

General Conditions.

Effective 9 November 2023

Loans and Overdraft Facilities



This booklet is divided into the following parts:

Part 1:

Things you should know about your proposed credit contract. The National Credit Code says the bank must give you this information before you agree to take a loan.

Part 2:

Conditions relating to secured loans (other than secured lines of credit loans).

Part 3:

Conditions relating to unsecured loans and unsecured overdraft facilities.

Part 4:

Conditions relating to line of credit and secured overdraft facilities

Your agreement with us is made up of the *specific particulars* and the relevant parts of these general conditions. In addition, where you have a line of credit loan your agreement also includes the terms of our Product Disclosure Statement.

The *specific particulars* contain conditions that apply to your loan or overdraft facility.

The *general conditions* comprise four parts and contain conditions that apply to all the bank's loans, and also apply to your loan.

You should also refer to the terms and conditions of your mortgage, if applicable.

Your *agreement* is also the pre-contractual disclosure statement required by the National Credit Code.

These *general conditions* do not contain all of the required pre-contractual disclosure information. You must also refer to the *specific particulars* and, for Line of Credit loans, the Product Disclosure Statement.

PART 1:

Things you should know about your proposed credit contract

The National Credit Code says we must give you this information before you agree to take a loan. Please read it carefully.

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 credit provider's external dispute resolution 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 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 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 payout figure?

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

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, and not without giving you notice to allow you to evaluate your position.

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 twenty (20) days advance written notice for:
 - a change in the way in which interest is calculated; or
 - 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 your credit provider's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Australian Financial Complaints Authority. You may contact the Australian Financial Complaints Authority by the methods listed under section 25.

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 <http://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 fourteen (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 fourteen (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 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 their external dispute resolution scheme for help.

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

You should understand that you may owe money to your credit provider even after 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 the 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.

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 cannot agree on a suitable arrangement?

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

If the credit provider still refuses your request you can complain to the external dispute resolution scheme that your credit provider belongs to. 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 cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the credit provider's external dispute resolution 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 your credit provider's external dispute resolution scheme. If you have a complaint which remains unresolved after speaking to your credit provider you can contact your credit provider's external dispute resolution scheme or get legal advice.

External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Australian Financial Complaints Authority. You may contact the Australian Financial Complaints Authority by any of the following methods:

Telephone:	1800 931 678 (free call within Australia)
Mail:	Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001
Website:	www.afca.org.au
Email:	info@afca.org.au

Please keep this information statement. You may want some information from it at a later date.

PART 2:

Conditions relating to secured loans (other than secured lines of credit)

1. Mortgage

This *agreement* is a *secured agreement* for the purposes of the *mortgage* and any *additional security*. The *balance* is secured by the *mortgage* and any *additional security*. You must comply with all the terms of the *mortgage* and any *additional security*.

2. What you must do before we will lend

We are not obliged to lend you the *amount of credit* until the following things have happened:

- > you accept our offer to enter into the *agreement* with you by the *availability date*;
- > you have given us any documents we require;
- > you have executed and delivered to us the *security* set out in the *specific particulars* in a form acceptable to us, together with all documents of title relating to the *property* and any *additional security*;
- > you have paid to us our expenses in connection with this *agreement* and any *security*;
- > if it applies, you have complied with clause 4.1 of this *agreement*;
- > if we request it, that lender's mortgage insurance has been put in place on terms and for the amount we require;
- > the *property* and any *additional security* are insured as required by the *mortgage*;
- > all our reasonable requirements have been met; and
- > if there is a *guarantor*, the *guarantor* has signed and delivered the guarantee to us.

We will not lend you an amount under this *agreement* if, having regard to some or all of the following, lending that amount would present a material credit risk to us of you failing to repay your loan or it may jeopardise our ability to rely upon or exercise our rights against any secured property:

- > you are, or in the previous 12 months have been, in default under this *agreement* or any other *agreement* you have entered into with us;
- > any information you have given us changes or is not correct;
- > any *guarantor* withdraws from the *guarantee*;
- > lending that amount would cause the *balance* to exceed the *amount of credit*;
- > there occurs any event or circumstance which in our reasonable opinion may adversely alter the status or financial condition of you or any *guarantor* or which may reduce the value of the *property* or any *additional security*;
- > we are not satisfied that we will be entitled to the same priority in connection with the amount to be advanced as we are entitled to in connection with the *balance* at that time; or
- > we are not satisfied with any documents, materials or information provided to us in respect of you or any *guarantor*.

