

Important Information about Personal Loans

- Credit Guide
- Terms and Conditions for Personal Loans
- Information Statement

Dated: 6 June 2024

Credit Guide

This document provides information about the loans provided by us. We are licensed to provide loans under the National Consumer Credit Protection Act 2009 (**NCCP Act**).

Key information

Our full name	Newcastle Permanent, part of Newcastle Greater Mutual Group Ltd ACN 087 651 992 Australian credit licence/Australian Financial Services Licence 238273.
Address	Our mailing address is: Newcastle Permanent PO Box 5001 HUNTER REGION MC NSW 2310
Phone	13 19 87 (open Monday to Friday 8am to 6pm and weekends, 9am to 2pm), +61 2 4907 6501 (from overseas)
Email	enquiries@newcastlepermanent.com.au
Internal Complaints Officer contact details	Our Complaints Officer can be contacted by phone, at a branch, via email or by post using the contact details in this table.
External Dispute Resolution Scheme contact details	AFCA (Australian Financial Complaints Authority) can be contacted by: Website: afca.org.au Email: info@afca.org.au Telephone: 1800 931 678 (free call) Post: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001 If an issue has not been resolved to your satisfaction by us first, you can lodge a complaint with AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

We will need information from you.

Under the NCCP Act, we are obliged to ensure that any loan or principal increase to a loan we arrange for you is not unsuitable. To decide this, we may need to ask you some questions in order to assess whether the loan is not unsuitable. The law requires us to:

- make reasonable inquiries about your requirements and objectives;
- make reasonable inquiries about your financial situation; and
- take reasonable steps to verify that financial situation.

Credit will be unsuitable if at the time of the assessment, it is likely that at the time the loan is made:

- you could not pay or could only pay with substantial hardship;
- the credit will not meet your requirements and objectives.

For example, if you can only repay by selling your principal place of residence, it is presumed that the loan will cause substantial hardship unless the contrary is proved. For this reason, we must ask you to provide a significant amount of information. It is therefore very important that the information you provide to us is accurate.

If you decide to proceed with the loan or accept the increased loan amount you can ask us to provide you with a written copy of our assessment, free of charge.

If you ask us for our assessment before we agree to provide you with the loan or increase your loan amount, then we must give you that assessment before we provide the loan or increase your loan amount.

If you ask for that assessment after we agree to provide you with the loan or increase your loan amount, provided that you ask within seven years of the date of the loan or the increase, then we must give you that assessment within:

- 7 business days after the request (provided the request was within 2 years of agreeing to provide you with the loan or increasing your loan amount); or
- 21 business days after the request (if the request was after 2 years of agreeing to provide you with the loan or increasing your loan amount).

If we arrange a loan for you to purchase or refinance real estate, remember you must make your own enquiries about the value of the real estate and its potential for future growth. Although we may obtain a valuation, that is for our own purpose and you should not rely on it.

Our internal dispute resolution scheme

We hope you are delighted with our services, but if you have any complaints, you should notify us by contacting our Complaints Officer by:

- calling us on 13 19 87
- visiting one of our branches
- e-mailing enquiries@newcastlepermanent.com.au
- writing to our Complaints Officer at our mailing address (see above)

You should explain the details of your complaint as clearly as you can. You may do this verbally or in writing. When we receive a complaint, we will attempt to resolve it promptly. We hope that in this way we will stop any unnecessary and inappropriate escalation of minor complaints.

Our external dispute resolution scheme

If we do not reach an agreement on your complaint, you may refer the complaint to an ASIC Approved External Dispute Resolution (**EDR**) Scheme. Our external dispute resolution provider is specified above. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. You can obtain further details about our dispute resolution procedures and obtain details of our privacy policy on request.

Things you should know

We do not make any promises about the value of any property you finance with us or its future prospects. You should always rely on your own enquiries.

We do not provide legal or financial advice. It is important you understand your legal obligations under the loan, and the financial consequences. If you have any doubts, you should obtain independent legal and financial advice before you enter any *loan contract*.

Questions?

If you have any questions about this Credit Guide or anything else about our services, just ask at any time. We are here to help you.

Terms and Conditions for Personal Loans

Newcastle Permanent, part of Newcastle Greater Mutual Group Ltd ACN 087 651 992
Australian credit licence/Australian Financial Services Licence 238273

About this document and your agreement with us

This document sets out terms that apply to your loan. These Terms and Conditions do not contain all the terms of your contract or all the precontractual information required to be given to you. As shown below, you will also need to read other documents that make up your *loan contract* to understand all the terms that apply to your loan.

Your *loan contract* with us consists of:

- the Personal Loan Schedule; and
- these Terms and Conditions (this document).

The Personal Loan Schedule is referred to in this document as the “*schedule*”.

The documents listed above must be read together as they form the agreement between us and you. This is the *loan contract*.

If there is any inconsistency between the *schedule* and these Terms and Conditions, the *schedule* prevails to the extent of the inconsistency.

If there is any inconsistency between the *schedule*, these Terms and Conditions and/or the Account Access Terms and Conditions, the *schedule* and these Terms and Conditions prevail to the extent of the inconsistency, unless the inconsistency relates to an access method, in which case the Account Access Terms and Conditions prevail to the extent of the inconsistency.

The provisions of the Customer Owned Banking Code of Practice may apply to this contract.

While we strive to get things right, sometimes we may get can get things wrong. If you think this has happened, please let us know so we can make things right.

