 years, your Midkey debt will grow from $200,000 to $534,000. If the value of the home stays the same, your remaining equity will be $466,000 (assuming the Midkey interest rate is 8.10%), (see Graph 1, below)

Graph 1: your Midkey loan balance and home equity over 20 years if your home value stays the same



What if the value of your home goes up? If the value of your home increases at 3% per year, after 20 years it will be worth $1,806,111. You will owe $695,222 on your Midkey loan, and your equity will be $1,110,889 (assuming the Midkey interest rate is 8.10%) (see Graph 2, below).

Graph 2: your Midkey loan balance and home equity over 20 years if your home value grows 3% each year



A MIDKEY NO MONTHLY PAYMENTS LOAN MAY NOT BE SUITABLE FOR EVERYONE. WHAT ARE THE ISSUES TO CONSIDER IN DECIDING IF IT IS RIGHT FOR YOU?

This information statement is a requirement under ASIC instrument 23-0033

How will the loan affect your future choices?

When thinking about a Midkey No Monthly Payments Loan, you need to consider both your current and future needs. The more you borrow now, and the younger you are when you borrow it, the less equity you will have in your home to pay for your needs as you age. How might your health and living situation have changed in 10, 20 or 30 years? If you use up too much of your equity too soon, you may not be able to afford future costs such as high medical expenses, the need to move into aged care accommodation, essential home maintenance or the purchase of a motor vehicle.

Before you decide to sign up for a reverse mortgage (this includes the Midkey No Monthly Payments Loan): i) discuss your assumption about interest rates and the growth in your home value with your lender, and ii) use the Midkey No Monthly Payments Loan calculator on our website to test different scenarios and see how they affect the equity in your home.

Please note that the reverse mortgage calculator on the Australian Securities and Investments Commission Moneysmart website (moneysmart.gov.au) uses compound interest, so it will not show an accurate projection for the Midkey No Monthly Payments Loan, which uses simple interest.

How much will you have to repay?

You can only estimate how much you will end up owing under the Midkey No Monthly Payments Loan. The exact amount to repay will depend on how much you borrowed, the interest rate, how long you have had the loan, and the home's value at the time of repayment.

A new independent property valuation is required for each repayment, arranged at your expense. A valuation fee ranges from $330 - $3,850 and a $200 partial repayment fee applies each time.

At the end of the loan will you owe more than what your home is worth?

When your Midkey No Monthly Payments Loan ends, and you must repay the loan, if a first-ranking mortgage secures your Midkey No Monthly Payments Loan, you will not have to pay back more than the value of your home. This is known as a no negative equity guarantee. If a second mortgage secures your Midkey No Monthly Payments Loan, you will not have to pay Midkey more than the value of your home, less the amount secured by your first mortgage. The no negative equity guarantee provided under the Midkey No Monthly Payments Loan does not apply to any other debt secured by your property unless expressly stated by that lender.

Will other people living in your home be affected?

Generally, the Midkey No Monthly Payments Loan must be repaid when you sell, enter an aged care facility, or die. If someone else is living with you who is not a Midkey borrower, the other resident will have to move out when the loan is repaid. If you have concerns about this, make sure you discuss this with your lender before entering into the Midkey No Monthly Payments Loan.

Will you be able to leave an inheritance to your children?

A Midkey No Monthly Payments Loan will reduce the amount of equity in your home that you can leave to your children or other beneficiaries. You may wish to discuss this with your family.

Are there any alternatives that are more appropriate for you?

There may be alternatives to taking out a Midkey No Monthly Payments Loan or other reverse mortgages that may be more suitable for your needs. These can include taking out a standard loan, downsizing, making arrangements with other family members, accessing government benefits, taking out a loan (such as the Home Equity Access Scheme), using savings, selling other assets, or using home reversion schemes.

Will you incur costs for repaying the loan early?

If you make a partial payment early, the Midkey Deferral Fee will be applied on a pro-rata basis based on the property value at the date of the partial payment.

Will your pension change?

A Midkey No Monthly Payments Loan may affect your pension or other Government entitlements. You can contact the Services Australia (Centrelink) to talk to a Financial Information Service Officer about how your pension may be affected. You can contact them by referring to this website www.servicesaustralia.gov.au/contact-us

Before you take out a Midkey No Monthly Payments Loan, you should discuss the possible impact with Centrelink. If you do take out a Midkey No Monthly Payments Loan, you need to contact Centrelink and let them know.

Are you currently receiving money from the Home Equity Access Scheme?

You may be ineligible for the scheme if you take out a reverse mortgage, including the Midkey No Monthly Payments Loan. Check your eligibility on the Services Australia website.

YOUR LONG-TERM AND FUTURE NEEDS AND OBJECTIVES

When considering a Midkey "No Monthly Payments" Home Loan, you should think carefully about your long-term and future needs and objectives.

What long-term and future needs and objectives should you consider before getting a Midkey No Monthly Payments Loan?