3. Drawdown and use of the *loan*

3.1 Notice of drawdown

You must give us at least two (2) prior *business days*' notice of any intention to draw down the *loan*. This notice may be given by your solicitor on your behalf to our solicitor on our behalf.

3.2 Use of the loan

You must use the *loan* for the purpose(s) specified in the *specific particulars*.

3.3 How the money may be borrowed

Unless your *loan* is a construction loan, you may only borrow the *amount of credit* by one drawdown on the *settlement date*. We will agree to your request for up to five cheques to be drawn at settlement.

4. Provisions applying to construction loan facilities

If the *specific particulars* indicate that you have a construction loan facility, the following provisions of this clause 4 apply to your construction loan during the *construction period*.

4.1 Conditions for first draw down under your construction loan

When you request the first draw down to make payments due under the *building contract*, you must have:

- (a) already utilised in payment of sums due under the *building contract* any equity that we have agreed you will contribute;
- (b) ensured that we have received the following in a form satisfactory to us:
 - (i) Copies of local authority approved plans and specifications;
 - (ii) A copy of the signed *building contract* including full specifications; and
 - (iii) Evidence that the builder has insurance policies for contract works, building indemnity and public liability (which must be for a minimum of \$5,000,000).

4.2 How you may borrow under your construction loan

- (a) Any portion of the *amount of credit* of your construction loan facility to be used for the purposes of the acquisition of land must be borrowed by one drawdown on the *settlement date*.
- (b) During the *construction period* you may borrow under your construction loan facility by asking us in writing to make up to a maximum of five drawdowns.
- (c) You must borrow the *amount of credit* relating to your construction loan facility within the *construction period*. We have no obligation to lend you any further amounts after that date.

4.3 Conditions for payment of monies due under a *building contract*

- (a) You must have submitted to us a builder's progress payment claim which complies with clause 4.4;
 - (b) all payments are on a cost to complete basis and will be the lesser of the amount specified in the building contract schedule and any inspection report obtained by us.
- If any more money is payable to the builder then you must pay it from your own funds;

- (c) we will only make payments which have been approved by our valuer or quantity surveyor;
- (d) any requirements by our nominated consultants in relation to the building works must be attended to, to our satisfaction; and
- (e) any relevant inspections required by the local authority must have been completed and you must provide evidence that the inspections are completed.

4.4 Form of progress payment claim

Each progress payment claim must:

- (a) be on the builder's letterhead, and be signed and dated by the builder;
- (b) detail the amount of the claim;
- (c) detail the work completed to date;
- (d) detail any variations to the *building contract* or plans including prices;
- (e) confirm all subcontractors have been paid to date;
- (f) provide details of the builder's bank account to be credited with the proceeds;
- (g) contain any other information about the works done or to be done as we may reasonably require;
- (h) not be of such an amount which, if made, would, in our opinion, result in there being insufficient funds available under the facility at a later date to fund completion of the *building contract*; and
- (i) be endorsed with your consent.

4.5 Procedure for payment of a progress payment claim

- (a) On receipt of a progress payment request, we will arrange at your cost for a valuer or quantity surveyor approved by us to prepare an inspection report containing such information as we may reasonably require from time to time.
- (b) If the progress payment request and inspection report are in a form and content satisfactory to us, we will process the request to drawdown within 2 business days of receipt of the inspection report by directly crediting the amount certified as payable by the valuer or quantity surveyor to the builder's bank account.

4.6 Conditions for the final payment under a *building contract*

Before we will make the final payment under a *building contract*, you must provide us with the following in a form reasonably satisfactory to us in addition to the above:

- (a) copies of any final certificates required by the local authority; and
- (b) a copy of your home insurance policy with us noted as mortgagee.