How to contact us

You can contact us using any of the following methods:

Internet Banking/mobile app: log in and send us a secure message

Phone: 13 19 87. From overseas +61 2 4907 6501

Post: PO Box 5001 Hunter Region MC NSW 2310

In person: visit newcastlepermanent.com.au/locate-us to locate your nearest branch

Email: enquiries@newcastlepermanent.com.au

Or visit the website: newcastlepermanent.com.au/contact-us

You can also find out general information about our products and services by visiting our website at newcastlepermanent.com.au.

Key words

The meaning of words printed *like this* and some other common key words is explained at the end of these Terms and Conditions.

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Personal Loan Terms and Conditions

1. What we lend and when

- 1.1 We agree to lend you the *amount of credit*. The *amount of credit* will be paid in accordance with your *schedule*.
- 1.2 We can debit amounts we lend you to your *loan account* (so that you pay interest charges on the amount) from the day we lend you the amount (if we pay you the amount by posting a cheque, this is the day we post the cheque).
- 1.3 We will only lend the *amount of credit* (or any part of it) when we are satisfied that the following conditions have been met:
- (a) you have paid all amounts required to be paid as outlined in the *schedule*;
 - (b) you have provided us with a direct debit request signed by you;
 - (c) we are satisfied as to the title of any *security*, and that any charges, including land tax, council rates and water rates or fees, in relation to each *security* have been paid and are up to date;
 - (d) we have received every document relevant to a *security* and each document has been completed to our satisfaction and is acceptable to us (acting reasonably);
 - (e) we have received any report, consent, valuation, certificate, approval, information, or any other document that we reasonably require (in a form satisfactory to us) and it is acceptable to us (acting reasonably);
 - (f) we have received a copy of the relevant insurance policy over any *security*, with our interest as mortgagee noted, and it is acceptable to us (acting reasonably);
 - (g) we are satisfied with the results of all searches and enquiries we and our consultants have done in connection with you, any *security* and any works;
 - (h) all information we have been given (including each declaration given) is correct, complete and not misleading;
 - (i) we have received a certificate of independent advice from a solicitor or financial advisor (or both) for you and each *security provider* in a form satisfactory to us if we require it;
 - (j) if the loan will be secured by a guarantee and indemnity, you have provided us with a guarantee and indemnity signed by each relevant *security provider*;
 - (k) a *security* has not been withdrawn;
 - (l) neither you nor any *security provider* has died or been imprisoned;
 - (m) there has been no material change to the financial situation of you or a *security provider* that would impact our credit assessment;
 - (n) there has been no material change to any *security* and no *security* has been withdrawn;

- (o) you are not in default under this contract;
- (p) nothing else has occurred which in our reasonable opinion would make it undesirable to make a loan to you; and
- (q) if you or a *security provider* enter your *loan contract* or a *security* as a trustee, we have received:
 - i. a legal opinion stating that the trustee's obligations are valid and enforceable, and that the *security* is valid and enforceable against the trust assets; and
 - ii. a copy of the signed and stamped trust deed containing all the terms of the trust certified by the trustee (or, if the trustee is a company, a director or secretary of the trustee) as being true and up-to-date, which are satisfactory to us.

- 1.4 If you do not borrow the *amount of credit* within 14 days of the *disclosure date* (or any longer period we consent to) we may terminate your *loan contract*.
- 1.5 Unless we have agreed otherwise, we will make the full *amount of credit* available to you in a single drawdown.
- 1.6 If your *loan contract* is terminated, we will keep any fees and charges you have paid us under your *loan contract* and we may charge you any fees and charges equal to any expenses we have incurred with third parties, and our reasonable average *costs* incurred in reviewing your loan application, and in connection with this agreement and any *security*.

2. Joint accounts

- 2.1 If there are two or more borrowers, each of you is individually liable, and all of you are jointly liable. This means that 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 transaction 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.

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

Despite this clause, we will comply with any request by any one of you:

- (a) that all borrowers be required to approve any future withdrawals; or
- (b) 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.

- 2.2 If a loan is held by one or more people and one of you dies, the estate of that deceased *person* remains jointly and severally liable for the *total amount owing*. If you die, we may require the *total amount owing* to be paid in full. If one of you dies or is released for any reason, we may allow the remaining holder(s) of the loan to continue as the holder(s) of the loan. If we do not agree to the remaining holders of the loan continuing as the holder(s) of the loan, we may

require repayment of the *total amount owing* even if further advances have been made after the death or release of one borrower. If any guarantor of your loan dies at any time, we may require repayment of the *total amount owing* even though further advances have been made after the death of the guarantor.

3 Interest charges

- 3.1 On or before the day we lend you the *amount of credit*, we will establish a *loan account* in your name. The *loan account* will record all amounts you owe us in respect of your loan, and all other transactions in connection with your loan.
- 3.2 You authorise us to debit your *loan account* at any time with any amounts that become payable in respect of your loan. We do not need to ask you first.
- 3.3 Interest for each day is calculated at the daily percentage rate on the *balance owing* at the end of that day. The daily percentage rate is the *annual percentage rate* divided by 365 (including in a leap year).
- 3.4 Interest begins accruing on the day we make the *amount of credit* available to you. Interest is debited monthly in arrears on the last day of each month, starting on the last day of the month in which the *settlement date* occurs, as well as on the day you repay the *loan contract*.

