

## Equity Release – Interest rates

<b>Date issued:</b> Tuesday 30 April 2019 <b>Live date:</b> Thursday 2 May 2019	<b>Applicable to:</b>  Interest rates	<b>Contact:</b>  Aviva Equity Release Consultant
--	---	--

### Headlines

From Thursday 2 May 2019 interest rates will increase, decrease or remain the same on both the Lifestyle Lump Sum Max and Lifestyle Flexible Option, on new business only.

### New Business KFI's

All pre-sales illustrations produced on or after Thursday 2 May 2019 will automatically be processed using the new interest rates based on Flex Tool version 2.5.19

### Application Information

- For new business applications received between Thursday 2 May 2019 and Thursday 9 May 2019, the offer issued will be based on the Flex Tool details received, as per normal Flex Tool rules
- If the property valuation is outside 10% of the estimate, please include a new Flex Tool output sheet using Flex Tool version 2.5.19
- If the property valuation is within 10% of the estimate, please include the original Flex-Tool output sheet
- Flex Tool version 2.5.19 will be used if any revisions are required to the case.

### New Business Transitional Arrangements

#### Where the rate has decreased

- All applications received on or after Thursday 2 May 2019 will be processed as per the Flex-Tool submitted and based on normal Flex-Tool rules being applied
- Where terms have been offered and the customer wishes to make an alteration to the loan, the new offer will be based on Flex Tool version 2.5.19
- If a case expires on or after Thursday 2 May 2019, and a new offer is required, this will be issued on new interest rates.

#### Where the rate has increased

- All new business applications received up to and including Thursday 9 May 2019 will be processed using the current interest rate
- All new business applications received from Friday 10 May 2019 will be processed using the new interest rate
- Where terms have been offered and the customer wishes to make an alteration to the loan, the new offer will be based on Flex Tool version 2.5.19

Please note: If an offer expires, we require you to produce a new Flex Tool output sheet and a revised offer will be issued on new terms before completion. The interest rate is then fixed upon completion.

## Current Reserve Release Rates

### Lifestyle Flexible Option (LFO) and Cash Reserve Option (CRO)

There are no changes to the interest rates on reserve release. The below shows the current rates that went live on Monday 8 April 2019.

	With Inheritance Guarantee	Without Inheritance Guarantee
LFO	4.76%	4.59%
CRO	N/A	4.59%