

CONSUMER MORTGAGE LENDING PRODUCTS

Dated 22 January 2022

The credit provider is Residential Mortgage Group Pty Ltd ACN 152 378 133 Australian Credit Licence 414133 ("RMG"). RMG is a wholly-owned subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 AFSL and Australian Credit Licence 234945.

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Including the Usual Terms and Conditions for Consumer Mortgage Lending

Section 2 contains our Usual Terms and Conditions for Consumer Mortgage Lending, including loans for investment purposes. They do not contain all the information we are required to give you before you enter into the Contract. If your loan is regulated by the National Credit Code please read the Information Statement – Part F in Section 1. The rest of the information is contained in the Contract Schedule. Please read the Contract Schedule first before reading this booklet.

Other terms and conditions may also apply to the Loan Account by operation of law.

Important Information

Applications for finance are subject to Residential Mortgage Group Pty Limited's normal credit approval. Full terms and conditions will be included in the loan offer. Fees and charges are payable.

About this Booklet

Finding the information you want

This booklet contains information to help you make an informed decision about the consumer mortgage lending product(s) that best suit your needs, and to help you compare with others that you may be considering. The booklet also contains the terms which govern those products.

The booklet is organised in sections and should be read in conjunction with the Contract Schedule containing standard fees and charges for Home Loans and Lines of Credit.

Section 1 – Useful Information

This section includes our credit guide and Information Statement under the National Credit Code. It also provides general information on the types of consumer mortgage lending products available through Residential Mortgage Group Pty Limited and significant features and benefits.

Section 2 – Usual Terms and Conditions

This section tells you about the general and specific terms and conditions that apply to all our consumer mortgage lending products.

About the National Consumer Credit Protection Act

The National Credit Protection Act regulates credit provided in Australia to individuals for personal, domestic or household purposes and for investment in residential property. If a loan is used mainly for any of these purposes then the law requires us to make assumptions about some of the disclosures (e.g. such as the total amount of fees and charges and the total amount of repayments) based on future events that may not turn out to be correct (e.g. if you have a variable rate loan, your interest rate may change). The Act does not apply to companies or to borrowers of credit provided wholly or predominantly for investment (other than in residential property) or for business purposes (or for both purposes).

Credit Guide

This credit guide applies if we may enter into a credit contract with you regulated by the National Consumer Credit Protection Act.

Residential Mortgage Group Pty Limited Australian Credit Licence 414133 is the credit provider. You can contact us by calling 13 13 33.

We are required not to enter into an unsuitable contract with you.

We are required not to enter into a contract, or increase the credit limit of your current contract, if it would be unsuitable for you. A contract will be unsuitable for you if you will be unable to comply with your financial obligations under the contract without suffering substantial hardship, or if the contract does not meet your stated requirements and objectives.

In order to ensure that we do not enter into a contract that is unsuitable for you, we are required to make reasonable inquiries relating to your financial situation, requirements and objectives, and to take reasonable steps to verify your financial situation.

We will provide a copy of our assessment if you ask.

We are required to make an assessment that the credit contract or increase in credit limit is not unsuitable before we enter into a credit contract with you or agree to increase your current credit limit.

If you ask us we will give you a copy of the assessment before entering into the credit contract or increasing your credit limit.

You may also request a copy of the assessment within seven years of the date the contract is made or your credit limit is increased. If your request is made within two years, we will provide you with the assessment within seven business days of your request, otherwise we will provide you with the assessment within 21 business days. We will not charge you a fee for providing the assessment.

What if you have a complaint?

In the event of a dispute, you should first discuss the matter with us to see whether we can satisfactorily resolve your concerns in one of the ways shown below.

- Phone our Customer Relations team on

13 13 33

If you are overseas, call +61 3 9679 9500
- Or write to us at:

Customer Dispute Resolution

Locked Bag 19

Royal Exchange NSW 1225
- Or fill out the complaint form at aussie.com.au

In the event that we are unable to resolve the dispute to your satisfaction, you may apply to the Australian Financial Complaints Authority ABN 38 620 494 340 (AFCA). AFCA is an impartial, independent and free external dispute resolution scheme set up to deal with complaints from consumers involving financial services and products. Before AFCA can investigate the matter, you must have first given us the opportunity to review it. The contact details for AFCA are:

Australian Financial Complaints Authority

GPO Box 3

Melbourne Victoria 3001

Tel: 1800 931 678

Website: www.afca.org.au

Section 1: Useful Information

Information statement – Part F

This section is referred to as Part F in your Contract. This section does not apply to companies or to borrowers of credit provided wholly or predominantly for investment (other than in residential property) or business purposes (or for both purposes).

THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED CREDIT CONTRACT

Residential Mortgage Group Pty Limited Australian Credit Licence 414133 is the credit provider, and in this statement is referred to as “the credit provider”.

This statement tells you about some of the rights and obligations of yourself and the credit provider. It does not state the terms and conditions of your contract.

If you have any concerns about your contract, contact the credit provider, and if you still have concerns, the credit provider’s external dispute resolution scheme, or get legal advice.

THE CONTRACT

1. How can I get details of my proposed credit contract?

The credit provider must give you a pre-contractual statement containing certain information about your contract. The pre-contractual statement, and this document, must be given to you before:

- your contract is entered into; or
- you make an offer to enter into the contract,

whichever happens first.

2. How can I get a copy of the final contract?

If the contract document is to be signed by you and returned to the credit provider, you must be given a copy to keep.

Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however, apply if the credit provider has previously given you a copy of the contract document to keep.

If you want another copy of your contract write to the credit provider and ask for one. The credit provider may charge you a fee. The credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence one year or less before your request; or
- otherwise within 30 days of your written request.

3. Can I terminate the contract?

Yes. You can terminate the contract by writing to the credit provider so long as:

- you have not obtained any credit under the contract; or
- other means of obtaining credit given to you by the credit provider has not been used to acquire goods or services for which credit is to be provided under the contract.

However, you will still have to pay any fees or charges incurred before you terminated the contract.

4. Can I pay my credit contract out early?

Yes. Pay the credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

5. How can I find out the payout figure?

You can write to the credit provider at any time and ask for a statement of the payout figure as at any date you specify. You can also ask for details of how the amount is made up.

The credit provider must give you the statement within seven days after you give your request to the credit provider. You may be charged a fee for the statement.

6. Will I pay less interest if I pay out my contract early?

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits the credit provider to charge one) and other fees.

7. Can my contract be changed by the credit provider?

Yes, but only if your contract says so.

8. Will I be told in advance if the credit provider is going to make a change in the contract?

That depends on the type of change.

For example:

- you get at least same day notice for a change to an annual percentage rate. That notice may be a written notice to you or a notice published in a newspaper.
- you get at least 20 days advance written notice for a change in repayments.
- you get at least 20 days advance written notice for:
 - a change in the way in which interest is calculated;
 - a change in credit fees and charges; or
 - any other changes by the credit provider, except where the change reduces what you have to pay or the change happens automatically under the contract.

9. Is there anything I can do if I think that my contract is unjust?

Yes. You should first talk to the credit provider. Discuss the matter and see if you can come to some arrangement. If that is not successful you could apply to the credit provider's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. The credit provider's external dispute resolution provider is the Australian Financial Complaints Authority which can be contacted at telephone 1800 931 678, www.afca.org.au or GPO Box 3, Melbourne VIC 3001.

Alternatively, you can go to court. You may wish to get legal advice, for example from your community legal centre.

You can also contact the Australian Securities and Investments Commission (ASIC), the regulator, for information on 1300 300 630 or through ASIC's website at <http://www.asic.gov.au>.

INSURANCE

10. Do I have to take out insurance?

The credit provider can insist you take out or pay the cost of types of insurance specifically allowed by law. These are compulsory third party personal injury insurance, mortgage indemnity insurance (the credit provider calls this type of insurance "lenders' mortgage insurance") or insurance over property covered by any mortgage (the credit provider calls this type of insurance "building insurance"). Otherwise, you can decide if you want to take out insurance or not.

11. Will I get details of my insurance cover?

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by the credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal.

Also, if you acquire an interest in any such insurance policy which is taken out by the credit provider then, within 14 days of that happening, the credit provider must ensure you have a written notice of the particulars of that insurance.

You can also ask the insurer for details of your insurance contract. If you ask in writing your insurer must give a statement containing all the provisions of the contract.

12. If the insurer does not accept my proposal, will I be told?

Yes, if the insurance was to be financed by the credit contract. The insurer will inform you if the proposal is rejected.

13. In that case, what happens to the premiums?

The credit provider must give you a refund or credit unless the insurance is to be arranged with another insurer.

14. What happens if my credit contract ends before any insurance contract over mortgaged property?

You can end the insurance contract and get a proportionate rebate of any premium from the insurer. However, there is no rebate of the premium for Lenders' Mortgage Insurance if you repay your loan.

MORTGAGES

15. If my contract says I have to give a mortgage, what does this mean?

A mortgage means that you give the credit provider certain rights over any property you mortgage. If you default under your contract, you can lose that property and you might still owe money to the credit provider.

16. Should I get a copy of my mortgage?

Yes. It can be part of your credit contract or, if it is a separate document, you will be given a copy of the mortgage within 14 days after your mortgage is entered into.

However, you need not be given a copy if the credit provider has previously given you a copy of the mortgage document to keep.

17. Is there anything that I am not allowed to do with the property I have mortgaged?

The law says you cannot assign or dispose of the property unless you have the credit provider's, or the court's permission. You must also look after the property. Read the mortgage document as well. It will usually have other terms and conditions about what you can or cannot do with the property.

18. What can I do if I find that I cannot afford my repayments and there is a mortgage over property? See the answers to questions 22 and 23.

Otherwise you may:

- if the mortgaged property is goods, give the property back to the credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property – but only if the credit provider gives permission first; or
- give the property to someone who may then take over the repayments – but only if the credit provider gives permission first.

If the credit provider won't give permission contact Australian Financial Complaints Authority (the credit provider's external dispute resolution scheme) for help.

If you have a guarantor, talk to the guarantor who may be able to help you.

You should understand that you may owe money to the credit provider even after the mortgaged property is sold.

19. Can the credit provider take or sell the mortgaged property?

Yes, if you have not carried out all of your obligations under the contract.

20. If the credit provider writes asking me where the mortgaged goods are, do I have to say where they are?

Yes. You have seven days after receiving the credit provider's request to tell the credit provider. If you do not have the goods you must give the credit provider all the information you have so they can be traced.

21. When can the credit provider or its agent come into a residence to take possession of mortgaged goods?

The credit provider can only do so if the credit provider has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the National Credit Code.

GENERAL

22. What do I do if I cannot make a repayment?

Get in touch with the credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask the credit provider to change your contract in a number of ways:

- to extend the term of your contract and reduce repayments; or
- to extend the term of your contract and delay payments for a set time; or
- to delay payments for a set time.

23. What if the credit provider and I cannot agree on a suitable arrangement?

If the credit provider refuses to change the repayments, you can ask the credit provider to review this decision if you think it is wrong.

If the credit provider still refuses your request you can complain to the external dispute resolution scheme that the credit provider belongs to. Further details about this scheme are set out below in question 25.

There are other people, such as financial counsellors, who may be able to help.