4. What you must pay and when

- 4.1 You must repay us all amounts you borrow from us and you must pay us interest charges (see clause 3), any enforcement expenses (see clause 17), all fees and charges in the circumstances indicated in the *schedule* (see clause 18) and any other *total amount owing*.
- 4.2 The repayments set out in the *schedule* assume that payments will be made on time, that the *annual percentage rate(s)* and fees and charges will not change after the *disclosure date* and that the *settlement date* is the last day of a month.
- 4.3 We calculate the repayment amounts so that during the period they are payable, the *balance owing* on your *loan account* at the start of the period and all of the below are repaid during the period:
 - (a) interest charges
 - (b) any administration fee
 - (c) fees, charges and other amounts we notify you become payable.Repayment amounts are rounded up to the nearest dollar and then one dollar is added.
- 4.4 If amounts are debited or credited to your *loan account* that have not been taken into account in our calculation of your repayment amount, we can reflect this by either changing your repayment amount or the *loan term*. If we change your repayment amount or your *loan term*, we notify you in writing.
- 4.5 The part of each repayment which repays the *balance owing* on your *loan account* at the start of the period gradually increases throughout the period. Repayments are equal as

long as there are no changes to the interest rate, any fees or charges or other amount we will notify you as being included in the repayment amount. However, the last repayment may be different as it equals the *total amount owing* on the last day of the *loan term*.

- 4.6 You can also ask us in writing to change your repayment amount. We don't have to agree but, if we do, we will notify you in writing of your new repayment amount and any changes to the *loan term* that result from it.
- 4.7 We can apply any payment or other credit to any part of the amount you owe us in any order we determine.
- 4.8 If you have more than one account with us, and you make a payment without telling us in writing how the payment is to be applied, we can apply it to any one or more of the accounts in any way we consider reasonable.
- 4.9 You must make all payments and pay all credit fees and charges that are payable under your *loan contract*. In addition, on the final repayment date, you must pay us the *balance owing*.
- 4.10 Payments will be credited to your *loan account* only when they are actually received by us. All payments must be made in full when they are due, without setting off or deducting any amounts you believe we owe you, and without counterclaiming any amounts from us.
- 4.11 Payments are to be made by direct debit or by any other reasonable method we direct (if required). If we require, you must sign a direct debit authority to authorise us to debit one of your bank accounts for payments due under your *loan contract* and you must keep that account open. You authorise us to use that direct debit authority for payment of any amounts due under your *loan contract*. If an attempted direct debit fails, we may make reasonable further attempts to direct debit your account until the direct debit is successful.
- 4.12 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.
- 4.13 If any payment is due on a day that is the 29th, 30th or 31st of a month with no such date, the payment is due on the last day of that month. If you pay by direct debit, your direct debit may be processed a day early to ensure that you pay on time.
- 4.14 If any payment to us is dishonoured, the payment will be treated as not having been made, and interest will continue to accrue on the unpaid daily balance until actual payment is received by us.

5. Combination of accounts

- 5.1 We have the right to combine your accounts or exercise our right of set-off with respect to your accounts. For example, we may do this if one account is in credit and another is overdrawn, even if the accounts are at different locations, or managed under different brands (such as Greater Bank).
- 5.2 We will notify you if we have exercised our right to combine accounts.
- 5.3 While we have this right, you cannot presume that we will combine an overdrawn account with an account which is in credit and this right does not negate your obligation to make repayments required under this *loan contract*.

6. Prepayments

- 6.1 You may prepay any part of the *total amount owing* at any time.
- 6.2 If you make any advance payments, your future repayment amount may not decrease, and you must continue to make repayments in accordance with the *schedule*. Any advance payments will be applied to the *total amount owing* and may reduce the term of your loan.
- 6.3 Once you prepay an amount you may not redraw or re-borrow it again.

7. Access methods

- 7.1 Your *schedule* will set out what payment facilities are available to you to operate your loan and will also detail all applicable fees. The terms and conditions governing payment facilities (including definitions) are set out in the Account Access Terms and Conditions.

8. Changes we can make to your loan contract

IMPORTANT: We can make changes to your *loan contract* at any time (except interest rate changes during a fixed rate period). In making any changes, we will act reasonably. We will endeavour to give you reasonable notice of changes, but we reserve the right to make immediate changes to variable interest rates.

- 8.1 Acting reasonably, we can change or vary any term of your *loan 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.
- 8.2 If you are not satisfied with any change or variation to your *loan contract*, you may repay your loan.
- 8.3 We will give you:
 - (a) at least 20 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) at least 20 days notice of a change to the amount or frequency of your repayments;

- (d) at least 20 days notice of a change to the fees and charges payable;
- (e) notice of a change to any government charge or tax reasonably promptly after the government notifies us (unless the government itself publicises the information); and
- (f) at least 20 days notice of any other change we make to your facility agreement that we do not consider to be materially adverse to you.

- 8.4 We may give you a shorter notice period, or no notice if:
 - (a) we are permitted to do so by law or any other code to which we subscribe;
 - (b) we consider the changes to reduce your obligations; or
 - (c) we reasonably consider that the changes are not materially adverse to you.

We will give you notice either in writing (including by electronic means), by publishing a notice in a major newspaper, by publishing a notice that is accessible to you and reasonably prominent, or in any other way permitted by law. Any variation will take effect from the date specified in the notice of change we give you.

9. Providing information to us

- 9.1 You must promptly (and in any event within 21 days) supply us with any information or documents that we ask for, acting reasonably, about your financial circumstances, the financial circumstances of any guarantor, or any other relevant matter.
- 9.2 You must contact us if you change your residential or postal address.

