

Business Standard Terms & Conditions

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Bank of us.

bankofus.com.au
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BUSINESS STANDARD TERMS & CONDITIONS

These are the *Terms and Conditions* that govern your loan with us. Your *credit contract* is made up of the *loan agreement* and these *Terms and Conditions*.

You should also refer to the *terms and conditions* of any mortgage or other *security*.

The meaning of words printed in italics like this is explained at the end of these *Terms and Conditions*.



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1. About us

We are a member of the Customer Owned Banking Association. We undertake that we will comply with the requirements of the Customer Owned Banking Code of Practice where those requirements apply to your dealings with us. The Customer Owned Banking Code of Practice changes from time to time. You can find out more about the Customer Owned Banking Code of Practice by contacting us.

2. This *credit contract*

IMPORTANT: Until the *settlement date*, we have the right to change the terms of this *credit contract* or to withdraw our offer to lend altogether.

There is no binding legal contract between us until the *settlement date* or any such earlier time that we decide. This means that until the *settlement date*:

- (a) you are not bound to go ahead; and
- (b) we have the right to change the terms of this *credit contract* or withdraw it altogether and decline to make any advance of funds to you if anything occurs that we reasonably believe makes proceeding with the loan undesirable.

You may be liable for fees and charges if we or you decide not to proceed.

3. Other terms you must comply with

In addition to your *credit contract* (which includes these *Terms and Conditions*), you must read and comply with:

- (a) the Mortgage Common Provisions;
- (b) access methods, if applicable; and
- (c) any other conditions reasonably imposed by us.

4. Representations and warranties

Each time you ask for credit under this *credit contract*, you make the following representations and warranties to us:

- All information you have given us regarding your financial and personal affairs and any *security property* is true and correct.
- You and any *guarantor* are not an undischarged bankrupt.
- You have not assigned your estate or entered into any arrangement or composition for the benefit of your creditors.
- No *event of default* has occurred.
- Other than as disclosed to us in writing:
 - there are no unpaid rates or taxes owing in respect of any *security property*;

- if any *security property* is residential real estate, that *security property* will be occupied by you;
 - there are no notices or proposals from any government or other authority adversely affecting any *security property*;
 - there are no defects or disputes relating to any *security property*; and
 - there are no structural alterations or improvements on any *security property* which require approval by the council or any other authority which have not been approved.
- 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. Joint borrowers

If there are two or more borrowers, each of you is individually liable, and all of you are jointly liable. This means we may take legal action against any one of you for all the outstanding amounts.

Each borrower can bind each other borrower. For example, any one of you can authorise a redraw a split into one or more loan accounts, or any other activity in respect of your loan. Each borrower and any *guarantor* will be liable even if they did not know about or agree to the transaction.

IMPORTANT: This means that each one of you can be required to pay the whole amount owing even if you have some other arrangement among yourselves and even if not all of you benefit equally.

Despite this clause 5:

- (a) we may require all borrowers and guarantors to authorise any activity; and
- (b) we will comply with any request by any one of you:
 - that all borrowers be required to approve any future withdrawals; or
 - to suspend any *loan account* (or a redraw facility on any *loan account*) to allow all borrowers time to reach agreement about dispersal of the account funds.

6. Accessing your loan funds

6.1 Number of draw downs allowed

Unless your loan is a construction loan or an overdraft account (or we otherwise approve in writing), you may only borrow the *amount of credit* by a single drawdown on the *settlement date*.

We will debit the *loan account* for the amount of any drawdown.

If you do not draw down the total *amount of credit* on the *settlement date*, any borrowing of the balance is subject to our approval.

6.2 Progressive draw downs

If the loan is to be funded by progressive loan drawdowns, you may be required to satisfy our reasonable requirements for the funding of each loan drawdown.

Any requirements that apply to funding under an overdraft account will be notified to you at the time those requirements arise.

The requirements that apply to construction loans are set out in clause 13.

6.3 Use of the loan

You must only use the loan for the purpose set out in your *loan agreement*.

6.4 What we can do with your loan account

We can debit your *loan account* with any amounts due under this *credit contract*, such as interest and credit fees and charges, and any amounts lent to you or at your request. If you have more than one *loan account*, we can debit these amounts to any of your loan accounts.

If a third party makes a payment to you on our behalf, we can debit your *loan account* on the date that money is made available to you.

We may combine two or more loan accounts if they have identical repayment types, interest rates, fixed rate periods (if applicable), interest only periods (if applicable), and loan purposes.

7. Interest

7.1 Paying interest on your loan

You must pay us interest on all amounts debited to your *loan account* from the date the amount is debited. Interest debited to your *loan account* forms part of the *amount you owe us*.

7.2 Calculation of interest on your loan

We calculate interest charges on a daily basis by applying the *daily percentage rate* to the *loan account balance* at the beginning of each day.

If more than one interest rate applies to your loan, we will apply the applicable *daily percentage rate* to the relevant *loan account*.

Interest accrues on a daily basis from the day we disburse money at your request to make the first advance. This applies whether or not any real estate transaction to which the advance relates (such as a refinance or purchase) occurs on that day.

7.3 When we will debit interest to your loan

Interest will be debited to your *loan account*:

- (a) monthly in arrears on the last day of each calendar month, regardless of whether or not that day is a *business day*; and
- (b) on the *final repayment date*.

In addition to debiting interest to your *loan account* as specified above, we may debit interest to your *loan account* when:

- (a) the loan is in default;
- (b) the whole of the *amount you owe us* is repaid;
- (c) we increase your *amount of credit* or vary this *credit contract*; or
- (d) we credit to your *loan account* a payment that equals or exceeds the *loan account balance* at that time.

If a *fixed rate period* or interest only period ends on a day which is not a *business day*, your fixed rate or interest only period may end on the next *business day*.

7.4 Credit balance

No interest is payable by us to you if on any day the *loan account balance* is a credit balance.

7.5 Switches

You may with our approval split your *loan account* into two or more accounts or switch account types.

You may request a split or switch prior to the initial drawdown, in which case the change takes effect from the *settlement date*. We have full discretion whether or not to approve any split or switch requested by you.

We may charge you a fee for allowing you to switch interest rates. If you are switching from a fixed interest rate to a variable interest rate or to another fixed interest rate before the end of the *fixed rate period*, we may charge you a *break cost fee*. See further information about break cost fees at clause 10.2.

If a new *loan account* is created, separate repayment dates and interest debit dates may apply to that new account. If your *loan account* is split into two or more accounts, or if you switch between types of interest rate, you may have to pay interest on the amount switched or split to the date on which the switch or split occurs.