- Aged care accommodation: Your possible need for aged care accommodation. You may need to move into a long-term care facility as you age. If you need to move into an aged care facility, you must repay your Midkey No Monthly Payments Loan in full. You may need to sell your property to repay your Midkey loan, and/or fund your aged care expenses.
- Aged care needs: Your medical costs, health expenses, and aged care needs. As you age, you may incur more medical costs and health expenses. You may also need in-home care services or long-term care. Ensuring that you have enough money to cover these expenses is vital.
- Your estate: Whether you want to leave equity in your property to your estate. Do you want to leave equity in your home to the beneficiaries in your will? If so, you will need to think carefully about the size of your Midkey No Monthly Payments Loan. You should also carefully consider the property equity projections we provide and ensure they are acceptable to you. Remember, if you have a Midkey No Monthly Payments Loan, you will not be able to pass on the full equity in your home to your heirs.
- Centrelink payments: Your eligibility for a pension or other Centrelink payments. Taking out a Midkey No Monthly Payments Loan could affect your eligibility for a pension or other Centrelink payments. We'd recommend you talk with Centrelink or your financial adviser about how a Midkey No Monthly Payments Loan could affect your Centrelink payments.
- No tenancy protection provision: A Midkey No Monthly Payments Loan doesn't contain a tenancy protection provision. This means that if your Midkey No Monthly Payments Loan needs to be repaid from the sale of your property, other people living in your property who are not borrowers (including your spouse, partner, other family members, or tenants) will need to move out and live elsewhere. Also, if you need to move into aged care accommodation, you must repay your Midkey loan in full. You may need to sell your property to repay your Midkey No Monthly Payments Loan, and/or fund your aged care expenses. This would impact other people's ability to continue living in your property.
- Your aspirations: What are your plans for the future? Are you planning to start a business, renovate your home, pay private school fees, or help your child with a deposit for their first home? You should think about your hopes and dreams for your life, as well as your financial goals.

If you are considering a Midkey No Monthly Payments Loan, we'd recommend you:

- Contact your financial advisor to discuss your long-term needs and objectives. Your financial advisor can help you understand the risks and benefits of a Midkey No Monthly Payments Loan and ensure it is the right choice for you; and
- Talk with your family members, beneficiaries, tenants, or other people living in your property who may be impacted by your decision to take out a Midkey No Monthly Payments Loan.

Would you like to discuss the above information with us?

Your long-term and future needs and objectives are important. **Would you like to discuss them with us?** We want to talk to you about them. Please call Midkey at **1300 643 539 (1300 MIDKEY).**

NO TENANCY PROTECTION

(This disclosure is a requirement under ASIC instrument 23-0033)

The rights of any spouse, partner or other resident in your home will be affected by the Midkey No Monthly Payments Loan.

IMPORTANT

THIS NOTICE INFORMS YOU HOW THIS MIDKEY NO MONTHLY PAYMENTS LOAN WILL AFFECT THE RIGHTS OF OTHER PEOPLE LIVING IN YOUR HOME.

When your Midkey No Monthly Payments Loan needs to be repaid (for example, if the house is to be sold or the borrower dies or moves to aged care), if another person (including a spouse, partner or another family member) is living in your house, THEY WILL HAVE TO MOVE OUT SO YOUR HOUSE CAN BE SOLD.

BEFORE YOU SIGN A CONTRACT FOR A MIDKEY NO MONTHLY PAYMENTS LOAN, you should carefully consider whether you want other people to continue living in the house, even if, for example, you move into aged care accommodation. To help you, you may wish to obtain independent legal advice.

If it is important to you that other people who live with you continue to have the right to remain in your home, then you should consider other options apart from the Midkey No Monthly Payments Loan that provides rights to other residents.

NO TENANCY PROTECTION – MORE INFORMATION

When considering a Midkey No Monthly Payments Loan, you should think carefully about the needs of the people living in your home.

You should consider the following 5 important questions before getting a Midkey No Monthly Payments Loan:

- Did you know that a Midkey No Monthly Payments Loan does not contain a tenancy protection provision, so it doesn't include a clause that protects the rights of other people living in the mortgaged property?
- Are you aware that other people living in your property who are not borrowers (including your spouse, partner, other family members, or tenants) will need to move out and live somewhere else if your Midkey No Monthly Payments Loan needs to be repaid from the sale of your property?
- Have you considered that if you need to move into an aged care facility, you must repay your Midkey No Monthly Payments in full? You may need to sell your property to repay your Midkey loan, and/or fund your aged care expenses. If you sell your property, it may affect others' ability to continue living there.
- Do you want to obtain independent legal or financial advice about the above questions? **We recommend that you do this.**
- Have you considered discussing your Midkey No Monthly Payments Loan application with your family members, beneficiaries, tenants, or other people living in your property who may be impacted by your decision to take out a Midkey No Monthly Payments Loan? **We recommend that you do this too.**

Carefully consider the needs of the people living in your home before taking out a Midkey No Monthly Payments Loan.

If you are considering taking out a Midkey No Monthly Payments Loan, it is important to consider the impact it could have on other people living in your property. You should ask yourself questions like:

- Where will they live if my property is sold?
- Will they be able to afford to buy a home for themselves if they can't live in my property?
- Will they want to move out of my property if I die, or will they want to stay there?
- Do they have strong emotional ties to my property?
- Do I want my property to remain in my family?

If you are considering a Midkey No Monthly Payments Loan, we'd recommend you:

- Talk with your family members, beneficiaries, tenants, or other people living in your property who may be impacted by your decision to take out a Midkey No Monthly Payments Loan; and
- Discuss the above information with your financial advisor. Your financial advisor can help you understand the risks and benefits of a Midkey No Monthly Payments Loan and ensure it is the right choice for you.

REFERRALS

If you were referred to Midkey by one of our accredited brokers, we may pay them a referral fee that is a proportion of your loan amount. This referral fee is not an additional cost to you.

WOULD YOU LIKE TO DISCUSS THE ABOVE INFORMATION WITH US?

It is important that you understand how a Midkey No Monthly Payments Loan will impact the people living in your property. **Would you like to discuss this with us?** We want to talk about it with you. Please call Midkey at **1300 643 539 (1300 MIDKEY)**.