

Effective Date: 22 November 2009

Personal Loan

General Terms and Conditions

IMPORTANT NOTE

This document does not contain all the terms of this loan agreement or all of the information we are required by law to give you before the agreement is made.

Further terms and information:

- about the loan are found in the St.George Personal Loan Offer
- about Internet and Phone Banking are found in the St.George Internet and Phone Banking Terms and Conditions and Important Information booklet.

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St. George Personal Loan General Terms and Conditions

The meaning of words printed *like this* and some other key words is explained in the section entitled “Meaning of words” at the end of these terms and conditions.

At the back of this booklet (in addition to the terms and conditions of your loan agreement) there is also a description of your major rights and obligations under the Consumer Credit Code.

1 What we lend and when

We agree to lend you the *amount of credit* (by paying it as indicated in the *Offer*).

However, we only have to lend you the *amount of credit* if:

- (a) we have received all documents (including *securities* and evidence of any insurances) and information we require, in a form satisfactory to us; and
- (b) you are not in default under this loan agreement or under a *security*; and
- (c) you have not withdrawn from providing a *security*.

You agree to repay the *amount of credit*, with interest, in accordance with this loan agreement.

You must borrow the *amount of credit* within 7 days of the *disclosure date*.

About this loan agreement

This loan agreement consists of two documents: the St. George Personal Loan Offer and the St. George Personal Loan General Terms and Conditions. They should be read together.

2 Interest charges

Interest charges for each day are calculated by applying the daily percentage rate to the *balance owing on your loan account* for the end of that day. (The daily percentage rate is the *annual percentage rate* applying to your loan for that day divided by 365.)

Interest charges accrue daily (this is similar to saying that we are entitled to the interest charges every day) from and including the *advance date*. We debit interest charges to the *loan account* (so increasing the *balance owing on your loan account*) every month on the same day of the month as the *advance date*. However, if the *advance date* is the 29th, 30th or 31st, we debit them on the 28th day of each month.

(For a period shorter than a month, the interest charges are debited on the last day of the period.)

Variable interest rate option

If you are under the variable rate option:

- we may change the *annual percentage rate* at any time;
- the rate shown in the *Offer* is only a guide. The actual rate may change by the *advance date*;
- we will tell you of a change in the *annual percentage rate* no later than the day it takes effect by writing to you or by press advertisement;
- a change in the *annual percentage rate* is reflected in a change to your repayment amount under clause 5.

Fixed interest rate option

If you are under the fixed interest rate option, the *annual percentage rate* does not change.

Information on the current St. George personal loan interest rates is available from your nearest branch.

3 Loan Offset

3.1 If Loan Offset applies to your loan, to calculate your interest charges, each day we divide the *balance owing on your loan account* into the following two parts:

(a) a part equal to the credit balance(s) in the St. George account(s) nominated by you and linked to this loan (“linked account”). Any interest rate applying to a linked account ceases to apply from the date the account is linked to the loan.

We charge interest on that part at:

- the *annual percentage rate*;

less

- the interest offset rate we set in relation to the credit balances in your linked account(s). That interest offset rate is always less than the *annual percentage rate*;

and

(b) the remaining part of the *balance owing on your loan account*. We charge interest on this part at the *annual percentage rate*.

Any reduction in interest charges through Loan Offset is not reflected in a lower repayment amount. Instead, the term of your loan may shorten.

3.2 If the credit balance(s) in your linked account(s) exceeds the balance in your *loan account*, you do not receive any benefit for that excess.

3.3 You do not earn interest on any credit balance in the linked account(s) (even if the credit balance is more than the *balance owing on your loan account*).

4 Security

Your *Offer* indicates whether *security* is required under this loan agreement.

We need not make funds available if we have not received any agreed *security*, related acknowledgment or acceptance, title documents or any other document or information we reasonably

require, in a form satisfactory to us. Also, we need not make funds available if any agreed *security* is withdrawn.