24. Can the credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the Australian Financial Complaints Authority or ASIC, or get legal advice.

25. Do I have any other rights, and obligations?

Yes. The law will give you other rights and obligations. You should also READ YOUR CONTRACT carefully. IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT THE CREDIT PROVIDER. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH THE CREDIT PROVIDER BEFORE CONTACTING THE CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO THE CREDIT PROVIDER YOU CAN CONTACT THE CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION SCHEME OR GET LEGAL ADVICE.

EXTERNAL DISPUTE RESOLUTION IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. THE CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION PROVIDER IS THE AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY AND CAN BE CONTACTED ON 1800 931 678, www.afca.org.au OR GPO BOX 3 MELBOURNE VIC 3001.

PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

Section 2: These are the Usual Terms and Conditions (UTC) for Consumer Mortgage Lending

This section also includes the terms and conditions that apply to transacting on your Loan Account and Line of Credit.

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Home Loans (HL)	Page 28
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Section 2: General Terms and Conditions that apply to all Loans

These General Terms and Conditions do not contain all the information we are required to give you before you enter into the Contract. The rest of the information is contained in the Contract Schedule. Please read the Contract Schedule first.

1 Meaning of words

If we use an example to show the meaning of a word, the meaning of the word is not limited to that one example or examples of a similar kind. A reference in this document to the singular includes the plural and vice versa.

Access Code	A confidential code determined by you so you can use Internet Access.
Account Holder	The person(s) in whose name the account is held.
Banking Business Day	Any day on which banks in Sydney are able to effect settlement through the Reserve Bank of Australia.
Building insurance	Insurance designed to cover the cost of repairing or replacing damage to the physical structure of a property.
Business Day	A day that is not: (a) a Saturday or Sunday; or (b) a public holiday, special holiday or bank holiday in Sydney.
Commitment Period	The period within three months of the Disclosure Date.
Consumer Credit Code	The Uniform Consumer Credit Code and the regulations made under the Code
Contract	The Contract Schedule you sign and the Terms and Conditions.
Contract Schedule	The schedule (including any schedule replacing an earlier schedule signed by us) which records the particulars of the contract or of the Contract as varied.
Customer Number	A confidential personal identification number given to you by us in relation to Internet Access.
Disclosure Date	The date we use to calculate the particulars of the Loan stated in the Contract Schedule. The date is stated in the Contract Schedule.
Early Repayment Adjustment	The adjustment we make when you prepay the Loan Account in full or make a permitted partial Prepayment of a fixed interest rate Loan.
Guarantor	A person, company or trust that helps you secure a Loan by offering their own property (or properties) as additional security for the Loan, and/or by contributing additional income to help you service the Loan.
Initial Commitment Period	The period within 3 months of the Disclosure Date.
Insolvent	Insolvent means: (a) being an insolvent under administration or insolvent; (b) having a controller (as defined in section 9 of the Corporations Act), administrator or similar officer appointed;

	<p>(c) being in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration, wound up, subject to any arrangement, assignment or composition, protected from creditors under any statute, dissolved (other than to carry out a reconstruction while solvent);</p> <p>(d) anything analogous to anything referred to in paragraphs (a) to (c) inclusive of this definition, or which has a substantially similar effect, occurs; or</p> <p>(e) you are, or admits in writing that you are, or are declared to be, or are taken under any applicable law to be (for any purpose), insolvent or unable to pay your debts when they fall due</p>
Interest Rate Margin	The margin above or below the reference interest rate.
Internet Access	The online account management system which is made available to you from time to time at the website advised by us.
Lenders Mortgage Insurance (LMI)	LMI is a one-off insurance premium designed to protect us (not you). It is not a credit provider fee or an establishment fee.
Loan	The credit, described on the front page of the Contract Schedule, we give you under the Contract.
Loan Account/Account	The account we keep in your name with which we debit the Loan or any part of the Loan.
Loan Term	The term of the Loan specified in the Contract Schedule.
Loan Type	The loan type as specified in the table in clause 15.
National Credit Code	The National Credit Code in the National Consumer Credit Protection Act 2009 and the regulations made under that Act or (if applicable) the Consumer Credit Code (all as amended from time to time)
Our	Belonging to Residential Mortgage Group Pty Limited ACN 152 378 133.
Parties	You and us.
Portability	Allows you to change an existing Security Property to a new Security Property without repaying the Loan provided we are satisfied with the valuation and title to the new Security Property.
Prepayment	A payment you make before it is due to be made.
Proscribed Person	A person who appears to us (a) to be a proscribed person or entity under the Charter of the United Nations Act 1945 (Cth); or (b) to be in breach of the laws of any jurisdiction relating to money-laundering or counter-terrorism; or (c) to appear in a list of persons with whom dealings are proscribed by the government or a regulatory authority of another jurisdiction; or (d) to act on behalf of, or for the benefit of, a person listed in sub-clauses (a) to (c).
Related Account	The account you must open with a bank or financial institution acceptable to us and from which we may draw amounts you must pay us under the Contract.
Repayment Redraw Facility (RRF)	The facility described in clause HL9 under which we may make available to you, Special Repayments you have made to the Loan Account.

Repayment Type	The repayment types under the Contract e.g. principal and interest or interest only.
Secured Agreement	Any Contract we have with you that is secured by any Security.
Security	Any Security Interest or guarantee stated in the Contract Schedule or any Security Interest or guarantee substituted for or supplemental to any Security Interest or guarantee stated in the Contract Schedule is entered into at our request or with our prior written consent.
Security Interest	A mortgage, charge or other encumbrance in relation to real property or an interest in relation to goods or other personal property that, in substance, secures payment or performance of an obligation under a contract or a guarantee.
Security Property	The property mortgage to us, to which the Security is attached or which is otherwise subject to the Security.
Security Provider	Any individual or company providing Security.
Settlement Date	The date on which we debit any amount to the Loan Account other than for the payment of a credit fee or charge.
Security Provider	Any individual or company providing Security.
Special Repayments	A repayment made in addition to the regular repayments we require you to make on the Loan Account.
Switching	Reference in these terms and conditions to switching your Loan Type, Repayment Type or Interest Rate Margin includes splitting your Loan into two or more Loan Accounts with different Loan Types, Repayment Types or Interest Rate Margins applying to each Loan Account.
Terms and Conditions	These terms and conditions.
Top Up	Where we and you agree to increase the amount of credit we provide to you under the Contract.
Usual Terms and Conditions (UTC)	The terms and conditions set out in Section 2.
We and Us	Residential Mortgage Group Pty Limited ACN 152 378 133 Australian credit licence 414133 and its successors and assigns.
You	The person or persons named in the Contract Schedule. If there are more than one, you means each of them separately and every two jointly. You includes your executors, administrators and assigns. When two or more of you are Parties to the Contract your undertakings and agreements in the Contract bind you jointly and each of you separately. For example, we may ask any one of you to pay the full amount owing under the Contract.

Note:

If we use an example to show the meaning of a word, the meaning of the word is not limited to that one example or examples of a similar kind. A reference in this document to the singular includes the plural and vice versa.

A reference to:

- a) a person includes a reference to a body corporate;
- b) a paragraph, sub clause or clause is a reference to a paragraph, sub clause or clause of the Contract;
- c) a document or the Contract is a reference to the document or the Contract as varied or replaced from time to time;
- d) the Loan includes (where the context requires) a reference to any fixed or variable interest rate portion of the Loan.

Where the Contract says something must be done on or by a particular day, and that day is not a Business Day, then that thing must be done on or by the next Business Day.

When the Contract for a Home Loan or Investment Home Loan says a payment or repayment must be made one month from or one month after a particular day, and that day is the 29th, 30th or 31st day of a month, the expressions "one month from" and "one month after" do not mean the 29th, 30th or 31st day of the next month, but mean the first business day of the month after that.

Unless the Contract says otherwise, numbers, values and amounts for a day are estimated, calculated or determined immediately following close of business on that day.

2 Before we provide a Loan

We will tell you what you need to do before we can give you a Loan. We will do this in writing or by electronic means. You must comply with our requirements before we can provide the Loan.

2.1 Things we need to check

We will not provide a Loan unless we are satisfied that all of our requirements have been met, including any of the following conditions (a)-(j) that apply to your Loan:

- a) **Proof of identity:** You must provide us with adequate proof of your identity and the identity of any person you authorise to operate on your Loan Account.
- b) **Valuation and title:** The valuation of and title to the Security Property must be to our reasonable satisfaction in accordance with our usual prudent credit standards.
- c) **Security interest:** You must give us the Security Interest we require in relation to the Security Property as stated in the Contract Schedule. You must do all things and pay or arrange to pay all monies (including all government land titles office discharge and transfer registration fees) necessary to do this. Alternatively a Security Provider may do this on your behalf.
- d) **Direct debit authority:** You must open a suitable banking account with a bank or financial institution acceptable to us. You must give us a written authority (direct debit request) to draw or obtain by direct debit from that account, as required, the amounts you must pay us under the Contract.
- e) **Lenders' mortgage insurance (LMI):** We may require you to pay LMI depending on the circumstances of your loan. Contact us to find out. LMI protects us (not you) against the potential loss we may incur if you can't repay your loan. If the security property is sold and the proceeds are insufficient to fully repay the loan, we may recover the outstanding amount under our LMI policy. The LMI provider may seek to recover the outstanding amount from you, as you are still responsible for repaying the whole loan. The LMI premium is added to the total loan amount and is collected on your behalf and passed to our insurance provider. The LMI premium is non-refundable.
Note: Lenders' mortgage insurance protects us, not you. If the Security Property is sold before the Loan is repaid, we may incur a loss if the proceeds are insufficient to fully repay the Loan. We may recover this loss under our lenders' mortgage insurance policy. However, you are still legally responsible for repaying the amount outstanding under the Contract, because you are not protected by the lenders' mortgage insurance.
- f) **Guarantees:** We may ask you for a guarantee. If so the guarantee or the offer to guarantee must not be withdrawn or otherwise invalidated. The guarantor must not be an undischarged bankrupt.

- g) **Representations and warranties:** We will ask you to make representations and warranties for the Contract (for example, under clause 4 below). Your representations and warranties must be correct and not misleading.
- h) **Not used**
- i) **Not used**
- j) **Not used**

2.2 You must pay our preliminary costs

You must pay any costs we reasonably incur for checking the matters in clause 2.1 even if we don't give you the Loan. You must pay the costs on the date we incur them.

The costs may be ours, or they may be costs that we have to pay to a third party, or that we retain in reimbursement of an amount we have paid to a third party.

If your Contract is subject to the National Credit Code your obligation to pay the costs is limited to those costs which are not in direct connection with the Contract or any mortgage stated your Contract Schedule.

Also, you must pay any applicable government fees and charges to enable registration of a transfer of a Security Property into the name of the Security Provider.

Note: If we give you the Loan we may debit any costs and government fees and charges to the Loan Account or the Related Account at our discretion and you will also need to pay our fees and charges for managing the Loan.

See clause 7.

3 What we require from you for the Loan to operate

3.1 Evidence of your identity and finances

When we reasonably consider it necessary to ask you, you must:

- a) fully and truthfully tell us your current financial position;
- b) provide us with the information and documents necessary to establish your identity and the identity of any person you authorise to operate on your Loan Account; and
- c) provide us with any further information we may reasonably require about your business or your conduct of this Loan.