4.7 General

You agree:

- (a) to ensure that the works to be done under the *building contract* are completed within the *construction period*;
- (b) to ensure that the works take place in accordance with the *building contract*;
- (c) to promptly pursue all rights and remedies you have under the *building contract*;
- (d) not to agree to any variation to the *building contract* that may reduce the value of the property without our prior consent, which will not be unreasonably withheld;

- (e) to pay for any variations to the *building contract* yourself and not to utilise any part of the construction loan facility for payment of any variations;
- (f) not to terminate the *building contract* without our prior written consent;
- (g) to provide us promptly with copies of all notices you receive under or in relation to the *building contract*;
- (h) to notify us before you issue arbitration, dispute resolution or legal proceedings in relation to the *building contract* and
- (i) that from the close of business on the last day of the *construction period* your construction loan facility will automatically convert to a housing loan facility.

5. Interest

5.1 Calculation of interest charges

We will calculate interest on each *account* on a daily basis on the balance of your *account* at the end of each day. The interest rate applied each day is the *daily percentage rate*.

5.2 When we will debit interest charges

Interest charges will be debited to your *account* monthly on the last day of each month. Interest will also be debited on the date the *account* is due to be repaid in full.

5.3 Effect of debiting interest charges

Interest debited to your *account* becomes part of the *balance*.

5.4 Calculation of interest charges to be debited

The amount of interest debited on each occasion will be the sum of the interest charges calculated for each day in the period starting on the day interest charges were last debited (or, in the case of the first interest debit, the *settlement date*) and ending on the day before interest charges are next debited (including each of those days).

5.5 Interest on judgements

You must pay interest on the amount of any judgement we obtain against you at the *annual percentage rate* from the day the judgement is obtained until you actually pay it.

5.6 Changing the *annual percentage rate*

You may ask us to change the *annual percentage rate* that is applicable to an *account* under this *agreement* (for example, from a variable to a fixed rate). We do not have to agree to your request, but if we do, we will give you a written notice setting out particulars of the change and any other information required by law (including when the change is to take effect), and we may charge you a fee for allowing you to change.

5.7 Changing from a fixed to a variable interest rate

If we agree to let you change from a fixed interest rate to a variable rate before the end of the *fixed rate period*, you may also have to pay *break costs* to us. The amount of the *break costs* will be calculated in accordance with the *specific particulars* and we will tell you the amount of those costs at that time.

5.8 Your *annual percentage rate*

You can find out the *annual percentage rate* that applies to your loan at anytime by contacting us at any branch, by telephone or in person using the contact details at the end of this brochure.

6. Payments

6.1 What you must pay us

You owe us and must pay the whole of the *balance* and any other amount payable under this *agreement* by the end of the term or on the day the final payment is due, whichever is the earlier, in accordance with this *agreement*.

6.2 Amount of repayments

You must pay us the repayments in the amounts and at the times set out in the *specific particulars* (as varied from time to time in accordance with this agreement).

6.3 How payments must be made

Payments are to be made:

- (a) by direct debit from your account or such other way as we may agree or specify; and
- (b) in Australian dollars; and
- (c) to us or as we may direct.

6.4 When you get credit for any payment

We do not treat a payment as made until we credit it to your *account*.

6.5 How we apply payments

We can apply any payment or other credit to any amount you owe us under this *agreement* in any order we determine.

6.6 No set-off or counterclaim

You must not deduct anything from any payment so that, to the extent permitted by law, all payments are free of any set-off or counterclaim.

6.7 Interest only period

During any *interest only period* each of your monthly repayments is equal to the amount of interest charges debited to your *loan* at the end of the previous month calculated by applying the *daily percentage rate* to the *balance* for each day during the relevant period.

7. Fees and Charges

7.1 Fees and charges you must pay

You must pay the fees and charges set out in the *specific particulars* (as varied from time to time in accordance with this agreement).

7.2 Debiting fees and charges

You authorise us to debit to your *account* any fees and charges payable. When debited to your account they may be added to the *balance*.

8. Statements of account

We will provide you with regular statements of account at six monthly intervals or more frequently if required by law.

9. Changes we can make

9.1 Changes before acceptance

We can change the terms of this offer without your consent at any time before you accept it.

9.2 Changes to the *agreement*

Subject to clause 9.5 and to the extent permitted by law, we can change the terms of this *agreement* without your consent at any time. You and we can also change its terms by agreement in writing at any time.