5 What you must pay and when

What you must pay

You must repay us the amount you borrow from us and you must pay us interest charges, any default interest charges, all government charges, our fees and charges and enforcement expenses.

You must pay all amounts due under this loan agreement in full without setting off amounts you believe we owe you and without counterclaiming amounts from us.

Repayments

You must pay the repayment amounts we require.

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 interest charges; and
- any government fees and charges; and
- any monthly administration fees,

are repaid during the period.

Under this method, 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 but repayments are equal as long as the interest rate, and any other fee or amount we notify you as being included in the repayment amount, remains constant. However, the last repayment may be different as it equals the *total amount owing* on the last day of the *loan term*. Principal and interest repayments are rounded up to the nearest cent.

We may change repayment amounts to take account of changes to the *annual percentage rate*. If so, we give you advance notice in writing of the revised repayment amount and when it applies.

When and how you pay

The *Offer* explains when your first repayment is due.

From then on, repayments are due on the same day as the first repayment in each following month.

If a repayment is due on a non-*banking day*, we suggest that you pay on the preceding *banking day*.

You must pay us the *total amount owing* on the date the final repayment is due or, if you are in default, on the date it becomes due for payment under clause 12.

Regular repayments must be made by automatic transfer from your nominated St. George transaction account or by Direct Debit from a nominated account you hold at another financial institution. You may not make regular repayments over the counter at any of our branches or by post.

Payments are not treated as made until cleared.

We may assign any date we consider appropriate to a debit or credit to the *loan account* (except that, in the case of a debit, the date must not be earlier than the date on which the relevant transaction occurs). However, we credit payments to the *loan account* as soon as practicable after we receive them. This is not necessarily the same day that you pay.

We may subsequently adjust debits and credits to the *loan account* and the *balance owing on your loan account*, so as to accurately reflect the legal obligations of you and us (for example, because of an error or because a cheque is dishonoured). If we do this we may make consequential changes (including to the interest charges).

If you register to do so, you may use *Internet and phone banking* to debit (redraw) or credit (funds transfers) the *loan account*. Other services are available for other accounts with *Internet and Phone banking*. You may be automatically registered for *Internet and phone banking*. If so, we inform you by letter sent to the address held on our records.

We apply a \$1million limit on funds transfers by *Internet and phone banking* into the *loan account*.

Please refer to clause 10 for other limits on *Internet and phone banking* transactions.

After the first monthly repayment, we may allow you to pay half your monthly repayment every fortnight or one quarter of your monthly repayment every week. This means that over a year you would make one extra monthly repayment and your *loan term* would shorten. If you want to change the frequency or your loan repayments, you must ask us in writing.

6 Other costs and charges

Enforcement expenses may become payable under this loan agreement and under any *security* in the event of a breach.

You must pay us:

- (a) all fees and charges as indicated in the *Offer* and any changed or new fee or charge notified to you;
- (b) an amount equal to any government charges and duties on receipts or withdrawals under this loan agreement, calculated in accordance with the relevant legislation. Without limiting this obligation, in Queensland, you must pay stamp duty imposed on credit business. The charges and duties are payable whether or not you are primarily liable for them; and
- (c) when we ask, any reasonable expenses we reasonably incur in enforcing this loan agreement or a *security* after you are in default (including, in the case of a mortgage *security*, preserving and maintaining the property such as by paying insurance, rates and taxes for the property).

You authorise us to debit any of these amounts to the *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). We need not notify you first.

You must pay for anything that you must do under this loan agreement.

Variation to fees and charges

The fees and charges shown in the *Offer* are current at the *disclosure date*.

We may change the amount of any fee or charge or change how often they are charged or impose new fees and charges, at any time.

We give you advance notice (in writing or by newspaper advertisement) of any new fee or charge or change to existing fees or charges. Some changes in government fees and charges are publicised by the government and not us.