3.2 Security for the Loan

Your obligations under the Contract are to be secured by the Security stated in your Contract Schedule. The Security must be in the form or forms of our usual security documents and as we reasonably require. You agree that the Contract is a Secured Agreement for the purposes of any mortgage or other Security stated within the Contract or any variation to the Contract.

3.3 If the Security already exists

If the Security is in existence at the date of the Contract, by signing the Contract you acknowledge that the Security extends to cover your obligations under the Contract.

3.4 If the Security does not already exist

If the Security is not in existence at the date of the Contract, you agree to give us the Security. You authorise us and any of our officers to date and complete any blanks or to make amendments (where the amendments are consistent with information provided by you or your representative) in or to the mortgage or any other Security which we require to secure the Loan in accordance with clause 3.2.

3.5 Value of the Security

The value of and title to the Security Property must be to our reasonable satisfaction at all times during the term of the Contract. We may obtain a new valuation of any Security Property. You must not change the use of the security property without our prior consent.

3.6 Compliance with any additional requirements

You must comply to our reasonable satisfaction with any other conditions and requirements stated in your Contract Schedule.

If a condition or requirement stated in your Contract Schedule is consistent with any of these Usual Terms and Conditions, both the Terms and Conditions and your Contract Schedule condition or requirement operate. Where they are inconsistent, the condition or requirement stated in your Contract Schedule prevails.

3.7 Authority for us to operate the Loan Account

If reasonably required by us or should you wish to appoint an authorised person or other signatory to operate on your Loan Account, you will be required to complete and sign our usual form of authority and provide us with details of:

(i) All signatories who are authorised to operate the Loan Account, and

(ii) The method of operation, e.g. anyone to sign, any two to sign etc.

An authorised person or other signatory can:

(i) Redraw money and otherwise operate on the Loan Account, including varying the loan contract and request and receive information about the Loan Account;

(ii) Register for any related services we may offer from time to time through our communications network, for example telephone and internet banking;

(iii) Do anything else on behalf of all borrowers except change signatories or the method of operation.

We will act upon the authority given to us until you vary or cancel it. If you have a joint Loan Account, which allows other account holders to access funds without your consent (e.g. anyone to sign), you can ask us to

change the account authority so that you all have to approve any future withdrawals. This may be relevant to you, e.g. if you are a vulnerable customer. If you wish to vary or cancel an authority, you must give us notice in writing. Upon receiving such notice, the authority will be varied or cancelled. All redraws, cheques and other instruments, dated prior to and presented for payment after the receipt of such notice in writing, will be honoured. Any instructions given by you in accordance with the authority will be relied on by us. We will not be liable for any loss or damage you, or anyone else suffers where we act on those instructions in good faith, unless it is proved that we were negligent.

4 What you must tell us each time you ask for credit

When you ask us for credit under the Contract we need to be sure that it is lawful for us to provide you with credit, taking into account any changes in your circumstances. To do this we rely on what you tell us about your circumstances – your representations and warranties.

You make these representations and warranties on your own behalf and on behalf of any Security Provider. References to you in paragraphs (a)–(g) are taken to include any Security Provider. Each time you ask for credit under the Contract you make the following representations and warranties to us:

- a) **Not bankrupt:** You are not an undischarged bankrupt.
- b) **Not assigning your estate or entering into any arrangement or composition for the benefit of creditors:** You have not assigned your estate or entered into any arrangement or composition for the benefit of your creditors.
- c) **Age <18 years:** You have told us and any guarantor that you are at least 18 years of age.
- d) **Not used**
- e) **Not used**
- f) **Other agreements or court orders:** You are not in default (being a default that is material to the Contract or the Security) under any agreement or undertaking to which you are a party, or any court order which binds you. Also, no event has occurred which, with the giving of notice or lapse of time or both, would constitute a default by you (being a default that is material to the Contract or the Security) under any agreement or undertaking or any court order which binds you.
- g) **Lawful instructions:** In instructing us in relation to any matter or transaction, you

are not in breach of the laws of Australia or any other jurisdiction.

5 Funding your loan

5.1 How we make your Loan available

We will make the full amount of the Loan available to you by a single Loan drawing unless the Contract provides otherwise.

We may debit your Related Account, or any other account you nominate, for any additional funds required to complete your purchase of the Security Property or to register our Security.

5.2 How we fund the Loan

We will fund the Loan:

- a) by paying each Loan drawing in accordance with the Contract and your written instructions or, at our discretion, your electronic or verbal instructions; or
- b) in accordance with any instructions received from your solicitor or other financial institution to complete the purchase, sale or transfer of security; or
- c) when you or anyone you authorise asks for credit in a manner approved by us.

At the same time, we will record your debt with us by debiting the Loan Account.

5.3 Stopping funding

We will not fund the Loan if any of the following conditions (a)-(e) apply:

- a) **Default:** You are in default under the Contract (see clause 9 to find out when this could happen);
- b) **Conditions not met:** You fail to satisfy to our reasonable satisfaction our conditions for the provision of credit set out in clauses 2 or 3;
- c) **Loan lapses:** The Loan lapses under Clause HL14 or LOC6 of the Contract;
- d) **Inability to pay:** We reasonably believe you may not be able to repay the Loan due to a change in your financial position since the date you applied for the Loan;
- e) **Unsatisfactory credit report:** We are unable to obtain a credit report on you from a credit reporting agency or the credit report we obtain is unsatisfactory in our reasonable opinion.

6 What interest do I pay?

6.1 Loan interest

You must pay us interest on all amounts debited to the Loan Account from the date we first debit an amount to the Loan Account.

We determine the interest rate (annual percentage rate) by starting with a base rate (the reference rate) and adding or subtracting any premium or discount (the margin). If the result is less than zero, then the interest rate will be deemed to be zero. Interest is calculated daily on the outstanding balance of the Loan Account using the daily percentage rate (the annual percentage rate divided by 365, even in leap years).

The reference rate or rates, your margin and annual percentage rate or rates, are as set out in your Schedule or as we subsequently agree or notify you. If different rates apply at different times or in different circumstances, how they apply is set out in your Schedule or as we subsequently agree or notify you. If any of the rates listed in your Schedule are described as 'currently', they may change during the loan acceptance process. If this happens, the rate you have to pay will be the rate that applies to your loan type on the date we first debit an amount to your loan account. We can change the reference rate and your margin (see Clause 10).

Information on our current interest rates is available on request – to obtain a copy call 13 13 33 or visit our website at www.aussie.com.au.

6.2 Default interest

You must also pay us additional interest, called default interest on any amount you fail to pay by the due date under the Contract. We will calculate default interest on the overdue amount, i.e. any amount you fail to pay by the due date. Default interest begins to accrue from the due date and then accrues daily until the amount is paid. The rate of default interest is equal to 2% per annum above the Loan interest rate applying at the time.

Note: Being in default may have other implications for how we manage the Loan. See clause 9.

6.3 How we charge this interest to your Loan Account.

We debit the interest you must pay to the Loan Account, so it will add to the total amount you owe us. We will debit interest to the Loan Account at the frequency stated in your Contract Schedule.

In addition, on the day the Loan Account is repaid in full, we will debit interest to the Loan Account. The interest we will debit will be all of the interest accrued up to the end of the previous day, including any default interest.

7 Fees and charges that may apply

You must pay us the fees and charges that are set out in your Contract Schedule, as well as fees or charges for transactions on the Loan Account and any costs, government fees and charges or expenses referred to in clauses 2.2, 7.1 and 9.4. To obtain a copy of all of our fees and charges call 13 13 33.

Note: Different fees and charges may apply at different times during the lifetime of the Loan. We may change our fees and charges. See clause 10.

7.1 What fees and charges are payable?

- a) Fees and charges stated in your Contract Schedule.
- b) If applicable, government fees or charges relating to transactions on the Loan Account.

7.2 How we charge these fees and charges to your Loan Account.

Usually we debit the fees and charges you must pay from the Loan Account, so they will be part of the amount you owe us. However, sometimes we debit the fees and charges to the Related Account.

The fees and charges stated in your Contract Schedule are either for us (for example, the application fee) or for someone else (for example, stamp duty).

If the fee or charge is for someone else, you authorise us to pay it to that other person.

We will debit all fees or charges to the Loan Account at our discretion.

7.3 How we use your payments to repay the Loan.

We will apply any amounts we receive from you for crediting to the Loan Account to pay:

- a) **First:** Any credit provided in respect of any insurance premium debited to the Loan Account;
- b) **Second:** Any unpaid fees and charges;
- c) **Third:** Any unpaid interest;
- d) **Fourth:** The principal of the Loan.

7.4 When must fees and charges be paid?

You must pay the fees and charges stated in your Contract Schedule as soon as they are due and payable. However if we change any fee or charge in accordance with clauses 10.2, 10.4 or 10.5 you must pay the new amount when we tell you it will be payable or when we ask for it.

8 Capitalising unpaid interest, fees and charges

We charge interest on unpaid interest, fees and charges. That does not mean they are part of the principal sum. They only become part of the principal sum when we make a special entry in our books of account. We can do this at any time without telling you. Until we make that entry they are included in the outstanding balance of the Loan Account as unpaid interest, fees and charges, not as part of the principal sum. We do not show the items that make up the outstanding balance in any statement of the Loan Account unless you ask us in writing.

9 Default

9.1 When you could be in default

You are in default under the Contract if any of the following conditions (a)-(n) apply:

- a) **Overdue amount:** You do not pay on time any amount payable under the Contract;
- b) **Breach of Contract:** You do not keep to the other terms of the Contract or the terms of any Security Agreement;
- c) **Unsatisfactory value of Security Property:** We are not reasonably satisfied that the value of the Security Property is sufficient security for the Loan;
- d) **Title to the Security Property is unsatisfactory:** We are not reasonably satisfied with the title to the Security Property or the Security over it. For example: we are unable to register the mortgage as a first ranking mortgage, or there has been an unreasonable delay in you becoming the registered proprietor of the Security Property, or a claim is made by a third party to an interest in the Security Property;
- e) **Failure of Security Provider:** Any Security Provider breaches any term or condition of the Security or withdraws from the mortgage or from the guarantee itself;
- f) **False information:** At any time, you give us incorrect or misleading information in connection with the Contract and that information is material to our decision whether to provide you credit or to continue to provide you credit;
- g) **Goods surrendered:** You or a Security Provider surrender to us any Security Property and, if the National Credit Code applies, you or the Security Provider do not ask us to return the Security Property within the time allowed by the National Credit Code;
- h) **Power of sale:** A power of sale arises under the Security or under any other Security Interest over, or which attaches to, the Security Property. For example: you have given another party a second mortgage over your home, are in default under that mortgage and have not complied with a statutory notice served by that party to rectify the default so that the other party has the right as mortgagee to sell your property;
- i) **Proscribed Person:** You, a Security Provider or signatory appears to our reasonable satisfaction to be a Proscribed Person (as that term is defined in clause 13.23).
- j) **Wilful damage:** You wilfully damage the Security Property;
- k) **Failure to insure:** You fail to adequately insure the Security Property for the full replacement value;
- l) **Other home loan/investment home loan in default:** You have any other home loan/investment home loan with us (of the type specified in clause 15 Your Loan Options) and related Securities and:
 - (i) you do not pay on time any amount payable under the Loan or Security Interest; or

(ii) you give us incorrect or misleading information in connection with the Loan or Security and that information is material to our decision whether to provide you credit or to continue to provide you credit; or

(iii) you fail to maintain adequate insurance as required under the Loan or Security; and you do not remedy the breach within 30 days of receiving notice from us asking you to fix it.