9.3 Types of changes we can make

Some of the changes we can make are:

- (a) the amount or frequency of payments;
- (b) to any *annual percentage rate* other than a fixed rate during a *fixed rate period*; and
- (c) to impose new or vary existing fees and charges.

9.4 When will we tell you about changes that reduce your obligations?

If any change reduces your obligations under this *agreement*, we will notify you in writing before or when we provide your next statement of account after the changes takes effect.

9.5 When will we tell you about other changes?

We will tell you about:

- (a) any change to the *annual percentage rate* no later than the day when the change takes effect either by advertising in a newspaper circulating throughout each state and territory, by writing to you or publishing on our website;
- (b) any other change by giving you at least 60 days' prior written or other notice as required or permitted by law to allow you to evaluate your position. .

10. Early repayment of your *loan*

10.1 Where a variable interest rate applies

If a variable interest rate applies to an *account*, you may pay us any part but not the whole of the *balance* at any time. If you wish to pay the whole of the *balance* you must also pay interest charges calculated to (but excluding) and debited on the date of repayment plus any applicable credit fees and charges.

10.2 Where a fixed rate of interest applies

If while a fixed rate of interest applies to an *account* you make an early repayment of all or any part of that *account*, at the same time as you make that early repayment, you must pay us the *break costs* specified in the *specific particulars*.

11. Redraw

11.1 Redraw

The redraw facility allows customers to transfer funds back from their loan, if their loan is in an advanced position e.g. If the loan is ahead of the repayment schedule. The redraw facility is not available on some loan types. Refer to your loan contract for further information.

11.2 Redraw

You may at any time during the *term* request us to relend to you an amount up to but not exceeding the amount by which the *scheduled balance* on the date we process your redraw request exceeds:

- (a) the *outstanding amount of credit* as at close of business on the *business day* before the date we process your redraw request (excluding any payments you have made during the 5 *business days* before that date and any uncleared funds); plus
- (b) the amount of the next regular payment due for that *account*; plus
- (c) the amount of any arrears outstanding under any *agreement* you have with us.

11.3 Form of request

11.3.1 For Home Loan & Commercial Loan products, any redraw request must be made either:

- (a) in writing by completing the relevant application form and delivering it to any branch of the bank (depending on your loan type - you may incur fees for this transaction. Refer to your loan contract for further information); or
- (b) if you have access to iBank and your loan type permits, by using iBank in accordance with the terms and conditions applicable to iBank; or
- (c) by any other method we authorise from time to time.

11.3.2 For Personal Loan products, any redraw request must be made by either:

- (a) if you have access to iBank and your loan type permits, by using iBank in accordance with the terms and conditions applicable to iBank; or
- (b) by any other method we authorise from time to time.

11.4 Minimum amount of redraw

The minimum amount of a redraw which you may request under clause 11.3.1(a) above is \$500.00 and under clause 11.3.1(b) is \$50 or such other amount as we may notify you from time to time.

The minimum amount of a redraw which you may request under clause 11.3.2 (a) above is \$50.00 or such other amount as we may notify you from time to time.

11.5 Discretion to refuse request

A redraw request may be declined if you are in default under any credit agreement you have with us, or have been in default at any time during the prior 12 months to the redraw request and, as a result, allowing the redraw would present a material credit risk to us.

11.6 Changes to the redraw facility

At our discretion and subject to giving you at least 60 days' prior written notice or other notice as required or permitted by law, we may make changes to the redraw facility, which may include terminating the facility.

11.7 Agreement to make redraw payment

We agree, subject to clause 11.4 above, to make available the amount requested by you as a redraw by crediting the amount of the advance to a Hume account as instructed in the redraw request.

11.8 Construction loans

You may not request a redraw before the end of the *construction period* on any construction loan.

