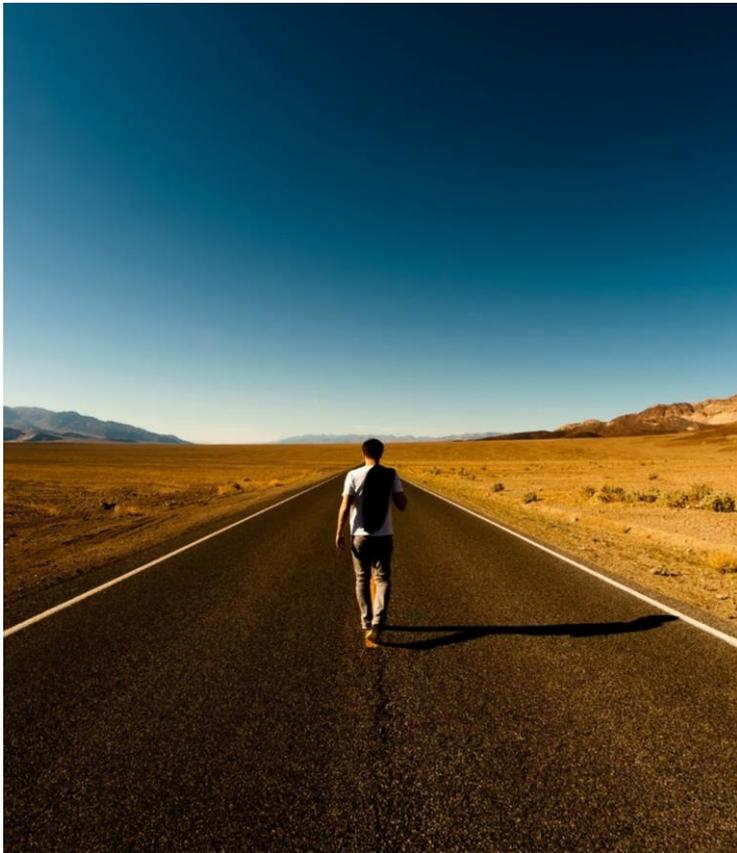


FINANCIAL HARDSHIP?



Don't walk the road alone.

We are here to help – In sha Allah.

*In the name of Allah
the most Beneficent the
most Merciful*

This brochure provides you with advice as to where you can obtain help if you feel you are in financial difficulty.

ICFAL
Islamic Co-operative Finance
Australia Ltd

Financial hardship?

Contact us

If you are having trouble meeting the repayments on your finance you should contact us as soon as possible to discuss your situation. Make sure you are honest. Remember, the sooner you act the easier it will be for us to assist. Our contact details are:

In Person : Suite 12, Upper Ground Floor, 55 Phillip Street Parramatta NSW 2150

Telephone : 1300 137 424

Phone: (02) 9643 1962

Fax: (02) 8065 5030

Email : info@icfal.com.au

If you are unsure about whether you can afford to pay or not, contact a financial counsellor for help (see www.fido.gov.au).

You can ask for a hardship variation

If your finance is covered by the National Credit Code, you have the right to ask us to enter into a hardship variation.

Note: A hardship variation gives you temporary relief. You still need to pay off your entire finance, but it will be stretched over a longer time period (and you may possibly pay more in the long run).

A financial counsellor, community legal centre or solicitor may be able to help you ask for a hardship variation (see www.fido.gov.au).

You do not have to agree to a hardship variation if it is not on the terms you requested.

We do not have to agree to your request to change the terms of your finance.

If we do not agree

If we refuse your request to change your contract because of hardship, you can dispute our decision.

We are a member of an external dispute resolution scheme approved by ASIC, the Credit and Investments Ombudsman, which may be able to hear your complaint. Please refer to our Complaints and Dispute Resolution Guide for further information.

You can also apply to a tribunal or court in your state for an order to change the terms of your finance.

Talk to other creditors

You should also talk to all of your other creditors about your situation. Again, the sooner you take action and discuss your financial problems with your creditors, the easier it will be to try and work out a solution. If the credit is covered by the National Credit Code, you can request a hardship variation for those products also.

Other options

Here are some other options that may be that you may wish to consider if you are experiencing financial hardship.

- **Budget** - Take some time to think about your income and expenses, and see if you can reduce your expenditure. You can use FIDO's budget planner to help you prepare a budget and manage your income. There is also lots of information and tips on budgeting and dealing with debts at www.fido.gov.au
- **Negotiate a reduced growth rate** - See if you can negotiate a better growth rate with your financier.
- **Refinance** - You might consider switching to another type of finance product or changing to a different lender because they have a cheaper finance. Although refinancing might look like a good idea, weigh your options up carefully before making a decision. If you are already in default or under financial stress, be realistic about whether you can afford repayments under a new refinancing arrangement. You may have to pay large fees to get out of your existing finance and pay mortgage insurance again. Go to www.fido.gov.au for more tips and a checklist on what to look out for when switching finances.
- **Seek government assistance** - Find out if you are entitled to benefits or other government assistance. Visit the Centrelink website to see if you are eligible for any entitlements. The site includes specific information for unemployed, self-employed, people in crisis (e.g. recently separated, divorced or bereaved, ill or injured). Some state governments offer short- term interest-free mortgage relief finances to cover temporary shortfalls. Contact your local state Department of Housing.
- **Ask for help** - Financial counsellors can help people who are in financial difficulties. They provide a free, independent and confidential service to help you work out the best options for your situation. ASIC also has information about credit and other financial issues. A full list of financial counsellors is at www.fido.gov.au. ASIC Infoline: 1300 300 630
- **Sell your property** - You could downsize or consider renting for a while. If you are really struggling to meet the repayments on your finance and you do not see your financial position considerably improving, it may be better to sell your property now then leave it till later when you have incurred more fees or perhaps gone through an expensive refinance. Also, if you leave things too late (which can happen very quickly) you will lose your ability to sell the property on your terms.
- **Access your superannuation early** - Hardship provisions allow for early withdrawal of superannuation by people who are experiencing severe financial difficulty. This is a last resort option and you should think about it carefully. You may risk losing your house and your superannuation. Get the advice of a financial counsellor to help you decide what is best for you.