- m) **Enforcement action:** Any creditor of yours commences any proceedings against you or in relation to the Security Property;
- n) **Insolvency:** You or a Security Provider become insolvent or steps are taken to make you or the Security Provider so.

9.2 Notification of default

In most circumstances we will give you a notice. Our notice will tell you what the default is and ask you to fix the default, if it can be fixed. The notice will allow a period of time for you to fix the default. (If we give you notice under the National Credit Code, you will have at least 30 days to fix the default.)

In some circumstances we do not have to give you a notice. For example, a court may excuse us from giving notice or we may have made reasonable attempts to locate you without success. We do not have to give you a notice or wait for the default to be fixed where we believe on reasonable grounds that:

- a) we were induced by your fraud to enter into the Contract; or
- b) urgent action is necessary to protect the Security Property.

9.3 How being in default could affect your Loan

If you are in default and:

- a) you do not fix the default in the time allowed by the notice we give you under clause 9.2;
- b) the default cannot be fixed, and the time stated in the notice we give you under clause 9.2 elapses; or
- c) we do not have to give you notice under clause 9.2;

THEN

- d) provided in the notice (if any) we give you under clause 9.2 we have told you the amount required to pay out the Contract and that we can exercise our rights under this clause 9.3 if you do not remedy the default we may decide, without further notice, that all money owing by you under the Contract is due and payable immediately;
- e) we may sue you for payment of the money you owe us;
- f) we may exercise rights under the Security, including our right to sell the Security Property;
- g) we will not be required to make available to you any undrawn portion of the Loan (if applicable) nor will we be required to comply with any other of our

obligations under the Contract.

We can do any or all of the above things in any order.

9.4 You must pay our costs

Enforcement expenses may become payable under the Contract or a mortgage (if any) in the event of a breach or default. You must pay us any expenses we reasonably incur in enforcing our rights under the Contract or a Security. We will debit these expenses to the Loan Account. They are due and payable on the date when debited.

9.5 We may need to treat your repayment as a Prepayment

Has the Loan been repaid due to our exercising our rights following your default? If so we may adjust the Loan Account. If the Loan is a fixed interest rate Loan we will make the adjustment under clause HL11. For a variable interest rate Loan we will make the adjustment under clause HL12. We will make the adjustment as if you had prepaid the Loan in full under those clauses.

9.6 Adjusting deferred repayments

If we exercise our rights under clause 9.3 we may later agree to defer payment of the amount you owe us. If so we will tell you in writing what your new repayments are.

9.7 If an amount you owe becomes subject to a court order

If any obligation to pay us an amount under the Contract becomes merged in a court order, you must pay interest on that amount as a separate obligation. The interest rate we apply from time to time is the higher of:

- a) the default interest rate at clause 6.2; and
- b) the rate payable under the court order.

The interest accrues daily and is debited to the Loan Account as per clause 6.3.

10 Variations

10.1 Changing interest rates

From time to time we may reduce or increase our reference interest rates, replace any reference interest rate with any other reference interest rate or introduce a new reference rate to apply to your Loan. Our reference interest rates are published on our website aussie.com.au

During a fixed interest rate period we may vary the margin or interest rates (annual percentage rates) on termination of concessions applying to the Loan, only if we are entitled to do this as stated in your contract schedule. Otherwise we will not change the interest rate applying to a fixed interest rate Loan during a fixed interest rate period.

From time to time we may change the interest rates (annual percentage rates) or margin applying to a

variable interest rate Loan. One way that this can happen is if the variable interest rate is based on a reference rate that changes.

We advertise any reduction or increase in the reference interest rate (annual percentage rates) in leading daily newspapers in each State and Territory no later than the day on which the change takes effect.

If the interest rate (annual percentage rates) is not set by reference to a reference interest rate, we either:

- a) give you written notice of any increase no later than the day the change takes effect; or
- b) advertise the increase in leading daily newspapers in each State and Territory no later than the day on which the change takes effect. We confirm the advertised interest rate to you with the next statement of account we give you under the Contract.

Notifying you of changes

We will give you written notice of any change to the margin or interest rate (including replacing any reference interest rate with any other reference interest rate or introducing a new reference rate to apply to your loan) no later than the day on which the change takes effect.

10.2 Changing the Loan features

We may from time to time:

- a) add, change or remove fees or charges or the frequency of charging of any fee or charge (subject to (d) and (e));
- b) change the amount, frequency or time for payment of repayments or payments; and
- c) change your Loan Account number (for example, we may change the number when the type of interest rate applying to the Loan or the Loan Type changes).

Each of the changes in paragraphs (a) to (c) is a separate right and this clause is to be read as if such change was a separately expressed right.

We cannot:

- d) increase an application fee once you enter into the Contract;
- e) during a fixed interest rate period, change the method of calculation of the Early Repayment Adjustment so as to increase the amount payable by you.

10.3 Changes to your Account Terms and Conditions

We may from time to time change any Terms and Conditions to:

- a) change the basis on which interest is charged or paid;
- b) replace any reference interest rate with any other

reference interest rate; and change the method of calculation of repayments or payments;

- c) change the frequency with which interest is charged or paid;
- d) change the link to any reference interest rate or how we describe it;
- e) change the minimum balance to which an account keeping fee applies;
- f) add, change or remove any concessions or benefits;
- g) adopt or implement any legal requirement, decision, recommendation, regulatory guidance or standard of any court, tribunal, ombudsman service or regulator;
- h) accommodate changes in the needs or requirements of our customers, such as new product features or services;
- i) correct errors, inconsistencies, inadvertent omissions, inaccuracies or ambiguities;
- j) bring us into line with our competitors, industry or market practice or best practice in Australia or overseas; or
- k) reflect changes in technology or our processes including our computer systems.

Each of the changes in paragraphs (a) to (k) is a separate right and this clause is to be read as if such change was a separately expressed right.

Without limiting our rights under paragraphs (a) to (k), we may from time to time change any of the Terms and Conditions for reasons other than the ones mentioned above (e.g. due to unforeseen events).

10.4 Notifying you of changes

We will give you 20 days' prior written notice of a change in the amount or frequency or time for payment of repayments or payments, other than for a change where this is not specified in the Contract but is determined by a method of calculation specified in the Contract. For all other changes under clause 10.2 or 10.3, we will give you 30 days' written notice.

However, if a change under clause 10.2 or 10.3 only:

- a) reduces your obligations;
- b) extends the time for payment of any amount under the Contract; or
- c) is to the Loan Account number and does not otherwise change the Contract,

We will instead notify you of the change before or when we send you the next statement of account we give you under the Contract. If your repayment obligation reduces, we may also let you know about the change in our next interaction with you that occurs via email, SMS or a phone conversation with you.

Also if the change is to a credit fee or charge, our prior written notice may take the form of an advertisement in a leading daily newspaper in your State or Territory.

We will confirm any newspaper notice before or when we send you the next statement of account we give you under the Contract.

Note: If we make a change which you do not like, you can cancel the Contract by repaying the Loan but, depending on your Contract, fees and charges may be payable, including an Early Repayment Adjustment and Settlement Fee. Please refer to your Contract Schedule and clauses 7, HL11.4–HL11.6 and LOC3.4 as applicable. To obtain a copy of all of our fees and charges call 13 13 33.

10.5 How we notify you about changes to government fees and charges

We will give you written notice of any change to government fees and charges, including the introduction of a new fee or charge, that occurs after the date of the Contract, but only if the government does not publicise the introduction or change. Our notice may take the form of an advertisement in a leading daily newspaper in your State or Territory.

10.6 If you want to change your Loan Type or invoke Portability

You may ask us to change your Loan Type (Switching), including splitting your Loan into two or more Loan Accounts or invoke Loan Portability. You can do this only if:

- a) the table in clause 15 – Your Loan Options – does not prohibit it;
- b) you are not in default; and
- c) you pay any applicable fee and sign any new documentation where appropriate.

We may refuse your request if:

- it involves a switch to interest only and we reasonably consider that you will not be able to repay the Loan on or about the end of the Loan Term;
- it involves an extension of the Loan Term and we reasonably consider that you will not be able to repay the Loan on or about the end of that extended Loan Term; or
- you invoke Portability and we are not reasonably satisfied with the value of or title to the substitute Security Property.

10.7 How to change the Loan Type (Switching), including splitting your Loan into two or more Loan Accounts

You must ask for the change. Specifically, this request must be made by the person(s) authorised in accordance with the Loan authority you gave us under clause 3.7; or if no such authority has been given, then all of you must personally sign the request.

You may apply to switch your Loan Type, Repayment Type or Interest Rate Margin by calling 13 13 33 during normal business hours, Australian Eastern time.

The change will apply from the date we process your request.

You may ask for a fixed interest rate to apply to the Loan Account. The new fixed rate will apply from the date we process your request or, if you have an existing fixed interest rate, from the end of that period; clauses HL1 and HL11 apply.

You may ask for your Loan to be changed from a fixed interest rate loan to another Loan Type – we will treat this change to your Loan Account as a Prepayment and an Early Repayment Adjustment may be payable in terms of clauses HL11.4 and HL11.5.

We may refuse your request to switch from a fixed interest rate loan to another Loan Type unless:

- a) you arrange for us to debit one of your accounts with an Early Repayment Adjustment (if payable by you) and there are sufficient funds or credit available in that account; or
- b) we are satisfied that the ratio of the resulting loan balance to the value of the Security Property meets our normal lending criteria, without the requirement for lenders' mortgage insurance resulting from an Early Repayment Adjustment being charged to your Loan Account (including where there are requirements for additional lenders' mortgage insurance).

You may ask us to apply the change you have requested to part of your Loan if the table in clause 15 indicates that a variable and fixed rate option is available.

If we issue a new Loan Account number this has no effect on your rights and obligations under the Contract and is in no way to be treated as a repayment or refinancing of the Loan.

10.8 If your switching request is made by completing our usual switching request form, and subject to us approving your request, the relevant provisions of the letter of variation will become part of your Loan Contract.

If your switching request is made over the telephone, the terms and conditions applicable to your switch will be advised by our operators and the details of the agreed changes relating to your request will be outlined in a letter which will issue after the switch has been processed.

Important note for Fixed Rate Loans

On the maturity date of your fixed rate period, the Loan automatically rolls over:

- (a) *in the case of a Basic Fixed Rate, to the Basic Variable Rate; or*
- (b) *in the case of a Standard Fixed Rate, to the*

Standard Variable Rate,

current at that time. If you would like to re-fix your Loan for another fixed rate period, you will need to switch to another Loan Type before the maturity date of your fixed rate term, you may also need to pay an Early Repayment Adjustment.

If you are switching from a Line of Credit to a Home Loan, any reference to 'Loan Amount' means your Line of Credit current balance plus fees and charges or your current approved credit limit.