Information on current fees and charges is available on request – you may pick up from any branch a copy of a booklet “*Loan Accounts: Charges for specific services and accounts*” which is regularly updated and contains details of all our fees and charges for loans.

For details of current government charges, pick up a “*St. George Transaction, Savings and Investment Accounts Fees and charges and how to minimise them*” booklet at any branch.

7 What happens to payments we receive?

We may use any payment we receive under or in accordance with this loan agreement to reduce the *balance owing on your loan account* in any order we choose.

8 Early repayment

You may prepay any part of the *balance owing on your loan account* at any time before it is due, subject to the following conditions:

(a) unless we agree otherwise, your obligation to pay instalments on the dates and in the amounts due at the time of any prepayment is not affected by any prepayment; and

(b) if your loan has a fixed rate, we may charge *break costs* if you prepay any amount over \$5,000 early in any 12 month period or you repay the *total amount owing* before the end of the *loan term* (see clause 11).

Note that a fee or *break costs* or both may be payable - see clause 11 and the fees and charges in the *Offer*.

9 Goods Mortgage

This clause applies if the Goods *Mortgage* section of the “*Security*” box in the *Offer* is completed with the particulars of the goods to be secured under a mortgage to St. George to support your obligations under this loan agreement.

By giving the *mortgage* set out in this clause 9 (“this Goods *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.

You declare that you own the goods (or are in the process of becoming the 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 agreement (including this *mortgage*) is correct and not misleading.

If this *mortgage* is regulated by the Bills of Sale and Other Instruments Act 1955 (QLD) and you do not already legally own the property, you acknowledge that this *mortgage* is given for a loan to be spent wholly or in part in purchasing the goods.

Legal mortgage

For the purpose of securing to us payment of the *total amount owing*, as beneficial owner you transfer the goods to us by way of legal *mortgage*. You may require us to transfer the goods back to you when there is no *total amount owing*. 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 *mortgage*. 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*; or

- (b) you use the goods; or
- (c) the goods are delivered or invoiced to you; or
- (d) you take possession of the goods; or
- (e) you act as owner of the goods.

Possession

Even though you have mortgaged the goods to us, you may keep possession of them subject to this *mortgage*.

Looking after the goods and other obligations

You must:

- (a) keep the goods in good condition and correct any defect promptly; and
- (b) not do anything that might lower the value of the goods; and
- (c) tell us if the goods are stolen, lost, seriously damaged or defective; and
- (d) pay on time all money payable to any person in connection with the goods (including registration fees); and
- (e) keep the goods registered; and
- (f) comply with all laws and requirements of authorities and your other obligations in connection with the goods; and
- (g) deliver the goods to us if we are entitled to take possession of them under this *mortgage*; and
- (h) ensure that you are not in default under this *mortgage*; and
- (i) comply with any conditions we impose in connection with giving our consent under this *mortgage*.

Insurance

You must maintain the following insurance over the goods:

- (a) if the goods are a motor vehicle or a motorcycle, comprehensive insurance and compulsory third party insurance;
- (b) in any other case insurance against fire, theft, accident and any other risk we reasonably require in connection with the goods.

You must ensure that:

- (a) the insurance cover is not reduced or cancelled and must notify us if it is or could be; and
- (b) our interest is noted on any insurance policy over the goods.

Insurance claims

You must ensure that proceeds from an insurance claim are:

- (a) used to repair the goods; or
- (b) if the goods are destroyed (written off) paid to us.

Dealing with the goods

You must get our written consent before you:

- (a) sell or part with possession of the goods; or
- (b) create another *security interest* over the goods or allow one to arise (including a lien for repairs or storage); or
- (c) alter any identifying marks (such as a serial number); or
- (d) deal in any other way with the goods, this *mortgage* or any interest in them.

Administrative matters

We may register this *mortgage*.