10. Declarations

- 10.1 Before we lend you any *amount of credit*, you declare that:
 - (a) you are not an undischarged bankrupt or *insolvent* and have neither assigned your estate nor entered into any arrangement or composition for the benefit of creditors;
 - (b) no *security provider* is an undischarged bankrupt or *insolvent* and no *security provider* has either assigned the *security provider's* estate or entered into any arrangement or composition for the benefit of creditors;
 - (c) you do not enter, and no *security provider* enters, this *loan contract* or a *security* as a trustee;
 - (d) you are not in default under any arrangement (including an agreement) which could have a material adverse effect on your ability to perform your obligations under this *loan contract* or a *security*; and
 - (e) no *security provider* is in default under any arrangement (including an agreement) which could have a material adverse effect on the *security provider's* ability to perform obligations under any *security*.
- 10.2 You must tell us if anything has happened which prevents you repeating all the declarations in clause 10.1 before you ask us at any time to lend you any of the *amount of credit*.

11. Consequences of breach of any term

11.1 If:

- (a) you breach any term of your *loan contract* or any other agreement with us (including an agreement with any of our other brands such as Greater Bank); or
- (b) any *security interest* or guarantee is terminated or is of reduced force and effect,

then:

- (c) we will not be obliged to lend you any more money; and
- (d) we may rectify the breach by performing your obligations under your *loan contract* or any other agreement.

IMPORTANT: The events that 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.

12. Monetary events of default

12.1 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 your *loan contract* or any other agreement with us (including an agreement with any of our other brands such as Greater Bank) 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.

13. Non-monetary events of default

13.1 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:
 - (i) you become bankrupt;
 - (ii) you are unable to pay your debts as they fall due; or
 - (iii) you make any arrangement with your creditors;
- (b) if you or a *security provider* is a company, the company is *insolvent*;
- (c) you or a *security provider* no longer has legal capacity;
- (d) enforcement proceedings are taken against you or a *security provider*, or your or their assets, by another creditor;
- (e) early repayment is required under any other agreement with us, or default-based action is taken against you or a *security provider* by us under any other agreement, in each case due to a non-monetary *event of default* of the kind described in this clause 13;

- (f) we reasonably believe that you or a *security provider* has not complied with the law or any requirement of any competent authority, and such non-compliance has or may have a material adverse effect on the assets of you or a *security provider* or any business conducted by you or a *security provider*;
- (g) it becomes unlawful for you or us to continue with your *loan contract* or any other agreement;
- (h) you or a *security provider* 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 *security provider* are dealt with, or attempted to be dealt with, in breach of the terms of your *loan contract* or any other agreement without our prior written consent (which will not be unreasonably withheld), including:
 - (i) any of the *security* 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;
 - (ii) any of the *security* becomes subject to a mortgage or charge without our prior written consent, which will not be unreasonably withheld; or
 - (iii) the amount secured by any mortgage or charge over the *security* is increased without our prior written consent, which will not be unreasonably withheld;
- (l) you or a *security provider* does not provide financial information required by us in connection with your loan;
- (m) you or a *security provider* does not maintain a licence or permit necessary to conduct any business conducted by you or a *security provider*;
- (n) you or a *security provider* does not maintain insurance required by us in connection with your loan;
- (o) without our prior written consent (which will not be unreasonably withheld), the legal or beneficial ownership, or management control, of you or a *security provider*, or your or their business, changes;
- (p) without our prior written consent (which will not be unreasonably withheld), the status, capacity or composition of you or a *security provider* changes, including:
 - (i) you or a *security provider* 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
 - (ii) if you or a *security provider* is an individual, you or a *security provider* is sentenced to prison for a term of longer than 12 months;

- (q) the *security* is:
 - (i) materially damaged, destroyed or demolished, and we consider in our reasonable opinion that the *security* cannot be expected to be reinstated within a reasonable time and without material loss of any material income from the *security*; or
 - (ii) taken out of your control;
- (r) there is a material reduction in the value of the *security*;
- (s) any repairs necessary to keep the *security* in good repair are not made in a timely fashion;
- (t) any amount required to be paid in connection with the *security* (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 agreed in writing by you to be an *event of default* for the purposes of your *loan contract* occurs.

14. Notification of an event of default

- 14.1 Without limiting our rights under your *loan contract* in any way, you must promptly notify us in writing if any *event of default* occurs that you are aware of.

15. What we can do if an event of default occurs

- 15.1 Subject to this clause 15 and clause 16, at any time after an *event of default* occurs, so long as the *event of default* is existing at the time, we can take one or more of the following actions:
- (a) demand and require immediate payment of any money due under your *loan contract*;
 - (b) require payment of the *total amount owing*;
 - (c) we may rectify the *event of default* by performing your obligations under your *loan contract* or any other agreement; and
 - (d) exercise any right or power conferred by law, your *loan contract* or any *security*, including taking possession of and selling any *security*.
- 15.2 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 *security provider* 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 13(f), 13(g), 13(h) or 13(i) occurs.
- 15.3 We will not:
- (a) require you to repay the *total amount owing*;

- (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.

- 15.4 If any *event of default* is remediable, and you remedy that *event of default* within 30 days, we may take any action specified in clauses 15.3(a), 15.3(b) or 15.3(c) if an *event of default* of the same type has arisen during that period.
- 15.5 We do not need to give you notice to repay an overdraft or on-demand facility.
- 15.6 If your loan is not regulated by the *National Credit Code*, 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 the *mortgaged property* or any *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*.
- 15.7 If your loan is regulated by the *National Credit Code*, we do not need to give you a default notice or wait 30 days before commencing enforcement action if:
- (a) we reasonably believe that we were induced by fraud by you or a *security provider* to enter into your *loan contract*;
 - (b) we have made reasonable attempts to locate you or a *security provider* but without success;
 - (c) a court authorises us to begin enforcement proceedings; or
 - (d) we reasonably believe that you or a *security provider* has removed or disposed of any *mortgaged goods* (or intends to remove or dispose of any *mortgaged goods*), or that urgent action is necessary to protect any *mortgaged goods*.
- 15.8 We can take action even if we do not do so promptly after the *event of default* occurs. We do not lose any rights or forgive any *event of default* unless we do so in writing.
- 15.9 We can exercise these rights with or without taking possession of any *mortgaged 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.
- 15.10 Our rights and remedies under your *loan contract* may be exercised by any of our employees or any other *person* we authorise.
- 15.11 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.