10.9 Switching to and between Variable and Fixed Rate Home Loans

If you switch your Loan Type to a:

- Standard Variable Rate;
- Basic Variable Rate; or
- Fixed Rate:

In respect of the relevant Loan Account, the Contract Schedule is amended as follows:

Interest Rates

- The default interest rate on overdue amounts is currently 2% p.a. above the annual percentage rate.
- When the Security Property is leased the margin above/below reference rate (margin currently 0%) may vary.

Fees

During the currency of your Loan, the following fees may apply to your Loan.

The following applies to Basic Variable Rate Loans:

- Drawing fee \$50 on each telephone assisted redrawing under the Repayment Redraw Facility (RRF) (refer clause HL9.6).
- If you choose the interest only payment option the RRF will not be available for the life of the loan.

The following applies to Basic Fixed Rate Loans:

- Early Repayment Adjustment Fee – The amount is not ascertainable. Please refer to clause HL11 'Prepaying fixed interest rate loans' for more information.

Note: Switching between Repayment Types is permitted during an existing fixed interest rate period.

10.10 Not used

10.11 Switching from a Line of Credit

If you switch from a Line of Credit to Home Loan (please also read clause 10.9 for additional

information).

In respect of the relevant Loan Account, the Contract Schedule is amended as follows:

Loan Amount – the outstanding balance of your Line of Credit as at the date your switching request is processed, plus any fees and charges or your current approved credit limit.

Interest rates – the name of the interest rate applicable will be according to your selection:

- Basic Fixed Rate;
- Basic Variable Rate.

If you have exceeded your credit limit, you will have to bring your account below the limit prior to your switching request being processed or else a new loan application will need to be submitted. All new applications are subject to normal lending criteria.

Repayments – periodic repayments of principal and interest or interest only will now be required. The loan will have a required monthly repayment amount. Important information: After switching to a Basic variable or Basic fixed rate product, a LOC will no longer be available for any future switches.

10.12 How to invoke Loan Portability

All of you must request the change in writing. The settlement for the discharge of the existing Security must occur simultaneously with the granting of the substitute Security. You can invoke Loan Portability if there is no change of borrower(s) or Security Providers.

11 Internet Access

11.1. Ability to use Internet Access

You will only be able to use Internet Access in relation to a Home Loan or Line of Credit if we consent to you using that facility.

11.2 Services

The range of services available through Internet Access will be determined by us in our discretion from time to time. We may extend or reduce this range of services and will provide you with reasonable advance notice of any reduction in the range of services. To use Internet Access, you need an Access Code and a Customer Number. You can change your Access Code at any time subject to correctly quoting your current Customer Number.

We may from time to time and without notice to you:

- a) place limits on the number or amount of transactions, including limits of amounts per day, that can be made using Internet Access;
- b) change the software, system or equipment required

to use Internet Access.

It is your responsibility to supply and maintain any equipment (such as a personal computer or modem) which may be necessary for you to use Internet Access.

11.3 Security of your Customer Number and Access Code

You must keep your Customer Number and Access Code secure. You must take all reasonable precautions to ensure that your Customer Number and Access Code are not misused. In particular, you must:

- a) ensure that your Customer Number and Access Code are not disclosed to any unauthorised person;
- b) not select as your Access Code any number which represents your birth date or any alphabetical code which is recognisable as part of your name;
- c) use care to prevent anyone else seeing your Customer Number and Access Code being entered when using Internet Access ;
- d) keep your Customer Number and Access Code details separate and apart from each other;
- e) keep any record of your Customer Number and Access Code secure;
- f) not leave your computer unattended when you are using Internet Access; and
- g) once you have finished using Internet Access, close the browser, clear the cache and delete any temporary internet files on any personal computer which you share with another person.

If you do not take all reasonable precautions to ensure that your Customer Number and Access Code are not misused, you will be responsible for all transactions on any account whether or not they are authorised by you.

You must tell us as soon as possible if you know or suspect that your Customer Number or Access Code is known to an unauthorised person.

You can notify us by telephoning us during our normal hours of operation.

We can cancel any Customer Number or Access Code at any time and without notice to you if we believe either is being used in a way that can cause loss to you or us.

11.4 When you are liable for loss

If we can prove on the balance of probability that you contributed to the loss because you have not complied with clause 11.3, you are liable for losses from unauthorised transactions.

You are liable if the loss from unauthorised transactions resulted from any user:

- a) committing fraud;
- b) voluntarily disclosing their or your Customer Number and Access Code;
- c) acting with extreme carelessness in failing to protect the security of their or your Customer Number and Access Code.

11.5 What you are liable for

Where any of the circumstances in clause 11.3 apply, you are liable for all losses that occur before we are notified that you know or suspect that your Customer Number or Access Code is known to an unauthorised person.

Where none of the circumstances in clauses 11.3 and 11.4 apply and a password was required for the unauthorised transaction, you are liable for the least of:

- a) \$150;
- b) the balance of the accounts from which value was transferred in the unauthorised Internet Access and which we had agreed with you were accessible using Internet Access (including the applicable credit limits of the Loan Accounts); and
- c) the actual loss at the time that we are notified that your Customer Number or Access Code has been compromised (where relevant).

11.6 What you are not liable for

You are not liable for:

- a) any amount higher than the credit limit of the Loan Account;
- b) any loss incurred on any one day higher than the daily transaction limit of your account;
- c) any loss incurred in any period higher than the applicable periodic transaction limit;
- d) losses from accounts which we had not previously agreed were accessible using Internet Access.

11.7 When you are not liable

You are not liable for loss of funds if:

- a) unauthorised use took place before you received your Customer Number and Access Code; or
- b) unauthorised use took place after you informed us that your Customer Number or Access Code has been lost, stolen or used by someone without your authorisation;
- c) caused by any act, or fraudulent or negligent conduct of any of our employees or agents or a third party involved in networking arrangements;
- d) we have relied on your Customer Number or Access Code that has been previously cancelled or has expired;

- e) caused by the same transaction being incorrectly debited more than once to your Account.

11.8 Authorisation

You authorise us to act upon all instructions in relation to Internet Access given using your applicable Customer Number and Access Code. This means that you (or if there is more than one of you, any one of you) or anyone you provide your applicable Customer Number or Access Code to, can use Internet Access. In addition, you will be liable for any use of Internet Access by that person including transactions on any account (even if that transaction is not authorised by you) or any failure by that person to observe this clause 11. You will be responsible for all transactions as though you made them yourself. We may, in our discretion and without notice to you, refuse to give effect to any instructions received in relation to Internet Access or (temporarily or permanently) suspend Internet Access.

When instructions are given using Internet Access, those instructions cannot be stopped. You are responsible for ensuring that all instructions are correct.

When a transaction is made through Internet Access, the user may be provided with a transaction reference number. You should keep a record of this number and quote it to us if you have any queries.

11.9 Availability

If you are able to use Internet Access, it should be available at the times specified by us from time to time. However, we may withdraw or deny access to Internet Access without prior notice to you if, for any reason beyond our reasonable control, we are unable to provide the service or we reasonably suspect you or we may be subject to fraudulent activity. To the extent reasonably practical, we will give you prior notice before doing so and will take reasonable steps to reinstate the service. You can end the use of Internet Access at any time by giving us notice in writing. We can end your use of Internet Access at any time without notice to you.

Transactions made through Internet Access on any day may not be processed by us until the next Business Day.

11.10 Recording of transactions

Transactions made through Internet Access may be recorded for reasons of accuracy and security.

11.11 Liability

Subject to these Terms and Conditions and any rights that cannot be excluded by law, we are not liable for or in connection with any loss or damage suffered by you or any other person arising directly or indirectly from or in connection with the use of Internet Access. This includes loss or damage which may arise as a result of:

- a) inaccuracies, errors, omissions or delays in relation to Internet Access;
- b) the loss, modification, damage or destruction of hardware or software caused by computer viruses or program bugs or similar causes;
- c) unauthorised access to your account or any breach of security arising in relation to Internet Access;
- d) the failure of Internet Access to perform in whole or in part any function which we have specified it will perform;
- e) Internet Access being unavailable at any time or inaccessible from any location; and
- f) delays or errors in the execution of any transaction or instruction.

To the extent to which we are liable, then to the extent to which the law allows, our liability is restricted to re-supplying the services or the cost of re-supplying the services.

12 Not used

13 General

13.1 We can choose how and when we exercise our rights

We may exercise any right or remedy in any way we choose. If we do not exercise a right or remedy fully or at a given time, we can still exercise it later.

13.2 We can refuse our consent or impose conditions

Whenever you ask for our consent, we will only refuse our consent if it is reasonable to refuse it. If we give our consent, we may impose reasonable conditions. You must comply with any reasonable conditions we impose in giving our consent.

13.3 We may decide how your Loan repayments are used to pay off the amounts you owe

Unless you tell us otherwise, after the payment of unpaid insurance premium, fees and charges and interest in accordance with clause 7.1, we may use money we receive under the Contract towards paying any arrears of principal repayments and then towards any of the amounts then due and payable by you under the Contract, as we reasonably choose.

13.4 You must pay our fees and charges even if you terminate the Contract early

If you terminate the Contract before obtaining or attempting to obtain any credit under the Contract, we may retain or require payment of the fees and charges we reasonably incurred before the termination and which would have been payable

under the Contract.

13.5 We own our inspection reports and valuations

If any of our officers, or any person engaged by us, at our expense carries out any inspection or valuation of the property offered as Security Property or which is subject to a Security, they do so for our purposes only and not on your behalf. Any reports made as a result of an inspection or valuation done at our expense is our exclusive property and will not be disclosed to you. When we inspect or value a property, or do anything as a result of an inspection or valuation, we are not obliged to tell you anything we learn and make no representation to you about the condition of the land, the construction of any building or the standard or value of any building on the property or the uses to which the property may be put.

13.6 You must make your own decisions or obtain independent advice

As obtaining a Loan is a major financial commitment, you should do your research and think carefully before deciding:

- a) to enter into the Contract;
- b) to obtain the Loan;
- c) about the kind of interest rate (for example, fixed or variable interest rate) you want under the Contract;
- d) to accept the purchase price for the property you intend to purchase using the Loan funds.

You should seek independent advice on the following matters in particular, as our employees and agents do not have our authority to:

- (aa) make any predictions about what might happen to our or anyone else's interest rates in the future;
- (bb) tell you what kind of interest rate would best suit you;
- (cc) give you any advice on the taxation implications of the Loan;
- (dd) advise on the nature and effect of interest compounding on the loan account and how the amount owing on the loan can increase rapidly due to the compounding interest effect;
- (ee) make any predictions about, or comment on the level of equity in the property and how the Loan will impact that equity;
- (ff) advise you on other alternatives such as making arrangements with family members, selling other assets, restructuring income streams or accessing government benefits rather than proceeding with the loan.

If you have any doubt at all about any of these matters you should seek help from a financial counsellor or obtain legal advice or do both.

13.7 You must ensure that there is enough money in the Related Account

Where a direct debit authority is in place you must ensure there is enough money in the Related Account for us to draw the amounts you must pay us under the Contract (or have agreed to pay). If there is not enough money in the Related Account at the required times, you authorise us to charge a dishonour fee on the Related Account under the terms and conditions applying to the Related Account. You may ask us to change the Related Account. This must be done by providing us with an authority acceptable to us.