12. Default

12.1 When are you in default?

You will be in default under this *agreement* immediately if you:

- (a) do not pay any amount payable under this *agreement* when it is due to be paid and have not rectified that default within 7 days;
- (b) become insolvent

You will be in default under this *agreement* if you:

- (c) breach any other provision of this *agreement*;
- (d) breach the provisions of any other *agreement* or *security* you have entered into with us;
- (e) any guarantor breaches any *security*; or;
- (f) have made or make any misleading or untrue representation to us, and

you have failed to remedy that default within 30 days and, in our reasonable opinion, the default constitutes a material credit risk to us of you failing to repay your loan or it may jeopardise our ability to rely upon or exercise our rights against any secured property.

12.2 What can we do if you are in default?

If you are in default, then after giving any notice referred to in this *agreement* or required by law and waiting the required period, and if the default has not been rectified, we may:

- (a) make the *balance* and any other amount payable by you under this *agreement* immediately due and payable; and/or
- (b) enforce this *agreement* and/or any *security*.

12.3 Enforcement expenses

If you breach the terms of this *agreement* or any *security*, enforcement expenses may become payable under this *agreement* or any *security*. These are expenses which are reasonably incurred by us in enforcing or preserving our rights under this *agreement* or any *security* including, to the extent permitted by law, those reasonably incurred in the use of our staff and facilities. You must pay us those expenses we reasonably incur, and you authorise us to debit those amounts to your *account* when they are incurred.

13. Notices

13.1 Address for notices

We can give any notice or other document to you at the address you nominate to us or in any other way the law allows.

13.2 Who will receive notices

To the extent permitted by law, two or more of you may nominate one of you to receive notices and other documents on your behalf. If you do this, you acknowledge that while the nomination remains in force, a notice or other document that is given to the nominated person is taken to have been given to each person who has signed the nomination.

13.3 Change of name or address

You must tell us as soon as possible if you change your name, address or contact details.

13.4 Service of notices on *guarantors*

You acknowledge that we can give to any *guarantor* a copy of any notice given to you.

14. Trusts

14.1 If you are a trustee

If you enter into this *agreement* as trustee of a *trust*, you make the following statements:

- (a) the *trust* is properly constituted and is in existence at the date you sign this *agreement*;
- (b) you have been validly appointed trustee;
- (c) no date has been declared as the date on which the *trust* will be vested or come to an end;
- (d) the *trust deed* confers on you the power to enter into and perform your obligations under this *agreement* and each *security*;
- (e) it is in the best interests of the beneficiaries of the *trust* that you enter into this *agreement* and each *security*;
- (f) you are personally liable to us to the full extent of your obligations under this *agreement* and each *security*; and
- (g) you have full rights to claim against the assets of the *trust* for all liabilities incurred by you under this agreement and each *security* and those rights have not been and will not be changed or lost.

14.2 Your covenants as trustee

You agree that you will:

- (a) tell us immediately if you stop being the trustee of the *trust* or the *trust* is terminated, vests, is altered or ceases to exist;
- (b) not distribute any capital of the *trust* if to do so would create a material credit risk to us of you failing to repay your loan, until the *balance* has been repaid in full;
- (c) promptly give us information we reasonably require about the business or financial condition of the *trust*, including copies of up to date balance sheet and profit and loss accounts of the *trust*;
- (d) not do anything which limits, prejudices or disposes of all, part of or an interest in your right to be indemnified from the *trust*; and

(e) comply with all the terms of the *trust deed*.

15. General

15.1 What law governs this agreement

This *agreement* is governed by the laws of the state or territory in which we first provide credit.

15.2 How we can deal with your accounts

If you have more than one account with us we may set off monies held in any of those accounts towards payment of monies due under this *agreement*.

15.3 More than one of you

If there is more than one of you, this *agreement* applies to and binds each of you individually and all of you as a group.

15.4 Assignment

We may assign or otherwise deal with our rights under this *agreement* as we wish, but not to your detriment. .

15.5 Unenforceable provisions

If any provision of this *agreement* is invalid and unenforceable in whole or in part, the rest of this *agreement* will remain valid and enforceable.

15.6 Conflict

In the event of any conflict between these *general conditions* and the *specific particulars*, the terms of the *specific particulars* will prevail to the extent of the inconsistency.

15.7 Updating your financial information

You must promptly when we request it, provide us with updated information on your financial position.