7.6 Calculating your interest rate

We calculate the interest rate applicable to your loan by adding a margin to, or subtracting a margin from, the applicable reference interest rate. The name of the reference interest rate and the margin applicable to your loan is stated in your *loan agreement*.

7.7 Reference interest rates

Our current reference interest rates are published at bankofus.com.au/business-interest-rates. You can also find out the current reference interest rates at any time by contacting us. We can change the reference interest rates or the applicable margin at any time except during a *fixed rate period*.

7.8 Interest on judgment

If you become liable by a court order to pay any money due under this *credit contract*, you must pay interest at the higher of the rate ordered by the court or the rate payable under this *credit contract*.

8. Fees and charges

You must pay us the fees and charges set out in your *loan agreement* as varied from time to time. You authorise us to debit those fees and charges to either (at our discretion):

- (a) your *loan account*, which, when debited, become part of the *loan account balance*; or
- (b) the bank account you have nominated for repayments to be debited from.

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

9. Repayments

9.1 Amount of repayments

You must pay us the repayments in the amounts and at the times set out in your *loan agreement* (as varied from time to time).

9.2 When repayments are made

If any repayment is due on a day which is not a *business day*, the repayment must be made on or before the next *business day*. However, if that means that the payment is due in the next calendar month, your payment is due on the last *business day* of the current calendar month.

9.3 The total you must pay us

You owe us and must pay the *amount you owe us* on the *final repayment date*.

9.4 Crediting payments to your *loan account*

We treat a payment as made when we credit it to your *loan account*. Payments will be credited to your *loan account* only when we receive them.

If any payment is dishonoured, the payment will be treated as not having been made, and interest will continue to accrue on the *loan account balance* until actual payment is received by us.

9.5 How we apply payments

We may apply any payment made under this *credit contract* to any part of the *amount you owe us* in any order we determine.

9.6 How payments must be made

Payments must be made by direct debit or by any other reasonable method we direct. You must sign a direct debit authority to authorise us to debit one of your bank accounts for payments due under this *credit contract* and you must keep that account open. You authorise us to use that direct debit authority for payment of any amounts due under this *credit contract*.

If an attempted direct debit fails, we may make reasonable further attempts to direct debit your nominated account until the direct debit is successful.

The amount of each payment may include any applicable direct debit fees, taxes or charges relating to the payment method in addition to your repayment amount.

9.7 No set off or counterclaim

Except as permitted by law, you must pay all amounts due under this *credit contract* in full without setting off or deducting any amounts you believe we owe you, and without counterclaiming any amounts from us.

9.8 Death of a borrower or guarantor

The *amount you owe us* must be repaid within 180 days from the date you die (or if there is more than one borrower, from the date the last borrower dies) or a *guarantor* dies unless other arrangements are made for the continuation of the loan to our satisfaction. We will discuss this with your executor or beneficiaries and seek to agree a mutually acceptable solution. If there is more than one borrower, and one of the borrowers dies, we may allow the surviving borrower(s) to continue to operate the *loan account(s)*.

9.9 Deduction of payments

If you are required by law to deduct any amount from a payment due to us, unless we can receive a credit or rebate for that deduction, you must make an additional payment so that the amount we receive is not reduced.

10. Repaying your loan early

10.1 If you repay your loan early

You may make additional payments or repay your loan in full at any time. If you do:

- (a) fees may be payable if specified in your *loan agreement*, including break cost fees if you repay your loan during a *fixed rate period*; and
- (b) you may be able to redraw any excess repayments.

10.2 About break cost fees

When lenders agree to lend money to a borrower for a *fixed rate period*, they may enter into financial arrangements to enable them to do so. If the loan is repaid or otherwise terminated before the end of the *fixed rate period*, lenders may incur costs under those financial arrangements. Lenders normally pass on these costs (commonly known as 'break costs') to borrowers. Break costs are payable irrespective of whether the lender has entered into specific financial arrangements to fund the loan, and may be calculated by reference to retail interest rates (i.e. the rate at which lenders can lend money on similar terms) or wholesale interest rates (i.e. the rate at which lenders obtain funding).

Example

The lender lends \$200,000 to you at 9% per annum for a *fixed rate period* of three years. You decide to repay the loan early at the end of one year. The lender, acting reasonably, determines that it can only lend the money at 6% per annum.

Using the above figures, the lender could calculate the loss by multiplying the amount repaid early (\$200,000) by the difference in interest rates (3%) for the period starting from the date of repayment to the end of the fixed rate term (2 years) = $\$200,000 \times 3/100 \times 2 = \$12,000$. The amount you would have to pay will be slightly less than \$12,000 because the lender is receiving the money at the time of the early repayment rather than over the remaining *fixed rate period*.

This is an example only to assist your understanding of break costs. We may use various funding techniques, but the underlying principle holds true (even if the formula applied each time is different). Break cost fees may be payable even if there is no matching borrowing by us.

IMPORTANT: If a fixed rate loan is terminated early, break cost fees could be substantial, particularly if market interest rates have reduced during the *fixed rate period*. Ask us for an estimate of break cost fees before you arrange to repay a fixed rate loan early.

There are a number of ways we may calculate break costs. We will act reasonably when calculating the break costs that are payable by you and will charge no more than a reasonable estimate of our loss arising from the early repayment plus our average reasonable administrative costs. Because of the changes that occur over time in financial markets, it is not possible to state the method of calculating break costs at the *disclosure date*.

10.3 Payout figure

If you inform us that you propose to repay your loan in full, we may place a stop on all further debits to your *loan account* to enable us to provide you with a payout figure.

11. Redraw facility

If your loan has a redraw facility, this clause 11 applies.

IMPORTANT: We can change, suspend or cancel your redraw facility at any time.

11.1 Availability of redraw

We will tell you if redraw facilities are available. Redraws will be processed as we decide from time to time. If you request a redraw, we have full discretion whether or not to approve your request.

11.2 Requesting a redraw on your loan

For two or more borrowers, you authorise us to act on the redraw instructions of any one of you. Any one of you can tell us that all borrowers must give the redraw instruction.

Subject to this clause 11, you may at any time during the *loan term* ask to redraw all or any part of those extra payments provided that:

- (a) you have not defaulted under this *credit contract*;
- (b) your redraw facility has not been suspended or cancelled by us;
- (c) no further charge or *security* interest has been granted over any of the *security*; and
- (d) no other redraw restrictions are set out in this *credit contract*.

11.3 Cancellation, suspension and variation

We may change, suspend or cancel the redraw facility at any time. We will tell you if we do any of these things.