You can still make payments to your Loan Account outside of the direct debits and if you do, we will continue to debit your Related Account (as if you hadn't made those additional payments).

Any person authorised to operate on your Loan Account can make changes to a direct debit authority. You or any account holder on the Related Account can cancel a direct debit authority at any time.

We can adjust the Loan Account if a cheque is not honoured:

Proceeds of cheques, whilst credited to the Loan Account, are subject to clearance. If you pay by cheque and the cheque is not honoured then we treat the payment as if it had never been made.

13.8 Your liability to pay fees and charges may be limited by law

You do not have to pay fees and charges to the extent those fees and charges would result in you paying more than the maximum annual percentage rate set under a law for credit subject to the National Credit Code. But you must pay all other fees and charges and interest due under the Contract. If any payment of fees and charges result in you paying more than any such maximum annual percentage rate, then we will treat such excess of the payment as a repayment of principal.

13.9 We only give and accept written notices

Notices, including certificates, consents and demands given or made under the Contract must be in writing except for notices which you have agreed can be given electronically to you.

13.10 How notices can be delivered

Notices and statements of the Loan Account may be:

- a) given personally (if they are for us, to one of our employees at our registered office we tell you);
- b) left at the address last notified;
- c) sent by prepaid post to the address last notified;

- d) sent by facsimile transmission to the fax number last notified;
- e) given electronically by making them available on our website and sending you an email at your last notified email address informing you that the notice or statement can now be retrieved from our website. If your last notified email address is invalid, we may until you update the address contact you via other means (e.g. SMS or push notification) to let you know your notice or statement is ready for viewing. We may only give you a notice or statement electronically if you have specifically agreed to this, and you have not withdrawn your consent;
- f) given in any other way permitted by law.

13.11 When notices take effect

Notices take effect from the time they are received unless a later time is specified in them.

13.12 Notices sent by post

If notices are sent by post, they are taken to be received on the day they would be received in the ordinary course of post.

13.13 Notices sent by fax

If notices are sent by a facsimile machine which produces a transmission report, they are taken to be received at the time shown in a transmission report which indicates that the whole facsimile transmission was sent.

13.14 Notices sent by electronic communication

If notices are sent by electronic communication, they are taken to be received on the day that the email enters the information system of your internet service provider or the host of your email address.

13.15 You must tell us if you change your name or address

You must tell us as soon as possible if you change your name, address or contact details including your email address or mobile phone number. You can change your address or electronic contact details at any time online or by calling us on 13 13 33.

13.16 The term of the Loan can vary

The term of the Loan is fixed only if the interest rate is fixed for the whole of the term. Otherwise the term may be longer or shorter than the period (if any) stated in your of the Contract Schedule. We only use the period (if any) stated to calculate repayment amounts at the Disclosure Date, whenever we exercise our right to re-set repayments and when we work out whether or not to make an Early Repayment Adjustment.

13.17 Payment of outstanding amounts

If there is no specific provision in the Contract for payment of an amount owing under the Contract, then you must pay us that amount when we ask for it.

13.18 We may assign our rights

We may assign or otherwise deal with our rights under the Contract in any way we consider appropriate provided that you then have and may exercise the same rights under your Contract against the assignee as you have against us.

13.19 If a trustee in bankruptcy or liquidator asks us for your money back

Under law, a trustee in bankruptcy or a liquidator may ask us to refund a payment we have received in relation to the Loan. To the extent we are obliged to, or we agree to, make a refund, we may treat the original payment as if it had not been made. We are then entitled to our rights against you under the Contract as if the payment had never been made.

13.20 Taxes

- a) You must make all payments under the Contract without set-off or counter claim and free and clear of any withholding or deduction, unless prohibited by law.
- b) If you are required by law to deduct or withhold any tax, duty or other impost of any kind ("taxes") from any amount payable by you to us under the Contract, you must pay:
 - (i) to the relevant authority, those taxes before the date on which penalties attach to them; and
 - (ii) to us, whatever extra amount required to ensure that the net amount we receive from you in satisfaction of your obligations under the Contract, equals the full amount we would have received if no such deduction or withholding had been made; and
 - (iii) to us, whatever extra amount equal to any taxes imposed on us or that we must pay for any other amount you paid under (ii) above, including any taxes payable because of a previous application of this clause.

If you have made a deduction or withholding from any amount you have paid us under the Contract and you have complied with the requirements of (i), (ii) and (iii) above, and we are able to apply for a credit to offset against our Australian tax liability for all or part of that deduction or withholding we will use our best endeavours to apply for this credit, we will pay you that credit amount if we obtain it.

13.21 We may keep the title documents

We may keep the title documents to the Security Property after you have repaid the Loan until you direct us otherwise. Unless your title document is in electronic form or is converted to electronic form, we will deliver those title documents to you, or at your written direction, on reasonable notice to us.

We may charge a fee to your Related Account if we keep the title documents. We may engage contractors to store the title documents and may move them to different locations. The service comes with a non-excludable warranty under consumer protection laws that it will be carried out with due care and skill and be reasonably fit for the purpose. If we breach any of those warranties you may be entitled to compensation for any loss but to the extent (if any) permitted by those laws, our liability for loss or damage to, or delay in providing you with the title documents is limited to the reasonable costs of obtaining replacement title documents from the relevant government authority.

13.22 Processing Transactions

Transactions made on a non-Business Day, or after our normal processing times on a Business Day, may be credited or debited on the next Business Day.

13.23 If you are deemed to be a Proscribed Person

A Proscribed Person is any person or entity:

- a) that has been proscribed under the *Charter of the United Nations Act 1945 (Cth)*;
- b) who is in breach of the laws of any jurisdiction relating to money laundering or counter-terrorism;
- c) who appears in a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction; or
- d) who acts on behalf, or for the benefit of, a person or entity listed above.

If we reasonably believe you to be a Proscribed Person then we may immediately:

- (aa) refuse to process any of your transactions;
- (bb) suspend the provision of a product or service to you;
- (cc) refuse to allow or to facilitate any assets of yours held by us or be used or dealt with;
- (dd) refuse to extend any further credit to you; and/or
- (ee) terminate your facility.

We will be under no liability to you if we do any or all of these things in good faith and in compliance, or purported compliance, with any legal requirement in relation to a Proscribed Person. Our rights under this clause are in addition to all other rights we may have under these terms and conditions.

13.24 Severance

If any part of a clause or provision of the Contract, is void or unenforceable (for example, if a court or other authority declares it so):

- a) to the maximum extent possible, the remaining parts of the Contract will continue to have full force and effect and be interpreted as if the void or unenforceable part had never existed; and

- b) we may change the Usual Terms and Conditions so as to achieve (as far as possible) the intention of the original clause or provision without it being void or unenforceable. We give you notice of any change under clause 10.4.

13.25 Payments and Credit Balances

You cannot conduct your Home Loan or Line of Credit with a credit balance. If upon making a payment to your Home Loan or Line of Credit, your account balance would be in credit, we may refuse to accept the whole or part of the payment. Where we refuse to accept the whole or part of the payment, we will return the whole or that part of the payment that results in your account being in credit either to your nominated direct debit transaction account or to the account where the payment came from.

13.26 Mistaken credits

If we are reasonably satisfied that funds have been paid into your Loan Account due to another party's mistake and there are sufficient credit funds in your Loan Account, we may debit your Loan Account with the amount of the mistaken payment and return it to the other party without giving you notice. In some instances we may prevent you from withdrawing the amount claimed to be a mistake while we investigate.

13.27 Additional Tax Information

As part of Australia's international obligations in relation to combating tax evasion, we may require you to provide additional information. Until you provide us with this information, we may prevent you from depositing or withdrawing on your account.

You must keep this information up to date, and notify us promptly of any change.

If you need to get in touch with us:

- From Australia call 13 13 33 (Sydney Time)
 - From overseas call +61 2 3 9679 9500 (Sydney Time)
- Call charges may apply.

13.28 Safeguarding your accounts against unauthorised access

You must do everything you reasonably can to protect all means of access to your loan. This means making sure your devices, customer numbers, passwords and other codes and electronic equipment are not misused, lost or stolen. You may suffer loss if you don't sufficiently safeguard these items. Even if you are confident that codes are secure you must tell us as soon as you become aware of loss or theft of an access method or of any unauthorised access to your loan(s). You can do this by telephoning us on 13 13 33

13.29 Requesting a copy of my documents

You can at any time request a copy of legal documents we hold relating to your Loan Account including:

- your contract – including terms and conditions, applicable fees and charges and interest rates;
- your mortgage;
- a statement of account; and

- any notice we previously gave to you which is relevant to us exercising our rights.

However, we do not have to give you a copy of:

- a notice requiring you to take action if you ask for the copy more than two years after the contract to which the notice relates was discharged or ended; or
- a statement of account within three months after we gave you a copy of the same statement of account.

We will provide requested documents within 30 days of your request.

14. Building Insurance

As set out in your Security Agreement:

You must at all times maintain adequate Building Insurance over all Security Property.

The Building Insurance must cover fire, storm, flood, hail and other usual risks and such other risks as we may reasonably specify in accordance with our usual credit standards.

15 Your Loan Options*

Loan Type	Extra Repayments Without Penalty	Repayment redraw Facility (clause HL9)	Switching Loan Type* (clause 10.6)	Top Up (increase in credit amount or credit limit)	Portability (clause 10.6)	Repayment Holiday (clause HL16.2)	Variable and Fixed Rate Option (clause 10.6)**	Interest Only (Item HLA) (clauses HL4 and HL5)
Home Loans and Investment Home Loans								
Standard Variable Rate <small>Existing facilities only. This product is no longer available for sale</small>	✓	✓ ¹	✓	✓	✓	✓	✓	✓
Basic Variable Rate	✓	✓ ¹	✓	✓	✓	✓	✓	✓
Fixed Rate	✓ ²	✗	✓	✓	✓	✗	✓	✓
Lines of Credit								
Line of Credit <small>Existing facilities only. This product is no longer available for sale</small>	NA	NA	✓	✓	✓	✗	✗	✓

✗ - Option not available with this Loan.

✓ - Option available but extra fees and/or conditions apply.

NA – Not applicable to this Loan Type.

¹ Minimum redraw amount – \$100 electronically.

² Up to a maximum of 5% of the fixed portion of the Loan per annum. If the additional payment exceeds the 5%, the payment will be allowed, but there will be an Early Repayment Adjustment fee charged.

*The following switches are not available:

- Between Home Loans and Investment Loans.
- From a Basic Variable to a Line of Credit.

**Taking both a Basic Variable Rate and a Line of Credit as part of a split rate loan is not permitted.

HL1. Interest on fixed interest rate loans

Note: Read this clause (HL1) only if you have a fixed interest rate. If you have a variable interest rate, go straight to HL2.

HL1.1 Interest rate period

The fixed interest rate period that applies is as stated in your Contract Schedule or as we subsequently agree or notify you.