You must promptly do anything we ask (such as signing and producing documents, supplying information and getting documents completed and signed):

- (a) to provide more effective *security* over the goods for the payment of the *total amount owing*; or
- (b) to enable us to register this *mortgage* with the agreed priority (and, if required, to renew the registration); or
- (c) to enable us to exercise our rights in connection with the goods (including the right to take possession of them); or
- (d) to enable us to register the power of attorney in this *mortgage* or a similar power; or
- (e) to enable us (including our agents) to inspect the goods; or
- (f) to show whether you are complying with this *mortgage*.

You must pay for anything that you must do under this *mortgage*.

Disposal of the goods is final

You agree that if we sell or otherwise dispose of the goods:

- (a) you will not challenge the acquirer's right to acquire the goods (including on the ground that we were not entitled to dispose of the goods or that you did not receive notice of the intended disposal) and you will not seek to reclaim the goods; and
- (b) the person who acquires the goods need not check whether we have the right to dispose of the goods or whether we are exercising that right properly.

Power of attorney

You appoint us, each of our authorised officers, each of our employees and each receiver under this *mortgage*, separately as your attorney. If we ask, you must formally approve anything they do under this power. You may not revoke these appointments.

If you are in default or we have served a notice stating that you are in default, each attorney may:

- (a) do anything which you can do as owner of the goods (including selling or leasing or otherwise dealing with the goods 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.

10 Redrawing amounts

Unless the *Offer* indicates otherwise, this clause applies if your loan is at a variable rate.

Subject to the terms in this clause 10, you may ask us to allow you to redraw amounts which you have prepaid under this loan agreement (for example, if you have made lump sum payments or repayments more frequently than required or repayments of a greater amount than required).

However, you may not redraw an amount if it would result in the *balance owing on your loan account* exceeding the amount which would be owing if you had paid all scheduled repayments on time.

The redraw amount cannot be less than \$500.

You must request redraws:

- (a) by completing a redraw request form (available at any branch). Each of you must sign the form. You must submit the completed form to us. If we consent to your request, the redraw amount is available by way of credit to another St. George Bank account; or
- (b) by *Internet and phone banking*, if you are registered for *Internet and phone banking* and registered to redraw on the *loan account* by *Internet and phone banking*. If we consent to your request, the redraw amount is available by way of credit to another St. George account to which you have *Internet and phone banking* access.

Subject to the amount you have prepaid under this loan agreement, the daily maximum limits on *Internet and phone banking* redraws is \$30,000.

Your liability for unauthorised *Internet and phone banking* redraws is determined in accordance with the Electronic Funds Transfer Code of Conduct.

You must tell us as soon as possible if you suspect any unauthorised use of your *Internet and phone banking* redraw facility. You may notify us by telephoning us on 1300 555 203 between 8am to 9pm (EST), seven days a week.

Each time you complete a redraw request, you declare to us:

- (a) that you have not dealt with any *security* without our consent; and
- (b) that you are not relying on any statement or representation by us (including our employees) or our agents relating to the taxation effects (if any) of making the redraw. (You should seek your own tax advice).

Fees and charges in connection with redrawing amounts are set out in the *Offer*.

You can find out how much you have prepaid by:

- calling us; or
- asking at any branch; or

- if you are registered, using *Internet and phone banking*.

11 *Break costs*

Break costs are an amount equal to our reasonable estimate of our loss arising as a result of you breaking your fixed rate loan. Whether we suffer a loss depends largely on movements in the wholesale market interest rates.

11.1 A prepayment is a payment of an amount in excess of your contractual obligation. Payments of overdue amounts are not prepayments. Excess payments, resulting from your making one quarter of a scheduled monthly payment each week or one half of a scheduled monthly repayment each fortnight (see clause 5), are not prepayments.

11.2 If your loan is at a fixed rate and before the end of the *loan term* you:

- (a) prepay the total amount owing; or
- (b) make a partial prepayment to which clause 11.6 applies; or
- (c) are in default so that the total amount owing becomes immediately due for payment,

then you must pay us the break costs that we calculate.