16. When we can take action if you are a *small business*

- 16.1 Despite anything else in your *loan contract*, if you are a *small business*, and an *event of default* occurs, we will not:
- (a) require you to repay the secured money; or
 - (b) take enforcement action against you; or
 - (c) enforce any *security interest* 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 in clause 16.2; and
 - (e) if the *event of default* is remediable, you have not remedied that *event of default* within the notice period specified in clause 16.2.
- 16.2 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 13(a), 13(c), 13(d), 13(e), 13(f), 13(g) or 13(j);
 - (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* that is remediable, other than an *event of default* under clauses 13(a), 13(c), 13(d), 13(e), 13(f), 13(g) or 13(j).

17. 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 the *security*, collection expenses, and any other internal or external *costs* we incur as a result of your default.

- 17.1 Enforcement expenses may become payable under your *loan contract* and any *security* if you breach your *loan contract* or if 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* on 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.
- 17.2 If your loan is regulated by the *National Credit Code* or similar laws, enforcement expenses payable by you will not exceed our reasonable enforcement *costs* (including internal *costs*).
- 17.3 Enforcement expenses include the expenses we incur in preserving, maintaining or selling the *security* (including insurance, rates and taxes payable in respect of the *security*), collection expenses, expenses resulting from dishonour of a payment, and any internal or external *costs* we incur as a result of you breaching your *loan contract* 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).

- 17.4 You indemnify us from and against any expense, loss, loss of profit, damage or liability that we incur as a consequence of a breach of your *loan 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, or is otherwise recovered by us.

18. Other costs and charges

- 18.1 You must pay us:
- (a) all fees and charges in the circumstances indicated in the *schedule* and all new fees and charges we impose under clause 8.1(a) and;
 - (b) when we ask, any expenses we reasonably incur in enforcing this *loan contract* or a *security* after you are in default (including in the case of a mortgage, valuing the property and expenses incurred in preserving and maintaining property such as by paying insurance, rates and taxes for the property).
- 18.2 You authorise us to debit any of these amounts to your *loan account*. We may do so on or after the date we pay them or the date they become due or payable by you or us (whichever is earlier).

19. Security – set-off and other rights over deposit

- 19.1 This clause 19 applies if the *schedule* indicates we are to have set-off and other rights over *deposit*.
- 19.2 This clause 19 sets out the terms on which we will repay the *deposits*. The *deposits* comprise the balance at any time standing to the credit of each of the accounts described in the *schedule* under “*Security*”.
- 19.3 We will repay the *deposits*:
- (a) when there is no *total amount owing*;
 - (b) when we are satisfied that we will not be asked to refund any money to a trustee in bankruptcy, a liquidator or any other *person*; and
 - (c) otherwise in accordance with the terms applying to each *deposit*.
- We are under no obligation to repay the whole or any part of a *deposit* earlier than this.
- 19.4 Your right to receive interest on any *deposit* in accordance with the terms applying to it is not affected by this clause 19. If we ask interest which accrues on any *deposit* is to be added to the balance of the *deposit* when the interest becomes due for payment. The interest then becomes part of the *deposit* and you are only entitled to receive it when we repay the *deposit* under clause 19.3.
- 19.5 Subject to complying with clauses 15 and 16, we may set off any amount we owe you in connection with the *deposits* against all or any of the *total amount owing*. We may do this whether or not a *deposit* has matured. If a *deposit* has not

matured at the time we set off any amount, we will pay any interest on the amount set-off only until the date of set-off.

- 19.6 You declare that you hold and will continue to hold the *deposits*:
- (a) as beneficial owner, free of any interest of a third party including any *security interest*; and
 - (b) in the same capacity as you have entered or will enter into this *loan contract*.

20. Security – goods mortgage

- 20.1 This clause 20 applies if the *schedule* indicates we are to have a *goods mortgage*.
- By giving this mortgage you undertake certain obligations. You also give us rights concerning you and the *goods* - for example, if you do not comply with your obligations, in certain circumstances we may take possession of the *goods*, sell them and sue you for any remaining money you owe us.
- 20.2 You declare that you beneficially own the *goods* (or are in the process of becoming the beneficial owner), that there are no existing or proposed *security interests* (other than this one) affecting the *goods* and that all the information you have given in connection with this *loan contract* (including this mortgage) is correct and not misleading.
- 20.3 For the purpose of securing to us payment of the *total amount owing* and any other money now or at any time in the future due to us under this *loan contract*, you as beneficial owner hereby assign the *goods* to us by way of legal mortgage and grant us a *security interest* over the *goods* and any insurance policy with respect to the *goods* (including any money received from any insurance claim over the *goods* or received from an insurer following cancellation of a policy). The *security* given with respect to the *goods* includes any repairs, replacement parts, additions, or alterations made to the *goods*.
- 20.4 If you do not already legally own the *goods*, you must do everything necessary to become the legal owner as soon as possible after the date of this *loan contract*. You also agree that as soon as you own the *goods*, this mortgage takes effect immediately when the first of the following events happens:
- (a) you behave in a way which acknowledges this mortgage;
 - (b) you use the *goods*;
 - (c) the *goods* are delivered or invoiced to you;
 - (d) you take possession of the *goods*; or
 - (e) you act as owner of the *goods*.
- 20.5 Even though you have mortgaged the *goods* to us, you may keep possession of them subject to this mortgage.
- 20.6 See clause 21 for other provisions that also apply to this mortgage.