11.4 How to make your request

You may request a redraw:

- (a) in writing by completing the relevant form and delivering it to any of our branches;
- (b) if you have internet banking under your loan, by using internet banking in accordance with the internet banking *terms and conditions*; or
- (c) by any other method we authorise from time to time.

You must keep the method of making redraws from your *loan account* confidential to ensure that there are no unauthorised transactions or other dealings with your *loan account*.

11.5 Amount of redraw

We may specify minimum and maximum redraw amounts from time to time.

The maximum amount available for redraw is the amount you have repaid early, less the amount of any previous

redraws, permanent reductions to the balance of your *loan account*, and other debits as reasonably determined by us.

The amount you redraw must not be less than the minimum amount specified by us from time to time and must not be more than the maximum amount available for redraw. If you draw more than the amount available for redraw, you must repay the excess promptly after our demand, and we may charge default interest on that amount until it is repaid.

We may reduce the amount you can redraw by the estimated amount of your next scheduled repayment.

If you attempt to redraw more than the amount available for redraw, we may (but are not obliged to) stop or prevent the payment.

If you request a redraw, and for that *loan account* your existing repayments are not sufficient to repay the amount owing under that *loan account* over the remaining term, we may recalculate your future repayments for that *loan account*.

11.6 When you cannot redraw

You may not redraw during the construction period if your loan is a construction loan.

12. Overdraft accounts

If you have an overdraft account, this clause 12 applies.

IMPORTANT: We can change, suspend or cancel your overdraft account at any time.

12.1 About your overdraft account

We may at any time convert your overdraft account to a term loan under which regular monthly principal and interest repayments are required. We will give you at least three months notice if we convert your overdraft account, and we will provide details of the applicable interest rate and repayment amount before your principal and interest repayments commence.

12.2 Cancellation, suspension and variation

We may change, suspend or cancel your overdraft account (including reduce your *credit limit*) at any time without your consent.

If we:

- (a) reduce your *credit limit*, you must repay any amount owing in excess of the new *credit limit*; or
- (b) cancel your overdraft account, you must repay the amount owing under your overdraft account.

We will endeavour to give you adequate notice before we reduce your *credit limit*, but we reserve the right to act immediately. We will give you at least three months notice if we cancel your overdraft account unless you have breached your *credit contract* or an *event of default* has occurred.

If your *loan agreement* specifies a term for your overdraft account, we will give you at least three months notice if we will not extend the term of your overdraft account unless you have breached your *credit contract* or an *event of default* has occurred.

We are not liable for any loss suffered by you or anyone else as a result of us changing, suspending or cancelling your overdraft account.

12.3 Accessing your *credit limit*

We calculate your available funds limit on each day by deducting from your *credit limit*:

- (a) the amount owing under your overdraft account;
- (b) any withdrawal amounts or other proposed payments on your overdraft account for which we have received instructions but have not yet been debited to your *loan account* (not including future periodical payments); and
- (c) the amount of any payments that have been credited to your *loan account* but have not cleared yet.

You must ensure that you do not exceed your *credit limit*. If you exceed your *credit limit* without our written consent, the amount by which you have exceeded the *credit limit* must be repaid promptly after our demand.

If we consent to you exceeding your *credit limit*, we may impose one or more of the following conditions:

- (a) that the amount by which you have exceeded your *credit limit* be repaid within a certain period; or
- (b) that payments made to your overdraft account are first applied by us to the excess amount and any interest charged on that amount.

12.4 Transactions on your *loan account*

If a transaction would cause your *loan account balance* to exceed your *credit limit*, we may, without notice, decline, stop or reverse the transaction. If for some reason we allow your *loan account balance* to exceed your *credit limit*, that does not mean we are increasing your *credit limit*.

We have the right to decline any transaction if we are uncertain for any reason of the authenticity or validity of the authorisation. We will not be liable to you or any other person for any loss or damage which you or such other person may suffer as a result of our action.

13. Construction loans

If you have a construction loan, this clause 13 applies.

IMPORTANT: If you have a construction loan, we may suspend, reduce or cancel progress payments. For example, we can refuse to make any further advances if anything happens which adversely affects the value of any security property or if the construction works are not proceeding satisfactorily.

13.1 About your construction loan

No construction works may be commenced on any *security property* without our prior written consent (which will not be unreasonably withheld). You must commence and complete the construction works within the timeframe, if any, specified in your *loan agreement*. You must ensure that the construction works are completed expeditiously in accordance with the best skills and practices to our satisfaction, with the *building contract* approved by us, and with the requirements of any responsible authority (such as a local council).

13.2 How we will advance the *amount of credit* under your construction loan

Any portion of the *amount of credit* under your construction loan that is to be used for the acquisition of land or the refinance of existing borrowings must be borrowed by one drawdown on the *settlement date*.

Subject to this clause 13, during the construction period, you may drawdown the balance of the *amount of credit* as progress payments.

We may suspend, reduce or cancel any progress payment, and in particular, can refuse to make any further advances if anything happens which in our reasonable opinion adversely affects the value of any *security property* or if the construction works are not proceeding satisfactorily.

13.3 What you must do before we will fund the first progress payment

Before we make the first progress payment under your *building contract*:

- (a) you must have already used any equity that you have agreed to contribute to the cost of the construction works; and
- (b) we may require you to provide to us, in a form satisfactory to us:
 - a copy of the stamped local council approved plans and specifications;
 - a copy of the executed *building contract*;
 - evidence of any insurance in relation to the construction works we require;

- any other certificates or authorities from local councils or other authorities necessary to conduct the construction works;
- a progress payment authority signed by you; and
- any other document or evidence we reasonably require.

(c) we must have received a satisfactory report from our valuer.

You are still liable under this *credit contract* if we make the first progress payment without requiring any of these things.

13.4 What you must do before we will make any further progress payment

Before we make any further progress payment:

- (a) we may require you to provide a builders invoice signed by you that is in accordance with the series of progressive payments under your *building contract*; and
- (b) we must have received a report from our valuer recommending that we make the progress payment.

You are still liable under this *credit contract* if we make any progress payment without requiring any of these things.

13.5 What you must do before we will make the final progress payment

Before we will make the final progress payment, we must have received the following:

- (a) confirmation from our valuer that the construction works are finished;
- (b) evidence of any insurance we require; and
- (c) a certificate of occupancy and certificate of completion issued by the local council.

You are still liable under this *credit contract* if we make the final progress payment without requiring any of these things.

13.6 Availability of the *amount of credit*

The *amount of credit* must be fully drawn within the period specified in your *loan agreement*. If the *amount of credit* is not fully drawn within that period, we may, at our discretion, cancel the availability of any undrawn loan funds and reduce the *amount of credit* accordingly. Your loan will then be fully drawn.