HL1.2 Setting and locking the interest rate

- a) We set the interest rate (annual percentage rate) by adding a margin to or subtracting a margin from the reference interest rate current at the beginning of the interest rate period. We state the margin for the Loan and the name of the reference interest rate in your Contract Schedule. The amount of the reference interest rate or the reference rate that applies for your Loan may change between the Disclosure Date and the Funding Date.
- b) You can ask us to 'rate lock' your interest rate (annual percentage rate) for a fee. If we agree to do this we will hold the rate for 90 days from the date we process your request at the interest rate that applied on that date. The interest rate may vary between the dates we process any initial and subsequent request to 'rate lock' the interest rate.

HL1.3 Where we state the interest rates

We state the interest rates (annual percentage rate) on the Loan for the period as at the Disclosure Date in your Contract Schedule.

HL1.4 When the interest rate can change

If the rates set out in your Contract Schedule have 'currently' against them or you have 'rate locked' your interest rate but your Loan has not been funded within 90 days of your request, then we set the interest rates as defined above in clause HL1.2. If the amount of any reference interest rate changes or we change the reference rate that applies for your Loan on or before the Funding Date, the interest rate (annual percentage rate) on the Loan will also change accordingly, but it is then fixed for the chosen interest rate period. Please see clause 10 on our right to vary reference interest rates.

HL1.5 If you choose to lock the rate

If the rates set out in your Contract Schedule do not have 'currently' against them and the Funding Date occurs within 90 days of the date we process your request to 'rate lock' your fixed interest rate, the following apply:

- a) if the reference interest rate has changed since the date we process your request, then the interest rates on the Loan do not change; and
- b) the interest rates for the chosen interest rate period are the rates stated in the Contract Schedule

HL1.6 When a fixed rate will convert to a variable rate

At the end of a fixed interest rate period, the interest rate (annual percentage rate) on the Loan changes to a variable interest rate (see clause HL1.7) unless we agree to your request for another fixed interest rate period.

HL1.7 How we set the variable interest rate

We set the variable interest rate (annual percentage rate) for the Loan by taking a margin and adding it to or subtracting it from the reference interest rate that applies at the end of the fixed interest rate period. The margin and reference interest rate are stated in the Contract Schedule as applying from the end of the fixed interest period or as we subsequently agree or notify you.

HL2. Interest on variable interest rate loans

Note: Read this clause only if you have a variable interest rate.

HL2.1 How we set the rate

We decide on the interest rate (annual percentage rate) for the Loan by adding a margin to or subtracting a margin from a reference interest rate. The reference interest rate and margin applying to the Loan are stated in the Contract Schedule or as we subsequently agree or notify you. The variable interest rate may be subject to a cap or a minimum rate or both.

HL3. Not used

HL4. When you must pay interest

You must pay us the interest debited to the Loan Account during any interest only period (being the period when your repayment type is interest only) which is calculated as set out in Clause 6. At all times you must provide us with an authority acceptable to us to debit interest payments from your Related Account. Your interest only payments are due as set out in the Contract Schedule, this clause HL4 or as we subsequently agree or notify you.

HL4.1 Paying interest only

If there is an interest only period stated in the Contract Schedule your first interest payment is due one month after the Funding Date. You must then make interest

payments on the same day each month until the end of the interest only period.

HL5. Repayment principal and interest

HL5.1 First repayment date for a Loan drawing

Your first repayment of principal and interest is due one month after the Funding Date.

HL5.2 First repayment date for a Loan drawing with an interest only period

Your first repayment of principal and interest is due one month after the due date for your last interest only payment.

HL5.3 Not used

HL5.4 Making repayments

You must repay the principal and interest at the time stated in the Contract Schedule or at the times we subsequently agree or notify you. You must make the repayments on the same day of each month until you pay us everything you owe under the Contract. Unless we agree otherwise, at all times you must provide us with an authority acceptable to us to debit the repayments from your Related Account. If you don't make a repayment in full, but later have money in your Related Account, we may debit the Account with all or part of the unpaid repayment. If we choose to do this we are not obliged to inform you.

Choosing weekly and fortnightly direct debit repayments:

If you prefer, you can ask to make weekly or fortnightly payments, and if we agree, we'll change your monthly repayments so that they take into account your preference.

Here's how it works:

- We'll quote you the weekly or fortnightly payments you'll need to make and let you know when those payments will start.
- So long as you make the weekly or fortnightly payments on the payment dates, you will have satisfied your monthly repayment obligation.
- You can miss one or more weekly/fortnightly payments, so long as you make them up by the next monthly repayment due date.

We calculate the weekly/fortnightly payment as follows:

- Weekly payment is calculated by the existing monthly repayment amount divided by 4.

- Fortnightly payment is calculated by the existing monthly repayment divided by 2.

On each monthly repayment due date, we check whether you have made total payments at least equal to the applicable monthly repayment amount (which may vary from month to month as described above). You will be in default if on or by the repayment due date, you have not paid at least the applicable monthly repayment amount. Once you request (and we agree) to make weekly or fortnightly repayments, the applicable monthly repayment amounts that we notify to you will vary the amount set out in the Contract Schedule.

For more information about your payments, call us on 13 13 33 or visit the website at aussie.com.au.

Example:

If your monthly repayment in the Contract Schedule is \$1,000 payable on the 19th of every month; and You ask us (and we agree) to fortnightly payments. Then: your fortnightly payment is \$500 (calculated as $\$1,000/2$).

At the end of the month, we check whether over that month you have paid at least the applicable monthly repayment amount.

If you miss a fortnightly payment, you can make it up by paying that amount the next fortnight, so long as by the monthly due date, you have paid in total the applicable monthly repayment amount.

For the purposes of the examples, all amounts have been rounded to the nearest dollar. Actual repayments may involve dollars and cents.

HL6. Changes to repayments

HL6.1 When we can change the repayments

We may set or reset repayments at any time. Generally, but not in all cases, we will do this so that the Loan will be repaid on or about the end of the Loan Term including:

- a) when the interest rate changes, or at any time after that; or
- b) at any time, if the repayments set under the Contract will not repay the Loan over the Loan Term.

We will tell you in writing what your new repayments are except for a change in the amount, frequency or time for payment of a repayment where this is not specified in the Contract, but is determined by a method of calculation specified in the Contract. We will tell you this at least 20 days before the change takes effect. However, if the change:

- (a) reduces your obligations under the Contract, we:

(i) may let you know of the change in our next interaction with you that occurs via SMS, via email or a conversation with you; and

(ii) will notify you of the change before or when we send you the next statement of account we give you under the Contract; or

(b) extends the time for payment of any amount under the Contract, we will notify you of the change before or when we send you the next statement of account we give you under the Contract.

The credit provider periodically reviews your repayment amount and if the interest rate has increased or decreased, the credit provider typically changes your repayment amount to ensure you repay your loan within the contracted loan term.

HL6.2 When you can change the repayments

We will consider any written request (or other form of agreed request) from you to vary the repayments stated in the Contract Schedule, but we do not have to agree to your request including if we reasonably consider that you will not be able to make the changed repayments, or not without substantial hardship, or the effect of the change is that the Loan will not be repaid on or about the end of the Loan Term.

To enquire about changing your repayment date or about how you can meet your monthly repayments through weekly, fortnightly or monthly direct debits, call 13 13 33. We may not agree to change your repayment date, depending upon your circumstances.

HL7. Not used

HL8. Owner occupation and leasing

Note: This clause does not apply to investment loans.

HL8.1 Consent to lease

If we give you the Loan so you can buy or build a home to live in, you must not lease the home without our prior consent (see clause 13.2).

HL9. Repayment Redraw Facility (RRF)

Note:

- If the Contract Schedule states that RRF is 'not applicable' then this clause does not apply.
- Clauses HL9.1, HL9.2, HL9.3 and HL9.5 do not apply during a fixed rate period.

HL9.1 Responsibility

If we make redraw available to you we take no

responsibility how you use the funds, or any effect it may have on your ability to obtain a tax benefit.

HL9.2 Security interest

We can choose not to make redraw available to you if you have given any other person a Security Interest of any nature in the Security Property.

HL9.3 When you can redraw

You can redraw only if you satisfy our conditions in clauses 2.1 and 2.2 and you have kept to the terms of the Contract.

Minimum redraw amount

You must redraw at least the minimum amount specified under your Loan Type in clause 15. You cannot redraw if the total of the Additional Repayments available for redrawing is less than the minimum amount specified under your Loan Type in clause 15.

Maximum redraw amount when redrawing electronically

You can transfer by internet banking up to \$20,000 per day to a linked account on file. You can transfer to a linked account by calling the Customer Contact Centre or internet banking, up to the maximum amount of the Additional Repayments available for redraw.

Note: Transfers by internet banking are only available using BSB and account number.

Requesting a redraw

You can request a redraw either by calling the Customer Contact Centre or through electronic access to your Loan Account. If there is more than one of you, or if you are a company, the person(s) authorised in the loan authority you gave us in clause 3.7 must request the redraw. The person(s) (if any) authorised to have electronic access in the loan authority you gave us in clause 3.7 are the only person(s) who have electronic access to your Loan Account.

HL9.4 Amount available for redraw

Note: Redraw is not available during a fixed rate period. If you make additional repayments during a fixed rate period, or had available redraw when you entered your fixed rate period, the amount available for redraw at the end of the fixed rate period may be lower. This is because the amount is adjusted so that at the end of your agreed loan term, both your loan balance and the available redraw will be zero.

Important: Only repayments made above the minimum required repayment will contribute to the amount available for redraw. This means that payments made towards your next monthly repayment amount.

Unless we notify you otherwise, we determine the amount available for redraw by calculating what your loan balance would be each month on the interest due date on the following basis:

(a) If you made all repayments which you were required to make on time;

(b) If you made no additional repayments above your minimum required repayment; and

(c) After taking into account actual interest charges.

The difference between this calculated loan balance and your actual loan balance (and less any amount required to satisfy any arrears on the loan account), is the amount available for redraw.

This means that, if you have built up available redraw, over the term of your loan, in the absence of making further additional repayments, both your loan balance and available redraw will reduce.

We may adjust the amount available for redraw between interest due dates to take into account intra-month events, such as redraws, additional payments, dishonours or adjustments.

You can check the amount available for redraw by internet banking or calling us on 13 13 33.

HL9.5 How a redraw is debited

We will debit any amount you redraw to your Loan Account.

HL9.6 Redraw fee

You must pay the drawing fee stated in the Contract Schedule each time you request a telephone assisted redraw.

HL9.7 Redrawing after you have paid off the Loan

After you have repaid the Loan you may redraw until we close the Loan Account.

HL10. Suspending credit

HL10.1 When we can suspend or change credit

We can suspend or cancel your right to redraw, reduce the amount available for redraw below the amount calculated in accordance with clause HL9.4 or change the way we calculate your redraw at any time if we reasonably believe there is a valid and sufficient reason, which is either in your or our interest to do so, for example if:

- a) you are in default under the Contract (see clause 9);
- b) any guarantor of your obligations terminates any further obligations under their guarantee;
- c) we reasonably believe that you won't be able to keep to the Contract unless we suspend or cancel your right to redraw;
- d) we reasonably believe any Security we hold is not sufficient to support your obligations under the Contract.
- e) you (or either of you) die.

HL10.2 Your obligations

If we exercise our rights under this clause, including closing your loan account, suspending or cancelling your redraw or reducing the amount available for redraw

or change the way redraw is calculated under this clause, this does not affect your obligations under the Contract and you'll still need to continue making payments until your Loan is paid out in full.