21. Security – general

Looking after the mortgaged property and other obligations

- 21.1 You must:
- (a) keep the *mortgaged property* in good condition and correct any serious defect promptly;
 - (b) not do anything that is likely to materially lower the market value of the *mortgaged property*;
 - (c) tell us if the *mortgaged property* is stolen, lost, seriously damaged or materially defective;
 - (d) pay on time all money payable to any *person* in connection with the *mortgaged property* (including registration fees);
 - (e) keep any motor vehicle which is part of the *mortgaged property* registered;
 - (f) comply with all laws and requirements of authorities and your other obligations in connection with the *mortgaged property*;
 - (g) deliver the *mortgaged property* to us if we are entitled to take possession of it; and
 - (h) ensure that you are not in default under this *loan contract*.

Insurance

- 21.2 You must maintain insurance over the *mortgaged property* against fire, theft, accident and any other risk we reasonably require in connection with the *mortgaged property*. If the *mortgaged property* is a vehicle, you must also maintain compulsory third party insurance. However, if the *mortgaged property* is vacant land, we do not require you to insure the vacant land.
- 21.3 In each case, you must ensure that our interest as mortgagee is noted in the insurance policy, and you must provide us with evidence of the policy when we ask.
- 21.4 You must ensure that the insurance cover is not reduced or cancelled and must notify us if it is or could be.

Insurance claims

- 21.5 You must do your best to ensure that proceeds from an insurance claim, are:
- (a) used to replace or repair the *mortgaged property*; or
 - (b) paid to us as we direct.
- 21.6 If there is total loss (meaning damage to the *mortgaged property* is such that we or the insurer consider that the *mortgaged property* cannot be repaired), you must pay to us the total amount you owe us less any money we have received from insurance.

Dealing with the mortgaged property

- 21.7 Without our prior written consent (which will not be unreasonably withheld), you must not:

- (a) sell or part with possession of the *mortgaged property*;
- (b) create another *security interest* other than a *permitted security interest* over the *mortgaged property* or allow one to arise (including a lien for repairs or storage);
- (c) change the usual location of the *mortgaged property* or allow the *mortgaged property* to be taken outside Australia;
- (d) alter any identifying marks such as a serial number; or
- (e) deal in any other way with the *mortgaged property*, any mortgage you grant us or any interest in them.

Administrative matters

- 21.8 We may apply for any registration, or give any notification, in connection with a *security interest* created under any mortgage you grant us.
- 21.9 You must promptly do anything we reasonably ask (such as signing and producing documents, supplying information and getting documents completed and signed) for the purposes of:
- (a) providing more effective *security* over the *mortgaged property* for the payment of the *total amount owing* (including by signing a registrable mortgage over the property referred to in clause 20);
 - (b) enabling us to apply for any registration, or give any notification, in connection with a *security interest* created under any mortgage so that the *security interest* has the agreed priority (and, if required, to renew the registration);
 - (c) enabling us to exercise our rights in connection with the *mortgaged property* (including the right to take possession of it);
 - (d) binding you and any other *person* intended to be bound under any mortgage of the *mortgaged property* or other *security*;
 - (e) enabling us to register the power of attorney in this *loan contract* or a similar power;
 - (f) enabling us (including our agents) to inspect the *mortgaged property*; or
 - (g) showing whether you are complying with any mortgage you grant us.

Power of attorney

- 21.10 You appoint us, our authorised employees, agents we appoint, and any receiver we appoint under a mortgage you grant us, separately as your attorney. If we ask, you must formally approve anything they do under this power. You may not revoke these appointments.
- 21.11 If you are in default or we have served a notice stating that you are in default and the default has not been cured, each attorney may:
- (a) do anything referable to the *mortgaged property* or the *security* which you can do as owner of the *mortgaged property* (including selling or leasing or otherwise dealing with the *mortgaged property* and starting, conducting and defending legal proceedings in your name); and

- (b) delegate their powers (including this power) and revoke a delegation; and
- (c) exercise their powers even if this involves a conflict of duty or they have a personal interest in doing so.

22. PPSA provisions

22.1 Application of this clause

- (a) This clause only applies if you at any time give us *security* over personal property as defined in the *PPSA*.
- (b) The provisions of clauses 22.2 and 22.3 do not apply to any *mortgaged property* used predominantly for personal, domestic, or household purposes.
- (c) You acknowledge that we will have a *security interest* under the *PPSA* in respect of the *mortgaged property* and you authorise us to register one or more *security interests* under the *PPSA* in respect of this document.

22.2 PPSA notices

You waive your right to receive notices of:

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

22.3 PPSA rights

You waive your right:

- (a) to redeem the *Security* under section 142 of the *PPSA*; and
- (b) to reinstate this *loan contract* under section 143 of the *PPSA*.

22.4 Notice of verification statement

You waive your right to receive a notice of a verification statement under section 157 of the *PPSA* in respect of commercial property (as defined in the *PPSA*).

22.5 Powers

- (a) The rights and powers conferred on us by this document or the law are in addition to any rights and powers conferred by the *PPSA*.
- (b) For the avoidance of doubt, in addition to the powers under section 125 of the *PPSA*, we may take any action after default authorised by this document or the law, including delaying any disposal, leasing or action to retain any of the *mortgaged property*.