If the total construction costs are less than the amount we agree to lend you for construction, we may reduce the amount we lend you accordingly.

13.7 Your obligations in relation to construction

You must:

- (a) not agree to any variations to the *building contract* without our prior written consent (which will not be unreasonably withheld);
- (b) ensure that the agreed drawdown schedule is observed and that there are always sufficient undrawn funds under the loan to complete the construction works;
- (c) not terminate the *building contract* without our prior written consent (which will not be unreasonably withheld); and
- (d) promptly comply with any condition we impose in relation to any progress payment or the construction works.

We accept no responsibility in respect of the construction works irrespective of whether we conduct any inspections, make any comments or requirements, or make any progress payments. You must satisfy yourself that the construction works are properly carried out.

14. Security over personal property

This clause 14 applies if your *loan agreement* specifies a *security* interest over personal property, such as a motor vehicle, motor cycle, caravan, trailer or boat.

14.1 Mortgage and security interest

By signing your *loan agreement*, you grant to us a mortgage and a *security* interest over the *security property* and over any insurance policy relating to the *security property*. This includes any asset acquired in replacing the *security property*, or any modifications made to the *security property* (including any additions made or accessories purchased), and any money received from any insurance claim over the *security property* or received from an insurer following cancellation of a policy.

You agree to do anything we reasonably request to effect, more effectively secure, confirm and register the mortgage and *security* interest, including signing any documents.

You warrant that you own the legal title to, or will own legal title to, the *security property* during the term of the loan. You warrant that there is no and will be no other *security* interest granted over the *security property*.

14.2 Your obligations in relation to the security property

You must:

- (a) keep the *security property* in good condition and repair and not do anything that is likely to materially lower the value of the *security property*;
- (b) keep the *security property* in Australia;
- (c) not change the location of the *security property*, or if the *security property* is a motor vehicle, not change where it is usually garaged;

- (d) tell us if the *security property* is stolen, lost, seriously damaged or materially defective;
- (e) not mortgage, charge or grant a *security* interest over the *security property* to another person;
- (f) not sell, grant a licence over, lease or part with possession of, or give away the *security property*;
- (g) not cause or allow the *security property* to be affixed to any other property without our prior written consent, which will not be unreasonably withheld;
- (h) not make any alterations to the *security property*, and not remove any identification numbers. If any chattels are affixed to the *security property*, then those chattels form part of the *security property* and are subject to this *credit contract*;
- (i) not do anything or allow anything to happen that might reduce the value of the *security property*;
- (j) comply with all laws relating to the use, operation, maintenance and possession of the *security property*, including obtaining any necessary licenses or permits, and pay any money to maintain these licences or permits;
- (k) repair, maintain and service the *security property* on terms which do not create a lien over the *security property*, and pay for all repair, maintenance and servicing promptly;
- (l) ensure that operation and maintenance of the *security property* complies with all relevant laws and the manufacturer's instructions as to use;
- (m) on request by us with reasonable notice, allow or arrange for us or our authorised agents or employees to inspect the *security property* and any records you hold pertaining to the *security property*;
- (n) take all reasonable steps to keep the *security property* secured against theft or damage;
- (o) immediately notify us if you become aware that another party may or will register a *security* interest over the *security property*; and
- (p) deliver the *security property* to us if we are entitled to take possession of it.

14.3 PPS Act provisions

You acknowledge that we will have a *security* interest under the *PPS Act* in respect of the *security property*, and you authorise us to register one or more *security* interests under the *PPS Act* in respect of this *credit contract*.

The rights and powers conferred on us by this *credit contract* or by law are in addition to any rights and powers conferred by the *PPS Act*.

For the avoidance of doubt, in addition to the powers under section 125 of the *PPS Act*, we may take any action after default authorised by this *credit contract* or by law, including delaying any disposal, leasing or action to retain any of the *security property*.

Unless the *security property* is used predominantly for personal, domestic or household purposes, you waive your right to receive notice of:

- (a) a verification statement under section 157 of the *PPS Act* in respect of commercial property;
- (b) the removal of an accession under section 95 of the *PPS Act*;
- (c) a decision to enforce a *security* interest pursuant to a land law under section 118 of the *PPS Act*;
- (d) action to enforce *security* over liquid assets under section 121(4) of the *PPS Act*;
- (e) a proposal to dispose of the *security property* under section 130 of the *PPS Act*;
- (f) a statement of account under sections 132(3)(d) and 132(4) of the *PPS Act*; and
- (g) any proposal by us to retain the *security property* under section 135 of the *PPS Act*.

Unless the *security property* is used predominantly for personal, domestic or household purposes, you waive your right:

- (a) to redeem the *security property* under section 142 of the *PPS Act*; and
- (b) to reinstate this *credit contract* under section 143 of the *PPS Act*.

15. Security over deposit

This clause 15 applies if your *loan agreement* specifies a right of set-off or charge over a deposit account or term deposit.

By signing your *loan agreement*, you grant to us a right of set-off or charge over any deposit account or term deposit specified in your *loan agreement*.

If your *loan agreement* specifies a minimum account balance, you agree not to allow the balance of that deposit account or term deposit to fall below the specified minimum account balance.

If the *security property* is a term deposit and we apply the deposit, or part of it, to the loan balance, before the deposit matures, we may adjust the rate of interest to the rate that would have been payable if the term deposit had originally been lodged with us for the reduced term. The reduced term will be calculated from the day the term deposit was lodged to the day of application.

If the *security property* is a term deposit, we may renew the term deposit, regardless of any instruction that you may have given us, to coincide with the anticipated date of repayment of the loan and at the rate of interest then payable on term deposits of the like amount and term.

Except for our right of set-off / charge, the deposit account or term deposit specified in your *loan agreement* cannot be assigned, charged or otherwise dealt with.

16. Insuring the *security property*

You must maintain the following insurance over the *security property*:

- (a) if the *security property* is a vehicle – comprehensive insurance over the vehicle against collision damage, theft, fire and other usual risks, third party property insurance, and compulsory third party insurance; and
- (b) in any other case – insurance against fire, theft, accident, and any other risk we reasonably require in connection with the *security property*.

In each case, you must ensure that our interest as mortgagee/secured party is noted on the insurance policy, and you must provide us with evidence of the policy and its currency when we ask. The insurance must be of a value and on terms acceptable to us. You bear the entire risk of loss of, or damage to, the *security property* from any cause.

You must pay all insurance premiums relating to insurance of the *security property* on or before the due date.

If you do not take out and keep current all required insurance, or if you do not give us evidence of this on request, we may take out any insurance we reasonably see fit and debit the cost to your *loan account*, but we have no obligation to do so.