Each of these events is a “break”.

11.3 The method we use to calculate break costs is to calculate two amounts.

The first amount A is calculated using discount rates based on wholesale market interest rates prevailing at the time of the break.

The second amount B is calculated using discount rates based on wholesale market interest rates prevailing when your loan’s interest rate was fixed.

Each amount for A and for B is the sum of the present values, calculated according to the applicable discount rates, of each repayment that, but for the

break, we would have received from the time of the break to the end of the *loan term*.

The present values are calculated on the assumption that, after and but for the break, you would have made all, and only, the repayments required by this loan agreement.

11.4 The precise mathematical formula for the calculation of A and B is set out below. If you do not understand this formula we strongly recommend that you seek financial advice. You can obtain from any St. George Bank branch a booklet that gives a further explanation of break costs.

Prepayment of the *total amount owing*

Break costs = A - B where

$$A = \sum_t \frac{P_t}{(1+d_t)^t}$$

$$B = \sum_t \frac{P_t}{(1+r_d)^t}$$

If A exceeds B, break costs are payable.

Definitions

Σ represents the mathematical summation operator. This means that the mathematical expression appearing to the right of the Σ is calculated and summed for each and every value of Σ 's subscript "t" for which the mathematical expression has a value other than zero.

t represents the number of days from the break until the due date for the relevant repayment.

P_t represents each repayment falling due under this loan agreement during the remainder of the *loan term* at times t days after the break.

r represents the *annual percentage rate* under this loan agreement.

r_d represents r divided by 365.

d_t represents $z_t + m_t$ divided by 365.

z_t represents the zero coupon * interest rate

appropriate, as determined by St. George in its absolute discretion, to a term of t days commencing on the date of the break.

- zero coupon rates are used for valuing individual cash flows. Zero coupon rates are wholesale rates that are adjusted for use in valuing individual cash flows.

m_t represents the loan spread for the repayment due under this loan agreement at times t days after the break, calculated at the difference between r and the zero coupon interest rate, as determined by St. George in its absolute discretion, at the *advance date* for the period between the *advance date* and the due date of the repayment in question.

11.5 Where you prepay all of the *total amount owing* or the *total amount owing* becomes immediately due for payment because you are in default then, if A exceeds B, you must pay *break costs* equal to the difference between them.

11.6 Whenever you prepay at least \$5,000 in any 12 month period, there is a break to which this clause applies. For the purposes of this clause, a "12 month period" is a period from the date the *loan term* starts to the first anniversary of that date or any consecutive 12 month period.

Where this clause applies to a break, we may calculate *break costs* as at the date of the break. The method we use to calculate *break costs* calculates the same two amounts, A and B referred to in clause 11.3. *Break costs* are only payable if A exceeds B. If *break costs* are payable, they are calculated by the following formula:

$$\text{Break costs} = \$X \times \left(1 - \frac{B}{A}\right)$$

$\$X$ is the aggregate of prepayments received in the relevant 12 month period less:

- the first \$5,000 prepaid in that period; and
- any prepayments in respect of which we have already calculated, and debited to your *loan account*, *break costs*.

We do not treat payments of overdue amounts as prepayments. Instead, we apply them to your

obligation to pay those overdue amounts. They are credited to your *loan account* at the same time as the amount which is a prepayment for the purposes of determining whether or not *break costs* are payable. When you make a prepayment of less than the *total amount owing*, that prepayment will be credited to the *balance owing on your loan account* at the date you make that prepayment. The *break costs* will then be calculated on the prepayment and debited to your *loan account*.

11.7 Each calculation of break costs is an estimate of our loss from whole or partial prepayment of the loan. It may not reflect any actual transactions that we enter into either before or at the time of the prepayment.

Warning

Break costs can be quite high. We suggest you ask us for an estimate of the *break costs* and seek independent financial advice before you repay early under a fixed interest rate loan.

12 If you are in default

When are you in default?