15.8 Agricultural Property

If the *property* is agricultural or horticultural land, you must:

- (a) farm, cultivate and manage the land efficiently and properly;
- (b) not do anything or fail to do anything that results in a decrease in the value of the *property*;
- (c) take all reasonable measures to keep the *property* free from diseases, noxious animals, insects and pests; and
- (d) not sell, transfer or deal with any quotas, licences or other rights which at any time attach to or form part of the *property* without first getting our consent in writing.

15.9 Lenders' mortgage insurance

In some circumstances, we may require that you pay the premium for a lenders' mortgage insurance policy on your loan. This policy protects us, the lender (and not you), for the life of the loan. If the loan is repaid in full within the first two years (including interest, fees and charges) you may be entitled to a partial refund of the premium paid. The

terms of any refund are set by the insurer, not us and may change from time to time.

Currently, you would receive a refund of 40% of the premium if the loan is repaid in the first year, and 20% if the loan is repaid in the second year. No refund is payable if the refund amount is less than \$500, the loan is not repaid in full or has been in arrears prior to repayment or is repaid after the first 2 years have elapsed. We will apply for any applicable refund on your behalf and forward it to you.

15.10 Customer Owned Banking Code of Practice

We will comply with the Customer Owned Banking Code of Practice in our dealings with you.

15.11 No unfair terms

Every other clause of this *agreement* is subject to the terms of this clause. If any term of this *agreement* is regulated by legislation relating to unfair contract terms and we are advantaged by that term, we may only exercise our rights under that term to the extent (if any) reasonably necessary to protect our legitimate interests, unless the term would not cause a significant imbalance in the parties' rights and obligations under this *agreement* or it would not cause detriment (financial or otherwise) to you if we applied the term or relied on it. Words used in this clause have the same meanings as under the applicable legislation.

This *agreement* is to be interpreted so that it complies with all applicable laws. If any provision of this *agreement* does not comply with the law, it must be read down to give it as much effect as possible. If it is not possible to give the provision any lawful effect, it is not included in this *agreement*.

16. Understanding the *agreement*

16.1 Words with special meanings

In this *agreement*, there are words and expressions that have special meanings as follows:

account means the account or accounts we establish in your name for the purposes of this *agreement*.

additional security means the additional security (if any) specified in the *specific particulars*.

agreement means this agreement when it is entered into by you and us.

amount of credit means the amount of credit specified in the Financial Table in the *specific particulars*.

annual percentage rate means the rate described as the annual percentage rate in the Financial Table in the *specific particulars*.

availability date means the date specified in the *specific particulars* as the date by which you must accept or decline this offer.

balance means the difference between all amounts credited and all amounts debited

to your *account*.

break costs means the fee specified as such in the Financial Table in the *specific particulars*.

building contract means the building contract you enter into in relation to any construction loan facility.

business day means any day on which banks are generally open for business in Sydney and Melbourne.

construction period means the period beginning on the *settlement date* and ending on the earlier to occur of the date on which the *amount of credit* is fully drawn and six months after the *settlement date*.

daily percentage rate means the *annual percentage rate* divided by 365.

fixed rate period means any fixed rate period specified in the *specific particulars*.

general conditions mean these general conditions as they apply to your *agreement*.

guarantee means the guarantee (if any) specified in the specific particulars and any other guarantee given subsequently to secure this *agreement*.

guarantor means any person who at any time has given a *guarantee*.

interest only period means any interest only period specified in the *specific particulars*.

loan means the total amount we lend you under this *agreement*.

mortgage means the mortgage(s) over the *property* specified in the *specific particulars*.

outstanding amount of credit means at any time the difference between all amounts credited and all amounts debited to your *account*.

property means the property specified in the *specific particulars*.

scheduled balance means, on any day, the amount that would have been the *outstanding amount of credit* on that day if:

- > you had prior to that day made each repayment on the date it was due to be made; and
- > you had not repaid any part of the *outstanding amount of credit* early; and
- > we had not re-lent any redraw advances to you.

security means any *agreement* given by you by way of security and includes the *mortgage*, the *additional security* and any *guarantee*.

settlement date means the date which you specify will be the settlement date in any

notice you give us under clause 3.1, or the date you first draw down any monies under this *agreement*.

specific particulars means the specific particulars which form part of this *agreement*.

term means the period specified as such in the Financial Table in the *specific particulars*.

trust means any trust of which you are the trustee and in your capacity as which you enter into this *agreement*.

trust deed means the deed or deeds or other documents evidencing the *trust*.

we, us, our and bank means Hume Bank Limited.

you means the person specified as the borrower in the *specific particulars*.