You must not do anything by which any insurance policy relating to the *security property* could be prejudiced or cancelled or be subject to an increased premium.

If you make a claim and the insurer refuses, you must tell us. We can ask you to give us your rights to take further action against that insurer on your claim.

If the *security property* is stolen, lost, destroyed or damaged so that repair is impractical or uneconomic, you must pay us the *amount you owe us*, less any insurance money paid to us, on not less than 30 days notice. Any insurance money paid must be paid to us in reduction of your liability to us. If the money is paid to you, you must immediately pay it to us. Payment of the insurance money to us does not release you from liability for any other amount due under this *credit contract*.

If the *security property* is stolen, lost, destroyed or damaged, we may (but are not obliged to) accept other assets to replace the *security property*. Any asset that is

accepted as a replacement will be *security property* and subject to this *credit contract*.

If repair is practical, you are obliged to repair the *security property* promptly.

We may enter the premises where the *security property* is held to gain access to the *security property* for any purpose under this *credit contract* provided that, in the case of occupied residential premises, we have a court order or the occupier of the premises has consented.

17. Default

IMPORTANT: The events which may cause you to default under your loan are listed below. You may default under your loan even if you have made all your payments. If you default, you may lose any *security property*.

17.1 Default interest

If any amount due by you is not paid on the due date, you must pay default interest on the overdue amount until that amount is paid. You will also be liable for any default fees specified in your *loan agreement* (as varied from time to time).

Default interest is also payable on the following amounts until paid

- (a) the whole of the *amount you owe us* if that amount becomes due for any reason; and
- (b) any amount owing because you have drawn more than the amount available for redraw or because you have exceeded the *credit limit* of your overdraft account.

Acting reasonably, we may change the default rate of interest at any time without your consent. You will be notified of any changes in the default rate in the same way any variations to the interest rate are notified to you.

Default interest is calculated, accrues, is debited and is payable in the same way as ordinary interest.

17.2 Consequences of a breach of any term

If you breach any term of this *credit contract* or any *other agreement*, if an *event of default* occurs, or if any *security* or *guarantee* is terminated or is of reduced force and effect:

- (a) we will not be obliged to lend you any more money and we can stop any redraws; and
- (b) we may rectify the breach or *event of default* by performing your obligations under this *credit contract* or any *other agreement*.

17.3 Monetary events of default

A *monetary event of default* is an *event of default* that occurs as a result of your failure to make a payment. Each of the following is a *monetary event of default*:

- (a) you do not pay any money due to us under this *credit contract* or any *other agreement* by the due date for payment; or
- (b) you do not pay any amount exceeding \$50,000 to any person other than us by the due date for payment.

17.4 Non-monetary events of default

A non-monetary *event of default* is an *event of default* that occurs even if you have made all your payments. Each of the following is a non-monetary *event of default*:

- (a) if you are an individual:
 - you become bankrupt;
 - you are unable to pay your debts as they fall due; or
 - you make any arrangement with your creditors;
- (b) if you or a *guarantor* is a company:
 - proceedings are commenced to wind up the company;
 - a receiver, manager, receiver and manager, administrator, controller, provisional liquidator or liquidator is appointed to the company or any part of the company's assets; or
 - the company is, or is deemed or presumed by law or a court to be, insolvent;
- (c) you or a *guarantor* no longer has legal capacity;
- (d) enforcement proceedings are taken against you or a *guarantor*, or your or their assets, by another creditor, and we reasonably consider that it is likely to have a material impact on the ability of you or the *guarantor* to meet your or their financial obligations to us;
- (e) early repayment is required under any *other agreement*, or default based action is taken against you or a *guarantor* by us under any *other agreement*, in each case due to a non-monetary *event of default* of the kind described in this clause 17.4;
- (f) we reasonably believe that you or a *guarantor* has not complied with the law or any requirement of any competent authority, and we reasonably consider that such non-compliance is likely to have a material impact on your ability to meet your financial obligations to us or a material adverse effect on your assets or any business you conduct;
- (g) it becomes unlawful for you or us to continue with this *credit contract* or any *other agreement*;

- (h) you or a *guarantor* gives us information, or makes a representation or warranty to us, that is materially incorrect or misleading (including by omission), and is such that we would not have provided the loan, or would only have provided the loan on different terms, if we had known the correct information;
- (i) you use the loan for a purpose not approved by us;
- (j) you use the loan for an illegal or improper purpose, or to finance an illegal or improper activity;
- (k) the assets of you or a *guarantor* are dealt with, or attempted to be dealt with, in breach of the terms of this *credit contract*, any *security* or any *other agreement* without our prior written consent (which will not be unreasonably withheld), including:
- any *security property* becomes subject to a mortgage or charge without a priority agreement being in place between us and the other *security* holder on terms acceptable to us (acting reasonably);
 - any *security property* becomes subject to a mortgage or charge without our prior written consent (which will not be unreasonably withheld); or
 - the amount secured by any mortgage or charge over any *security property* is increased without our prior written consent (which will not be unreasonably withheld),
- and we reasonably consider that such action is likely to have a material impact on your ability to meet your financial obligations to us;
- (l) you or a *guarantor* does not provide any financial information required by us in connection with your loan;
- (m) you or a *guarantor* does not maintain any licence or permit necessary to conduct any business conducted by you or a *guarantor*;
- (n) you or a *guarantor* does not maintain any insurance required by us in connection with your loan;
- (o) legal or beneficial ownership, or management control, of you or a *guarantor*, or your or their business, changes without our prior written consent (which will not be unreasonably withheld);
- (p) without our prior written consent (which will not be unreasonably withheld), the status, capacity or composition of you or a *guarantor* changes, including:

- you or a *guarantor* ceases to carry on all or a material part of your or their business, or disposes of all or a material part of your or their assets; or
 - if you or a *guarantor* are an individual, you or a *guarantor* is sentenced to jail for a term of longer than 12 months;
- (q) any *security property* is:
- substantially damaged, destroyed or demolished, and we reasonably consider that the *security property* cannot be expected to be reinstated within a reasonable time and without material loss of any material income from the *security property*; or
 - taken out of your control;
- (r) there is a material reduction in the value of any *security property*;
- (s) any repairs necessary to keep any *security property* in good repair are not made in a timely fashion;
- (t) any amount required to be paid in connection with any *security property* (including council rates, water rates, land tax or shared title contributions) is not paid within 90 days of the due date; or
- (u) any other event specified to be an *event of default* for the purposes of this *credit contract* occurs.