You are in default if:

- (a) you do not pay on time all amounts due under this loan agreement or any *security*; or
- (b) you do something you agree not to do, or do not do something you agree to do under this loan agreement;
- (c) you give, or another person gives, us incorrect or misleading information in connection with this loan agreement or a *security* (including in the Loan Application or Loan Offer); or
- (d) we reasonably believe that you or another person has acted fraudulently in connection with this loan agreement or a *security*; or
- (e) you are in default under a *security* or you withdraw from it; or
- (f) you become insolvent or steps are taken to have you declared bankrupt; or
- (g) we believe on reasonable grounds that you have removed or disposed of any mortgaged goods, without our permission, or that you intend to do so; or

- (h) we believe on reasonable grounds that urgent action is necessary to protect any mortgaged goods.

What can happen then?

If you are in default, we may give you a notice stating that you are in default.

If you do not, or cannot, correct the default within any grace period given in the notice or required by law (or if you are in default again for a similar reason at the end of that period), then, at the end of that period and without further notice to you the *total amount owing* becomes immediately due for payment (to the extent it is not already due for payment). We may then sue you for that amount, or enforce any *security*, or do both.

In limited circumstances set down by law (such as if we are unable to locate you), we need not give the notice or wait until the end of any grace period given in a notice. Instead, if you are in default, the *total amount owing* becomes immediately due for payment without notice. We may then immediately sue you for that amount, or enforce any *security*, or do both.

If you are in default, we may use any money you have in another account with us towards repaying the *total amount owing* (this is known as “combining accounts”). We may combine accounts without giving you any notice but we will tell you afterwards.

After a default has occurred, we may also do one or more of the following in addition to anything else the law allows us to do as mortgagee:

- (a) sue you for the *total amount owing*;
- (b) take possession of the goods as often as we choose;
- (c) remove personal possessions from the goods and either abandon them or store them without being liable to you. (If we store them and you do not reclaim the possessions within one month after we notify you that we intend to sell them, we may dispose of them and use the proceeds towards paying the *total amount owing*);
- (d) do anything an owner of the goods could do, including selling or leasing them on terms we choose;
- (e) enter any place we believe the goods are held, in order to do any of the above;

- (f) appoint one or more receivers to do any of these things.

13 General matters

Assignment

We may assign or otherwise deal with our rights under this loan agreement. You agree that we may disclose any information or documents we consider necessary to help us exercise this right. Your rights are personal to you and may not be assigned without our written consent.

Our certificates

We may give you a certificate about a matter or about an amount payable in connection with this loan agreement. The certificate is sufficient evidence of the matter or amount, unless it is proved to be incorrect.

Variations and waivers

We may vary any provision of this loan agreement as we choose. If a Consumer Credit Code, the Code of Banking Practice or the Electronic Funds Transfer Code of Conduct applies to this loan agreement, we may only do so in accordance with those Codes. If we do, we must notify you in writing and the change takes effect from the time we specify in the notice. When we give the notice depends on the type of change we make.

A right created under this loan agreement, may not be waived except in writing signed by the party or parties to be bound.

Statements of Account

We send you a statement of the *loan account* every six months. If you want additional statements, contact one of our branches or phone Customer Service on 13 33 30. A fee may apply.

Appropriate use of our services

You warrant that your use of the services we provide will not breach any law of Australia or any other country.

Where we consider it necessary for us to meet our regulatory and compliance obligations:

- you must provide us with any information we reasonably request;
- we will disclose information we hold to regulatory and law enforcement agencies, other financial institutions, third parties and members of the St. George Group; and
- we may delay, block or refuse to provide any of our services.

We will not be liable to you or any other person for any loss or damage of any kind that may be suffered as a result of us exercising our rights under this clause.

14 **GST**

You must increase the amount (“**original amount**”) of any payment due by you at any time under this loan agreement by an additional amount sufficient to cover any GST payable by us on your payment, if not already included in the calculation of that original amount.