HL10.3 Written notice

If we suspend or cancel your redraw or reduce the amount available for redraw or change the way redraw is calculated under clause HL10.1, we will tell you in writing as soon as possible. If we decide to reinstate your right to redraw after suspending it, we will give you written notice.

HL10.4 When we can suspend credit and close the loan account

We can suspend or cancel your right to redraw, or close your loan account, at any time if we reasonably believe there is a valid and sufficient reason which is either in your or our interest to do so.

For example if:

- (a) we reasonably believe that your account has been or will shortly be fully repaid (including where your loan account has a balance of less than \$1,000 or a credit balance);
- (b) we reasonably believe that the loan account has reached or will reach maturity.

HL11. Prepaying fixed interest rate loans

HL11.1 Partial Prepayment limit

You can make partial Prepayments of up to 5% of the original loan approval amount per fixed term year. If you prepay more than that in a year, we can charge you an Early Repayment Adjustment. This is despite clauses HL11.2 to HL11.5 below.

HL11.2 Permission to make the Prepayment

You can make a partial Prepayment unless we decide not to allow it in accordance with clause HL11.3. If we allow the partial Prepayment the amount is credited to the Loan Account.

HL11.3 If we refuse the Prepayment

If we decide not to allow the partial Prepayment, we return the amount to you within 10 Business Days. We do not pay interest on the returned amount.

HL11.4 When we can charge Early Repayment Adjustment

If we make a loss as a result of any full or partial Prepayment we can make an Early Repayment Adjustment which we debit to your Loan Account.

HL11.5 When we can charge an Early Repayment Adjustment

If we estimate that we've made a loss because you pay off the loan earlier than expected, or you have a Fixed Rate loan and made additional repayments greater than

5% of the original loan approval amount per fixed term year, we can calculate an Early Repayment Adjustment and charge it. We'll debit these to your loan account.

We calculate the Early Repayment Adjustment as our reasonable estimate of our loss in accordance with our usual formula which takes into account the difference between our:

- Wholesale market swap rate for the fixed interest period on the date the interest rate was fixed; and
- Wholesale market swap rate as at the date of the early repayment for the balance of the fixed interest period.

We also take into account any scheduled principal repayments and the present day value of the Early Repayment Adjustment in our calculation. At any time, you can ask for a statement showing the calculations we've used. You can also find more information on the Early Repayment Adjustment Fact Sheet at aussie.com.au

If the wholesale market swap rate at the Prepayment date is lower, an Early Repayment Adjustment is payable by you.

Our calculation does not necessarily reflect actual transactions which we may enter into as a result of your Prepayment or switch or which we may have entered into when you fixed the interest rate. There may not be specific transactions referable to your loan because we manage our funding of loans and interest rates on a portfolio basis.

If you ask us, we will give you a statement setting out how we estimated our loss as a result of your Prepayment or the formula we use to calculate our loss or both.

Warning: If the wholesale market swap rate falls, the Early Repayment Adjustment can be high and may increase the amount you owe us. You can ask us for an estimate of an Early Repayment Adjustment at any time.

HL11.6 The Early Repayment Adjustment amount

After estimating our loss, we decide the amount of the Early Repayment Adjustment you must pay us as compensation. It will be no more than the estimate of our loss, calculated on the basis of the statement.

HL11.7 If you apply to increase the amount of credit on a fixed interest loan

If and when we agree to your request to increase the amount of credit (Top Up), the fixed interest rate that applies to your Loan will change and we treat your existing fixed interest loan as if it were repaid.

If we expect to make a loss by increasing your credit, we can debit an Early Repayment Adjustment to the Loan Account. If we are going to do this we will tell you the amount when we advise you of the proposed variation to the Contract. The Early Repayment Adjustment will not change between then and when we

increase your credit, despite any changes in fixed interest rates or payments you may make. HL11.5 explains how we calculate the Early Repayment Adjustment.

HL11.8 Payment

You must pay us any Early Repayment Adjustment.

HL12. Prepaying variable interest rate loans

12.1 When you can prepay

You can prepay the Loan Account in full or make a partial Prepayment on the Loan Account at any time.

HL13. Statement of account

We will send you a statement of the Loan Account every six months. We may also send you a statement to confirm any changes you request.

HL14. Commitment period

HL14.1 Terminating the Contract within the Initial Commitment Period

If you don't take the Loan within the Initial Commitment Period, we can terminate the Contract and keep any fees and charges you have paid us under the Contract equal to any expenses we have incurred with third parties and our reasonable average costs of determining your loan application and in connection with the Contract.

HL14.2 After the Initial Commitment Period

Within three months of the end of the Initial Commitment Period, you can take the Loan either at the variable interest rate set in accordance with clause HL2.1, or at a fixed interest rate.

You can only request a fixed interest rate if you ask us to 'rate lock' the Loan and if you take the Loan during the period we agreed under clause HL1.2.

HL14.3 Termination after the Initial Commitment Period

If you don't take the Loan within three months after the end of the Initial Commitment Period, we can terminate the Contract without notice to you and keep any fees and charges you have paid us under the Contract equal to any expenses we have incurred with third parties and our reasonable average costs of determining your loan application and in connection with the Contract.

HL15. Not used

HL16. Features of your loan

HL16.1 Not used

HL16.2 Repayment Holiday

Note: This is not available if you have any other mortgages to another financial institution ranking behind us.

You can ask to suspend your repayments if you are not in default, pay any applicable fee and sign any new documents we require. During this 'Repayment Holiday', your loan balance will increase by the amount of interest plus any fees and charges charged to the Loan Account.

If you have made more than the regular repayments we require you to make on the Loan Account; and you are eligible for the 'Repayment Redraw Facility' (RRF) set out in clause HL9, then you can stop making regular repayments during the repayment holiday period for as long as the Special Repayments available in the Loan Account cover both:

- the required monthly repayments; plus
- one additional month's repayment.

During the 'Repayment Holiday', we will deduct your monthly repayment from the Special Repayments in your RRF. If there are not enough Special Repayments to cover the 'Repayment Holiday' but we agree to your request anyway, we can charge interest on unpaid interest (see clause 8).

This clause should be read in conjunction with HL9.4, as over the term of your loan both your loan balance and the amount available for redraw will reduce.

HL17. Processing transactions

Transactions made on a non-Business Day, or after our normal processing times on a Business Day, may be credited or debited on the next Business Day.

Section 2: Line of Credit (LOC)

Existing facilities only, product is no longer available for sale

LOC1. How we make credit available to you

LOC1.1 Not used

LOC1.2 You may transact on your Loan Account only if:

- a) the combined total of credit you request and the amount you owe on the Loan Account is not more than the credit limit stated in the Contract Schedule;
- b) you meet all conditions. See clause 2.
- c) you abide by the terms of your Contract; and
- d) you ask for credit by electronic access to your Loan Account in accordance with clause 11 of these Terms and Conditions or by telephone and, if there is more than one of you, or if you are a company, the person(s) authorised in the loan authority you gave us in clause 3.7 request the credit.

The person(s) (if any) authorised to have electronic access in the loan authority you gave us in clause 3.7 are the only person(s) who have electronic access to your Loan Account.

Electronic access – only the authorised person(s) may access your Loan Account.

Exceeding your credit limit

LOC1.3 Although we are not obliged to, we may allow you to exceed the credit limit stated in the Contract Schedule. If we do so, then:

- a) we will debit your Loan Account with the additional credit and the applicable interest;
- b) we will charge interest on that credit at the rate stated on your Contract Schedule, not the rate referred to in clause LOC2 below;
- c) you must repay that additional credit and any interest charged on it within 30 days of the credit being provided; and
- d) despite clauses 7.1 and 13.3, we apply any payments you make to the Loan Account first to repay that additional credit and any interest charged on that credit.

Direct debit payments

LOC1.4 You may arrange to have regular payment of bills and loan repayments made direct from your account by direct debit.

You may cancel or alter a direct debit authority at any time by giving us notice. We will accept and promptly process your request. We suggest you also contact the debit user.

If you discover that unauthorised or irregular transactions have been made – and you notify us - we

will accept and promptly process your complaint. We suggest you also contact the debit user.

Funds transferred by direct debit to your account, are subject to clearance. If we allow you to access these before they are cleared, you must repay the money if the direct debit is dishonoured.

LOC2. Interest

We set the interest rate for the Loan by adding a margin to or subtracting a margin from a reference interest rate. If the result is less than zero, then the interest rate will be deemed to be zero. See your Contract Schedule for the applicable reference interest rate and margin.

LOC3. Repayments

LOC3.1 Unless we agree otherwise, each calendar month you must deposit to your Account amounts equal to or greater than the total of any interest, fees and charges debited to your Loan Account during the previous calendar month, or otherwise when we demand it.

LOC3.2 You must repay the debit balance on the Loan Account when we demand it.

LOC3.3 If we reduce the credit limit on your Loan Account you must reduce the debit balance on the Loan Account to an amount equal to or less than the reduced credit limit.

LOC3.4 You may also repay all or part of the debit balance of the Loan Account at any time.

LOC4. Cancelling or reducing the credit limit

LOC4.1 We may reduce or cancel the credit limit on your Loan Account at any time.

LOC4.2 You may cancel the credit limit on your Loan Account at any time.

LOC4.3 If your credit limit is reduced or cancelled then you must still meet all of your obligations under the Contract for credit made available on your Loan Account before the date on which you or we reduce or cancel the credit limit.

LOC4.4 If we reduce or cancel your credit limit we will write to you as soon as possible. No further credit is available on the Loan after we cancel your credit limit.

LOC4.5 Without limiting any of our other rights under this Contract, if you are in default under any other credit contract you have entered into with us, we may at any time, and at our discretion, reduce the credit limit on your

Loan Account up to the then debit balance of the Loan Account.

If you do not pay our fees, charges and interest

LOC4.6 If the monthly interest, fees and charges debited to your Loan Account have not been paid within one calendar month, in addition to cancelling the credit limit we may require you to repay the Loan Account by monthly instalments of principal and interest.

If so, then we will issue you with a new Loan Type, Loan Account number and reference interest rate. You should not take this to mean that the Loan has been repaid or refinanced.

The first instalment of principal and interest is due one month after the date we write to you advising you of your repayments. At any time, acting reasonably, we may change the monthly repayments or the way we calculate them. We will write to you about these changes at least 30 days before they take effect (except if they reduce your obligations, in which case we'll notify you of the changes before or when we send you your next statement of account). Our rights under this clause are in addition to those under clause LOC3.2.

LOC5. Statement of account

We will send you a statement of the Loan Account at least every three months.

We will not send a statement if there are no credit or debit transactions on your Loan Account during the statement period and the balance outstanding is under \$10.00.

LOC6. Not used

LOC7. Suspending credit

We may suspend your ability to transact on your Loan Account at any time if we reasonably believe there is a valid and sufficient reason, which is either in your or our interest, to do so, for example, if:

- (a) you are in default under the Contract (see clause 9);
- (b) any guarantor of your obligations terminates any further obligations under their guarantee;
- (c) we reasonably believe that you won't be able to keep to the Contract unless we suspend your ability to transact on your Loan Account;
- (d) we reasonably believe any Security we hold is not sufficient to support your obligations under the Contract;
- (e) you (or either of you) die.