17.5 What we can do if an event of default occurs

Subject to clauses 17.6 to 17.8, at any time after an *event of default* occurs, we can take any of the following actions:

- (a) demand and require payment of any money due under this *credit contract*;
- (b) call up the loan and require payment of the *amount you owe us*;
- (c) exercise any right or power conferred by law, this *credit contract* or any *security*, including taking possession of and selling any *security property*; or
- (d) in the case of a construction loan, complete the construction works in any way we consider appropriate. We are not obliged to complete the construction works. We may vary or terminate the *building contract*. We may employ any consultants or other builders we consider appropriate.

17.6 When we will act on a non-monetary event of default

We will only act on a non-monetary *event of default* if the event by its nature is material, or we reasonably consider that the event has had, or is likely to have, a material impact on:

- (a) the ability of you or a *guarantor* to meet your or their financial obligations to us (or our ability to assess this);
- (b) our *security* risk (or our ability to assess this); or
- (c) our legal or reputational risk where an event in clause 17.4(f), 17.4(g), 17.4(h) or 17.4(i) occurs.

17.7 Notice of enforcement if you are an individual

If an *event of default* occurs, we will not:

- (a) require you to repay the *amount you owe us*;
- (b) take enforcement action against you; or
- (c) enforce any *security* held to secure repayment of your loan,

unless:

- (d) we have given you at least 30 days written notice of the *event of default*; and
- (e) if the *event of default* is remediable, you have not remedied that *event of default* within 30 days.

If an *event of default* is remediable, and you remedy that *event of default* within 30 days, we may take any action specified in paragraphs (a), (b) or (c) above if an *event of default* of the same type has arisen during that period.

Despite the above, we may give you less than 30 days notice or no notice if:

- (a) the *event of default* is unable to be remedied;
- (b) it is reasonable for us to do so to manage a material and immediate risk relating to the nature of the relevant *event of default*, your particular circumstances, or the value of any *security property* or *security*; or
- (c) we have already given you a notice to remedy a non-monetary *event of default* and you have not remedied that *event of default*.

17.8 Notice of enforcement if you are a small business

If you are a *small business* and an *event of default* occurs, we will not:

- (a) require you to repay the *amount you owe us*;
- (b) take enforcement action against you; or
- (c) enforce any *security* held to secure repayment of your loan,

unless:

- (d) we have given you written notice of the *event of default* that complies with the notice period specified below; and
- (e) if the *event of default* is remediable, you have not remedied that *event of default* within the notice period specified below.

If you are a *small business* and an *event of default* occurs:

- (a) we do not have to give you any notice if the *event of default* is a non-monetary *event of default* under clauses 17.4(a), 17.4(b), 17.4(d), 17.4(e), 17.4(f), 17.4(g) or 17.4(k);
- (b) we will give you at least 30 days written notice if the *event of default* is a monetary *event of default*; and
- (c) we will give you at least three months written notice if the *event of default* is a non-monetary *event of default* other than an *event of default* under clauses 17.4(a), 17.4(b), 17.4(d), 17.4(e), 17.4(f), 17.4(g) or 17.4(k) that is remediable.

17.9 Exercising our rights

We can take action even if we do not do so promptly after the *event of default* occurs. We do not waive any rights or forgive any *event of default* unless we do so in writing.

We can exercise these rights with or without taking possession of any *security property*. If we hold more than one *security*, we can enforce any one of the securities first or all of them at the same time.

Our rights and remedies under this *credit contract* may be exercised by any of our employees or any other person we authorise.

We are not liable for any loss caused by the exercise, attempted exercise, failure to exercise, or delay in exercising any of our rights or remedies, except where such loss arises from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents or a receiver we appoint.

17.10 Enforcement expenses

IMPORTANT: If you default under your loan, enforcement expenses may be payable. This means that you may have to pay any of our reasonable costs incurred in maintaining any *security property*, collection expenses, and any other internal or external costs we incur as a result of your default.

Enforcement expenses may become payable under this *credit contract* and any *security* if you breach this *credit contract* or an *event of default* occurs. We may debit your *loan account* with our enforcement expenses at any time after they are incurred, and we may then require you to pay these costs promptly after our demand (including by using any direct debit or similar authority you have given us), collect them with your regular repayments, or require them to be repaid by one or more repayments.

Enforcement expenses payable by you will not exceed our reasonable enforcement costs (including internal costs).

Enforcement expenses include our expenses incurred in preserving, maintaining or selling any *security property* (including insurance, rates and taxes payable in respect of the *security property*), collection expenses, expenses resulting from dishonour of a payment, and any internal or external costs we incur as a result of you breaching this *credit contract* or any *other agreement* or an *event of default* occurring (including legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is higher).

You indemnify us from and against any expense, loss, loss of profit, damage or liability which we incur as a consequence of a breach of this *credit contract* or an *event of default* occurring, except where such loss arises from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents or a receiver we appoint.

18. Changes we can make to this *credit contract*

IMPORTANT: We can make changes to this *credit contract* at any time (except interest rate changes during a *fixed rate period*). In making any changes, we will act reasonably.

18.1 Types of changes we can make

Acting reasonably, we can change or vary any term of this *credit contract*:

- (a) that deals with the pricing of your loan, such as your interest rate, repayments and credit fees and charges (but subject to any specific agreement such as a *fixed rate period*);
- (b) that deals with the day you make repayments or we debit interest to your *loan account*;
- (c) to accommodate a change in law or market practice;
- (d) to accommodate a change in technology or other ways of communication;
- (e) to accommodate a change in payment methods; or
- (f) to make any other reasonable change.

18.2 Exiting your *credit contract* because of a variation

If you are not satisfied with any change or variation to this *credit contract*, you may repay your loan in accordance with clause 10.

18.3 Notifying you of changes

We will give you:

- (a) not less than 30 days notice of a change to the manner in which interest is calculated or applied;
- (b) notice of a change to the interest rate(s) applicable to your loan not later than the day on which the change takes effect;

- (c) not less than 20 days notice of a change to the amount, frequency or due date of your repayments;
- (d) not less than 20 days notice of a change to the fees and charges payable; and
- (e) not less than 30 days notice of any other change we make to this *credit contract*.

We may give you a shorter notice period or no notice if the change is not adverse to you or reduces your obligations. We may also not give you notice of a change to the amount of your repayments if your repayments are determined by reference to a method of calculation.

If there is a change to, or introduction of, a government charge that you directly or indirectly pay in connection with your loan, we will notify you of this reasonably promptly after the government notifies us, unless the government itself publicises the introduction or change.

We will give you notice of any change to this *credit contract* either in writing (including by electronic means) or by advertisement in a major newspaper or by electronic means. If notified by newspaper, the change will also be confirmed in your next statement of account. Any variation will take effect from the date specified in the notice of change we give you.