The total amount received by us, after discounting for the amount of any GST payable by us on that total, must equal the original amount.

We will tell you of any additional GST amount, if it has not already been set out in this loan agreement.

You must pay, as requested by us, any additional amount necessary to compensate us for any direct or indirect increase resulting from any GST in the cost to us of:

- carrying on business connected with making, funding, maintaining or administering this loan agreement; or
- any possession, repair or sale of, or other dealing or action relating to, any property connected with this loan agreement or any security.

15 **Consumer Credit Code**

This clause applies to the extent that a Consumer Credit Code applies to this loan agreement.

If:

- (a) that Code would otherwise make a provision of this loan agreement illegal, void or unenforceable; or

- (b) a provision of this loan agreement would otherwise contravene a requirement of that Code or impose an obligation or liability which is prohibited by that Code.

This loan agreement is to be read as if that provision were varied to the extent necessary to comply with that Code or, if necessary, omitted.

16 Problems, errors and complaints

If you believe an error has been made, please notify your nearest St. George branch. We will correct any error that is found to be ours as soon as possible.

If you have a problem or complaint about the loan account, you should speak to our Customer Service personnel. You can do this by:

- contacting the branch where the problem arose; or
- phoning Customer Service, 8am to 8pm, 7 days a week on 13 33 30.

To assist us in resolving your problem or complaint, you should:

- report it promptly;
- state clearly the nature of the problem or your particular grievance; and
- have available all documents and background information.

If your complaint is not immediately resolved to your satisfaction, contact:

Senior Manager, Customer Relations

Locked Bag 1

Kogarah NSW 1485

Telephone: (02) 9553 5173 Option 1

or 1800 804 728 Option 1

After this, if the matter is still not resolved to your satisfaction, contact:

Financial Ombudsman Service (FOS)

GPO Box 3

Melbourne VIC 3001

Telephone: 1300 78 08 08

www.fos.org.au

17 Meaning of words

access method means a method we authorise you to use to instruct us through electronic equipment to debit (redraw) or credit (funds transfer) a loan account.

advance date means the date we lend you the principal part of the *amount of credit*.

amount of credit is set out in the *Offer*.

annual percentage rate means a per annum rate of interest.

“at risk” transaction means an Internet banking transaction or request identified by us as requiring further authentication by *secure code service* to complete that transaction.

balance owing on your loan account means, at any time, the difference between all amounts credited and all amounts debited to the *loan account* under this loan agreement at that time. When this amount is to be calculated for the end of a day, it includes all debits and credits assigned to that day.

banking day means a day other than a Saturday or Sunday, or public, special or bank holiday in the State or Territory of the law governing this loan agreement.

break costs is described in the *Offer* and in clause 11.

break costs method has the meaning described in clause 11.

disclosure date is stated in the *Offer*. It is the date we approve your loan.

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

- the goods described in the *Goods Mortgage* section of the “*Security*” box in the *Offer*;
- replacements for and accessories and additions fitted to the goods at any time;
- your rights at any time in connection with the goods.

EFT account means an account from or to which you can transfer funds through *electronic equipment* by use of an access method.

EFT code means the Electronic Funds Transfer Code of Conduct, as amended from time to time.

EFT system means the network of electronic systems used for the transmission of EFT transactions.

EFT transaction means a transfer of funds initiated by an instruction you give through *electronic equipment* using an *access method* to debit or credit an EFT account.

electronic equipment includes a terminal, computer, television and telephone.

GST means any tax imposed on the supply of any goods, services, real or personal property or other things or similar tax.

including or **such as** or **for example** when introducing an example, does not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

Internet and phone banking means any service we offer from time to time through a communication network (including telephone and the Internet) to enable you to receive information from us and to transmit instructions to us electronically, in relation to the *loan account* or other matter we specify.