23. General matters

Membership

23.1 You must be a member of us to take up our products and services. If you are not already a member of us, by accepting this offer, you apply to become a member.

Statements

23.2 We give you a statement for your *loan account* every 6 months, or more often than that if required by law (unless the law does not say we have to).

Assignment

23.3 We may at any time assign, novate or otherwise deal with our rights and obligations under your *loan contract*, any *security*, and any document or agreement entered into or provided under or in connection with your *loan contract* in any way we wish. You must sign anything and do anything we reasonably require to enable any dealing with your *loan contract*, any *security*, and any document or agreement entered into or provided under or in connection with your *loan contract*. Any dealing with our rights does not change your obligations under your *loan contract* in any way.

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

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

Valuations

23.6 We may obtain valuations or other reports concerning the *security*, acting reasonably. You must assist this process by providing access to and information about the *security* when requested by us.

23.7 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.

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

Blanks

23.9 You agree that we may fill in any blanks in any document related to this *loan contract* as necessary to ensure all details are included such as *security* identification numbers. We will not fill in blanks in a way that would change the substance of what you and we have agreed .

Notices, other communications and/serving documents

23.10 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 your *loan contract* or any mortgage given under your *loan 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.

23.11 Subject to any applicable laws, you consent to any notice, statement, demand, court document or other document connected to your *loan contract*, or any mortgage given under your *loan 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* is located.

23.12 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; and
- (b) if sent electronically, on conclusion of transmission.

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

Severability

23.14 If any provision of your *loan contract* is illegal or becomes illegal at any time, the affected provision will cease to have effect, but the balance of your *loan contract* will remain in full force and effect, and we may by notice vary your *loan contract* so that the provision is no longer illegal.

If you are a trustee

23.15 If you are at any time a trustee of any trust, you are liable under your *loan contract* in your own right and as trustee of the trust. Accordingly, we can recover against the trust assets as well as against you. 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. You must comply with your obligations as trustee of the trust.

If there is a trustee in bankruptcy or liquidator

23.16 If a trustee in bankruptcy or liquidator is appointed to you, they may ask us to refund a payment we have received in relation to your loan. To the extent we are obliged to or 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.

Third party systems

23.17 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 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.

Government charges and GST

23.18 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).

23.19 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.

23.20 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.

Disclosures to *security providers*

23.21 We may disclose the following documents to each *security provider*:

- (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 or document relating to you and your accounts with us.

Anti-money laundering and counter-terrorism financing

23.22 On request by us, you must provide us with any information we require about you or anyone authorised to operate your *loan account* and, if you are a company or trustee, information about beneficial owners of you.

23.23 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.

23.24 The *total amount owing* may become payable if we reasonably believe that continuing with your *loan 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.

23.25 If any of the events in clause 23.24 occurs, we will endeavour to give you not less than 90 days' notice to repay the *total amount owing*.

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

24. Meaning of words

amount of credit is stated in the *schedule*.

annual percentage rate means a per annum rate of interest.

balance owing means the total amount outstanding from time to time in respect of all your accounts provided under your *loan contract*, 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.

banking application means a mobile device application (mobile app) made available by us that allows you to view and transact on your account.

business day means a day other than a Saturday or Sunday, or a public holiday in the State of New South Wales.

costs includes charges and expenses; and *costs*, charges and expenses in connection with legal and other advisers.

deposit has the meaning given to it in clause 19.2.

disclosure date is stated in the *schedule*.

eStatement means an electronic version of your statement and includes a statement issued by email.

event of default means any of the events listed in clauses 12 and 13.

goods mean each one or more of the following which the context allows:

- the *goods* described under “*Security – goods mortgage*” in the *schedule*;
- replacements for and accessories and additions fitted to the *goods* at any time;
- your rights at any time in connection with the *goods*.

insolvent means being an *insolvent* under administration or *insolvent* or having a controller appointed (each as defined in the Corporations Act), including being bankrupt), 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) or otherwise unable to pay debts when they fall due. It also includes if the company is deregistered or is deemed or presumed by law or a court to be, *insolvent*.

loan account means an account we establish in your name for recording transactions in connection with this *loan contract*.

loan contract means:

- (a) these Terms and Conditions (this document);
- (b) the Personal Loan Schedule; and
- (c) the Account Access Terms and Conditions.

loan term is stated in the *schedule*.

mortgaged property means the property mortgaged as contemplated by clause 20.

National Credit Code means Schedule 1 to the National Consumer Credit Protection Act 2009.

permitted security interest means a *security interest* provided for by one of the following transactions if the transaction does not secure payment or performance of an obligation:

- (a) a transfer of an account or chattel paper (each as defined in the *PPSA*); or
- (b) a commercial consignment (as defined in the *PPSA*); or (c) a PPS lease (as defined in the *PPSA*).

person includes an individual, a firm, a body corporate, an unincorporated association or an authority.

PPSA means the Personal Property Securities Act 2009 (Cth).

push notification means a message generated by the Newcastle Permanent *banking application* and sent to your device, even when you do not have the application open.

schedule means the Personal Loan Schedule.

security means each *security interest* or guarantee and indemnity described in the *schedule* under “*Security*” and any substitute or additional *security interest* or guarantee and indemnity given in connection with this *loan contract*.