19. Trusts

If you enter into this *credit contract* as trustee of a trust, this clause 19 applies.

19.1 Liability as trustee

If you are at any time trustee of any trust, you are liable under this *credit contract* in your own right and as trustee of the trust. Accordingly, we can recover against the trust assets as well as you.

19.2 Representations and warranties

You represent and warrant as trustee that:

- (a) the trust is properly constituted and is in existence at the date you sign this *credit contract* and you have given us a true and complete copy of the trust deed;
- (b) you have been validly appointed trustee and remain the sole trustee as at the date of this *credit contract*;
- (c) no date has been declared as the date on which the trust will be vested or come to an end;
- (d) you have the power, authorisation and legal entitlement under the trust deed to enter into and perform your obligations under this *credit contract* and any *security*;
- (e) it is in the best interests of the beneficiaries of the trust that you enter into this *credit contract* and any *security*;

- (f) you have complied with your trust obligations (as have any directors or officers if the trustee is a corporation);
- (g) our rights under this *credit contract* and any *security* have priority over the interest of the beneficiaries of the trust;
- (h) you are personally liable to us to the full extent of your obligations under this *credit contract* and any *security*; and
- (i) you have the full right to claim against the assets of the trust for all liabilities incurred by you under this *credit contract* and each *security* and those rights have not been and will not be changed or lost by entering into this *credit contract*.

19.3 Your promises as a trustee

You promise that you will:

- (a) tell us immediately if you stop being the trustee of the trust or the trust is terminated, vests, altered or ceases to exist;
- (b) promptly give us any information we require about the business or financial condition of the trust, including copies of up to date balance sheets and profit and loss statements;
- (c) not do anything which limits, prejudices or disposes of all, part of or an interest in your right to be indemnified from the trust; and
- (d) comply with all the terms of the trust deed.

An *event of default* occurs if there is a change of trustee, a termination of the trust, or any material change to the terms of the trust without our prior written consent (which will not be unreasonably withheld).

20. Notices

20.1 How we may give notices

Subject to any applicable laws, we may give you any notice, statement, demand, court document (including any collection notice, default notice, court originating process or other court document) or other document connected to this *credit contract* or any mortgage given under this *credit contract* by:

- (a) giving it to you personally;
- (b) leaving it at or posting it to your residential or business address last known to us;
- (c) electronic means to your electronic address last known to us; or
- (d) any other means permitted by law.

Subject to any applicable laws, you consent to any notice, statement, demand, court document or other document

connected to this *credit contract* or any mortgage given under this *credit contract* being given to you by electronic means, including any documents that would otherwise require personal service in accordance with the relevant court rules in force in the jurisdiction in which the *security property* is located.

20.2 Service of notices

Any notice, statement, demand, court document or other document given by us to you will be taken to have been served:

- (a) if posted, when it would have been delivered in the ordinary course of post; or
- (b) if sent electronically, on conclusion of transmission.

20.3 Notices signed by us

Any notice, statement, demand, court document or other document may be signed by any employee, solicitor or agent on our behalf.

20.4 Change of address

You must tell us as soon as you change your contact details, including any residential, postal, telephone or electronic address.

21. General provisions

21.1 Disclosures to guarantors

We may disclose the following documents to each *guarantor*:

- (a) a copy of any notice, including correspondence, to us or to you;
- (b) any credit report received in relation to you;
- (c) any financial statements you have given us;
- (d) any notice of demand, or information regarding a dishonour, on any loan with us;
- (e) information on any excess or overdrawing;
- (f) a copy of your statement of account; and
- (g) any other information about you and your *loan account* with us.

21.2 Anti-money laundering and counter-terrorism financing

You must not use your loan for the purposes of money laundering or terrorism financing. You indemnify us from and against any loss that we incur as a result of your breach of this obligation, except where such loss arises from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents or a receiver we appoint, or is otherwise recovered by us.

The *amount you owe us* may become payable if we reasonably believe that continuing with this *credit contract* would cause us to breach an applicable law or would represent an unacceptable level of risk for us because:

- (a) we reasonably believe that you have migrated to a country that we determine is 'high risk' given our obligations under anti-money laundering and counter-terrorism financing laws in respect of the services we provide;
- (b) you fail to provide any information or document to us that we have requested for the purpose of our compliance with applicable laws (including any details necessary for us to verify your nationality in accordance with anti-money laundering and counter-terrorism financing laws); or
- (c) we reasonably believe that you are 'high risk' given our obligations under anti-money laundering and counter-terrorism financing laws.

If any of the above events occur, we will endeavour to give you not less than 90 days notice to repay the *amount you owe us*.

We may delay, block, freeze or refuse a transaction from your *loan account* if we have reasonable grounds to believe that the transaction breaches Australian anti-money laundering and counter-terrorism financing laws, other laws or sanctions (or the law or sanctions of any other country). Where transactions are delayed, blocked, frozen or refused, we are not liable to any loss you suffer in connection with your use of your *loan account*.

21.3 Assignment

IMPORTANT: We may disclose information about you to any third party involved in an actual or proposed assignment, novation or dealing by us, and that disclosure may be in a form that may enable that third party to identify you.

We may at any time assign, novate or otherwise deal with our rights under this *credit contract*, any *security*, and any document or agreement entered into or provided under or in connection with this *credit contract* in any way we wish. You must sign anything and do anything we reasonably require to enable any dealing with this *credit contract*,

any *security*, and any document or agreement entered into or provided under or in connection with this *credit contract*. Any dealing with our rights does not change your obligations under this *credit contract* in any way.

You may not assign, novate or otherwise deal with your rights or obligations under this *credit contract*, any *security*, and any document or agreement entered into or provided under or in connection with this *credit contract*.

We may disclose information about you, this *credit contract* or any *security* to anybody involved in an actual or proposed assignment, novation or dealing by us with our rights under this *credit contract*.

21.4 Governing law

This *credit contract* is governed by the laws of the Australian state or territory in which the main *security property* (as determined by us) is located, or if there is no *security property*, in Tasmania.

If any borrower does not ordinarily reside in Australia, *credit contract* is governed by the laws of the Australian state or territory in which the main *security property* (as determined by us) is located.

You submit to the jurisdiction of the courts of the Australian state or territory whose laws apply to this *credit contract* and the proper jurisdiction of any other court.

21.5 Unenforceable provisions

If any provision of this *credit contract* is invalid or unenforceable in whole or in part, the affected provision will cease to have effect, but the rest of this *credit contract* will remain valid and enforceable, and we may by notice vary this *credit contract* so that the provision is no longer illegal.