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

loan agreement includes the *mortgage* in clause 9 (if the Goods *Mortgage* section of the “*Security*” box in the *Offer* is completed).

loan term is the period stated in the *Offer* under “*Repayments*” starting from (and including) the *advance date*.

mortgage means the *mortgage* set out in the “*Security*” box in the *Offer* and the terms of which are set out in clause 9.

Offer means the St.George Personal Loan Offer which is part of this loan agreement.

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

security means each *security interest* described in the *offer* under “*security*” and any substitute or additional *security interest* given in connection with this loan agreement.

security interest means any 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.

small business means a business employing:

- (a) less than 100 full-time (or equivalent persons) if the business is or includes the manufacture of goods; or
- (b) in any other case, less than 20 full-time (or equivalent) persons,

unless you enter into this loan agreement to obtain a facility for use in connection with a business that does not meet the elements in (a) or (b) of this definition.

we or us or St.George or St.George Bank or the Bank means St.George Bank Limited (ABN 92 055 513 070 AFS Licence No. 240997) and its successors and assigns (including, on and from the date Westpac Banking Corporation becomes the successor in law of St.George Bank Limited, Westpac Banking Corporation ABN 33 007 457 141 AFS Licence No. 233714).

such as see including.

total amount owing means the *balance owing on your loan account* at that time, plus all accrued interest charges, default interest charges and other amounts which you must pay under this loan agreement but which have not been debited to the *loan account* at that time.

two factor authentication means a security authentication process in which a customer provides a financial institution with two types of identification information to authenticate their identity. The first type of identification information is a piece of information known to the customer. The second type of identification information is information sent by the financial institution to the customer's physical device, e.g. a mobile phone or a landline phone.

you means the person or persons named in the *Offer* as "Borrower". If there are more than one, **you** means each of them separately and every two or more of them jointly. **You** includes your successors and assigns. The singular includes the plural and vice versa.

A reference to:

- a document includes any variation or replacement of it; and
- anything includes the whole and each part of it.

We warrant we comply with the Electronic Funds Transfer Code of Conduct.

The relevant provisions of the Code of Banking Practice apply to this agreement if you are an individual or a *small business*.

More information about banking

There is a booklet called “Banking Services – Terms and conditions and general information”, which is available on request from any St. George branch. This booklet contains all types of information which you may find helpful about banking services and the Code of Banking Practice, such as account opening procedures, confidentiality and complaint handling procedures, combining accounts, bank cheques, cheque and cheque clearing, the importance of reading the terms and conditions applying to the banking services you obtain from us and the advisability of you notifying us if you are in financial difficulty, which you may find helpful.

The following information only applies to you if you are an individual and, at the time you sign the *Offer*, you intend to use the *amount of credit* wholly or predominantly for personal, domestic or household purposes.

INFORMATION STATEMENT

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, your Government Consumer Agency, or get legal advice.

THE CONTRACT

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

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

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

whichever happens first.

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

If the contract document is to be signed by you and returned to 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 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 or 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 in a newspaper;
- 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 could apply to the court. Contact the Government Consumer Agency or get legal advice on how to go about this.

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.

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 cannot 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 cannot do with the property.

18 What can I do if I find that I cannot afford my repayments and there is a mortgage over property?

See 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 contact your Government Consumer Agency 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 Consumer Credit Code.

GENERAL

22 What do I do if I cannot 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.

For example:

- to extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; or
- to simply defer payments for a specified period.

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

If you have been unemployed, sick or there is another good reason why you are having problems with your contract, then your contract may be able to be changed to meet your situation.

You may be able to apply to the court. Contact your Government Consumer Agency or get legal advice on how to go about this.

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

24 Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact your Government Consumer Agency or the Australian Competition and Consumer Commission, or get legal advice.

25 Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also **READ YOUR CONTRACT** carefully.

IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT YOUR GOVERNMENT CONSUMER AGENCY OR GET LEGAL ADVICE. PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

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Personal Loan enquiries

Call 13 33 30 from 8am to 9pm (EST), 7 days a week.