The property the subject of any mortgage of property described in the *schedule* under “*Security*” comprises all the mortgagor’s estate and interest in the property and rights which may arise in connection with it or in connection with things on it; and rights to personal *goods* left on the property if we take possession; and rights to set off any money we owe the mortgagor against the amount secured by that mortgage.

security interest means any *security interest* under the *PPSA* or mortgage, charge, lien, pledge, trust, power or other rights given as or in effect as *security* for the payment of money or performance of obligations. *Security interest* also includes a guarantee or an indemnity.

security provider means each *person* (other than you) who gives a *security*.

settlement date means the date we first lend you any of the principal part of the *amount of credit* (or, if earlier, the date we first debit any of it to your *loan account*).

small business means a business or group having fewer than 100 full-time (or equivalent) employees.

total amount owing means, at any time, the *balance owing* on your *loan account* at that time, plus:

- (a) default charges and other amounts which you must pay under this *loan contract* but which have not been debited to your *loan account* at that time; and
- (b) all money which you will or may owe us in the future under this *loan contract*.

“we”, “us”, “our” and “Newcastle Permanent” means Newcastle Permanent, part of Newcastle Greater Mutual Group Ltd, ACN 087 651 992, Australian Financial Services Licence/Australian credit licence 238273 and its successors and assigns, and extends to products or agreements operated under our other brands (such as Greater Bank), for example, for the purposes of combining accounts, set-off and cross-default under agreements with “us”.

“you” and “your” means the *person* or persons named in the *schedule* as “Borrower(s)”. If there are more than one of you, you means each of you separately and every two or more of you jointly. You includes your successors and assigns.

In your *loan contract*:

- (a) a reference to the singular includes the plural and vice versa;
- (b) a reference to law means common law, principles of equity, and laws made by Parliament (and laws made by Parliament include regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of them);
- (c) a reference to a document includes any variation or replacement of it;
- (d) a reference to a *person* includes any other entity recognised by law;
- (e) a reference to a *person* or to a party to your *loan contract* includes its successors and permitted assigns;
- (f) headings are for ease of reference only and not to assist interpretation;
- (g) the use of the word ‘includes’ or ‘including’ is not to be taken as limiting the meaning of the words preceding it;
- (h) a reference to any thing includes the whole and each part of it; and
- (i) use of examples is illustrative of the context only and does not limit the natural meaning of the terms of your *loan contract*.

Information Statement

Newcastle Permanent, part of Newcastle Greater Mutual Group Ltd ACN 087 651 992
Australian credit licence/Australian Financial Services Licence 238273

Information Statement

This Information Statement only applies if the *National Credit Code* applies to your loan agreement.

THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED CREDIT CONTRACT

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

If you have any concerns about your contract, contact your credit provider and, if you still have concerns, the AFCA scheme, or get legal advice.

The contract

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

Your credit provider must give you a precontractual statement containing certain information about your contract. The precontractual 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 your 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 your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy –

- within 14 days of your written request if the original contract came into existence 1 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
- a card or other means of obtaining credit given to you by your 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 your 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 pay out figure?

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

Your credit provider must give you the statement within 7 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 your credit provider to charge one) and other fees.

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

Yes, but only if your contract says so.

8. Will I be told in advance if my 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 by your credit provider; and
- you get 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 your 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 your credit provider. Discuss the matter and see if you can come to some arrangement.

If that is not successful, you may contact the AFCA scheme. The AFCA scheme is a free service established to provide you with an independent mechanism to resolve specific complaints.

The AFCA scheme can be contacted at –

Phone: 1800 931 678

Internet: afca.org.au

Post: Australian Financial Complaints Authority,
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 or Legal Aid.

You can also contact ASIC, the regulator, for information on 1300 300 630 or through ASIC's website at www.asic.gov.au.

Insurance

10. Do I have to take out insurance?

Your 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 or insurance over property covered by any mortgage. Otherwise, you can decide if you want to take out insurance or not. If you take out insurance, the credit provider can not insist that you use any particular insurance company.

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 your 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 your credit provider then, within 14 days of that happening, your credit provider must ensure you have a written notice of the particulars of that insurance.

You can always ask the insurer for details of your insurance contract. If you ask in writing, your insurer must give you 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?

Your 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.

Mortgages

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

A mortgage means that you give your 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 can not assign or dispose of the property unless you have your 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 can not do with the property.

18. What can I do if I find that I can not 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 your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if your credit provider gives permission first; OR
- give the property to someone who may then take over the repayments, but only if your credit provider gives permission first.

If your credit provider won't give permission, you can contact the AFCA 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 your credit provider even after the mortgaged property is sold.

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

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

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

Yes. You have 7 days after receiving your credit provider's request to tell your credit provider. If you do not have the *goods* you must give your credit provider all the information you have so they can be traced.

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

Your credit provider can only do so if it 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 can not make a repayment?

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

- to extend the term of your contract and reduce payments; 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 my credit provider and I can not agree on a suitable arrangement?

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

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

24. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you can not be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the AFCA scheme 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 COMPLAINTS ABOUT YOUR CREDIT CONTRACT, OR WANT MORE INFORMATION, CONTACT YOUR CREDIT

PROVIDER. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH YOUR CREDIT PROVIDER BEFORE CONTACTING THE AFCA SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO YOUR CREDIT PROVIDER YOU CAN CONTACT THE AFCA SCHEME OR GET LEGAL ADVICE.

THE AFCA SCHEME IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. THE AFCA SCHEME CAN BE CONTACTED AT:

PHONE: 1800 931 678

INTERNET: AFCA.ORG.AU

POST: AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY, GPO BOX 3, MELBOURNE VIC 3001

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

**Drop into your local branch,
visit the website or call 13 19 87.**

newcastlepermanent.com.au