21.6 Providing financial statements

Within 14 days of our request, you must provide to us any information we reasonably require relating to your business, assets and financial affairs. For example, if you are an individual, we may require a copy of your taxation return or an assets and liabilities statement. In relation to a company, we may require a balance sheet, a profit and loss statement, or both. We may require this information to be certified or audited.

21.7 Identity verification

At any time during the term of this *credit contract*, on request by us, you must provide us with any information and documents that we reasonably require to verify or re-verify your identity and the identity of any person you authorise to operate your *loan account*.

21.8 Application of consumer credit legislation

To the extent that the National Credit Code or other legislation applies to this *credit contract*, if:

- (a) that legislation would otherwise make a provision of this *credit contract* illegal, void or unenforceable; or
- (b) a provision of this *credit contract* would otherwise contravene a requirement of that legislation or impose an obligation or liability which is prohibited by that legislation,

this *credit contract* is to be read as if the provision were varied to the extent necessary to comply with the legislation or, if necessary, omitted.

21.9 Statements

We will give you a statement of account for your loan every 6 months or, if you have an overdraft account, at least

monthly or otherwise as required by law. We may also send you a statement to confirm any changes you request.

21.10 Valuations of the *security property*

We may obtain valuations or other reports concerning the *security property* whenever and as often as we decide (acting reasonably). You must assist this process by providing access to and information about the *security property* when reasonably requested by us.

Our processes in relation to external expert valuations will be fair and transparent. Our communication will be clear and we will explain the purpose of the valuation to you.

We accept no responsibility if you rely on these valuations. You should obtain your own valuations of the *security property*.

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

A trustee in bankruptcy or a liquidator or other person may ask us to refund a payment we have received in relation to your 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 except for the purpose of calculating interest payable by you.

21.12 Government charges and taxes

You must pay us any government duties, taxes, and other charges on receipts, debits or withdrawals that apply to your loan. This includes (but is not limited to):

- (a) stamp duty;
- (b) income tax payable by you (if the Commissioner of Taxation requires us to deduct this from your *loan account*);
- (c) withholding tax; and
- (d) goods and services tax (GST).

You must pay these duties, taxes and charges whether or not someone else is liable to pay them and whether or not the loan is made. We may debit these duties, taxes and charges to your *loan account* as and when they become payable. We do not need to tell you first.

If any payment to us is for a taxable supply for the purposes of GST or any similar tax, you must also pay to us an additional amount equal to the tax relating to that supply.

21.13 Owner occupation and leasing

If the purpose of the loan is for you to buy or build a home to live in, you must not lease the home without our prior written consent (which will not be unreasonably withheld).

21.14 If we are a trustee

If we are at any time trustee or custodian of any trust, our liability is limited to the assets of that trust which are available to us to satisfy that liability.

21.15 Third party systems

Our provision of services and finance is dependent on third party systems and financing. We will not be liable to you for any failure or delay in meeting our obligations to you to the extent they are beyond our reasonable control, including:

- (a) any disruption to financial markets;
- (b) delays or failures in third party payment and settlement systems; and
- (c) any disruption of the internet, interference from third parties over the internet, or in relation to third party IT systems and infrastructure.

22. Understanding this *credit contract*

22.1 Words with special meanings

In this *credit contract* (excluding Section 2 of these *Terms and Conditions*), words printed in italics are defined as follows:

amount of credit means the amount specified in your *loan agreement* as varied from time to time.

amount you owe us means the total amount outstanding from time to time in respect of all your loan accounts, including all accrued interest, fees and charges (including where applicable those that accrue on partial or total repayment), and includes any part of that amount.

break cost fee means the fee specified in your *loan agreement*.

building contract means the *building contract* you enter into with your builder, the cost of which is to be funded in whole or in part by your loan.

business day means any day other than a Saturday, Sunday or a public or bank holiday in Tasmania.

credit contract means the *credit contract* entered into by you and us that incorporates these *Terms and Conditions* and includes any variations of that contract. Your *loan agreement* and these *Terms and Conditions* together comprise your *credit contract*.

credit limit means the amount specified in your *loan agreement* as varied from time to time.

daily percentage rate means the annual percentage rate divided by 365 or, in a leap year, 366.

disclosure date means the date specified in your *loan agreement*.

event of default means any event described in clauses 17.3 and 17.4.

final repayment date means the first to occur of:

- (a) the date on which your *loan term* ends;
- (b) the date on which the final repayment is due as a result of your default;

- (c) the date on which you elect to repay the whole of the *amount you owe us*;
- (d) the date on which the whole of the *amount you owe us* becomes payable for some other reason; or
- (e) such other date that we agree with you.

fixed rate period means the period, if any, specified in your *loan agreement*.

guarantor means any person who at any time guarantees to us the payment of all or any part of the *amount you owe us*, and includes any *guarantor* specified in your *loan agreement*.

loan account means the account we open for the purposes of this *credit contract*.

loan account balance means the balance of your *loan account* at any time, being the difference between all amounts credited and all amounts debited to your *loan account* (excluding any uncleared funds).

loan agreement means the *loan agreement* that contains the Financial Table and forms part of this *credit contract*.

loan term means the period specified in your *loan agreement*.

other agreement means any *other agreement* or arrangement under which we provide financial accommodation to you or any *guarantor* at any time.

PPS Act means the *Personal Property Securities Act 2009* (Cth).

security means the *security* specified in your *loan agreement* and any other *security* from time to time given to secure your obligations under this *credit contract*, and includes any mortgage, guarantee or other type of *security* interest.

security property means any property subject to the *security*, and includes any improvements, attachments or contracts relating to that property and any part of that property.

settlement date means the date we first advance funds to you.

small business has the meaning applied in the Customer Owned Banking Code of Practice at the date of your *credit contract*.

Terms and Conditions means this Consumer Standard *Terms and Conditions* booklet.

we, us and *our* means Bank of us, a trading name of B&E Ltd (A.C.N. 087 652 088 and Australian Credit Licence 236870), the credit provider under this *credit contract*.

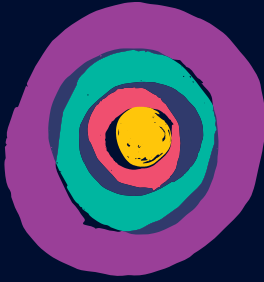
you means the borrower(s) specified in your *loan agreement*.

22.2 General interpretation

In this *credit contract*, a reference to:

- (a) a person or to a party to this *credit contract* includes their successors and assigns;
- (b) the singular includes the plural and vice versa;
- (c) a document includes any variation or replacement of it; and
- (d) a person includes any other entity recognised by law.





Bank of us.

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