16.2 General Interpretation

In this agreement, reference to:

- (a) a person includes the person's successors and assigns;
- (b) individuals includes corporations and the other way around;
- (c) a document or agreement include all variations, novations or replacements; and
- (d) the singular includes the plural.

Headings are for guidance only and are not to be used for interpretation.

16.3 Timing

If in this agreement a payment is required to be made on a day, or a credit or debit is to be made on a day, and that day is not a *business day*, then (as the case may be), that payment must be made, or that debit or credit must be made, on the previous *business day*.

17. Split loans

Where you have more than one *account* as part of your loan, then:

- (a) each *account* will be treated as a separate *amount of credit*;
- (b) amounts paid and received under this *agreement* will be debited and credited accordingly;
- (c) each *account* will have its own *balance* and we will send you separate statements for each *account*;
- (d) provided you are not in default under this *agreement*, we will credit all payments received by us under or in connection with this *agreement* among the *accounts* as requested by you; and
- (e) the rest of the terms of this *agreement* including those dealing with annual percentage rates, interest, fees and charges, statements and changes will apply separately to each *account*.

PART 3:

Conditions relating to unsecured loans or unsecured overdraft facilities

1. What you must do before we will lend

We are not obliged to lend you the *amount of credit* until the following things have happened:

- > you accept our offer to enter into the *agreement* with you by the *availability date*;
- > you have given us any documents we require;
- > you have executed and delivered to us the *security* set out in the *specific particulars* in a form acceptable to us;
- > you have paid to us our expenses in connection with this *agreement* and any *security*; and
- > if there is a *guarantor*; the *guarantor* has signed and delivered the *guarantee* to us.

We will not lend you an amount under this *agreement* if, having regard to some or all of the following, lending that amount would present a material credit risk to us of you failing to repay your loan or it may jeopardise our ability to rely upon or exercise our rights against any secured property:

- > you are, or in the previous 12 months have been, in default under this *agreement* or any other *agreement* you have entered into with and that default was not rectified within the time allowed to do so;
- > any information you have given us changes or is not correct;
- > any *guarantor* withdraws from the *guarantee*;
- > lending that amount would cause the *balance* to exceed the *amount of credit*;
- > there occurs any event or circumstance which in our reasonable opinion may adversely alter the status or financial condition of you or any *guarantor*;
- > we are not satisfied with any documents, materials or information provided to us in respect of you or any *guarantor*.

2. Drawdown and use of the *loan*

2.1 Notice of drawdown

You must give us at least two (2) prior *business days*' notice of any intention to draw down the *loan*.

2.2 Use of the *facility*

You must use the *facility* for the purpose(s) specified in the *specific particulars*.

2.3 How the money may be borrowed

You may only borrow the *amount of credit* by one drawdown on the *settlement date*.

3. Interest

3.1 Calculation of interest charges

We will calculate interest on each *account* on a daily basis on the *balance* of your *account* at the end of each day. The interest rate applied each day is the *daily percentage rate*.

3.2 When we will debit interest charges

Interest charges will be debited to your *account* monthly on the last day of each month. Interest will also be debited on the date the *account* is due to be repaid in full.

3.3 Effect of debiting interest charges

Interest debited to your *account* becomes part of the *balance*.

3.4 Calculation of interest charges to be debited

The amount of interest debited on each occasion will be the sum of the interest charges calculated for each day in the period starting on the day interest charges were last debited (or, in the case of the first interest debit, the *settlement date*) and ending on the day before interest charges are next debited (including each of those days).

3.5 Interest on judgements

You must pay interest on the amount of any judgement we obtain against you at the *annual percentage rate* from the day the judgement is obtained until you actually pay it.

3.6 Interest only period

During any *interest only period* each of your monthly repayments is equal to the amount of interest charges debited to your *loan* at the end of the previous month calculated by applying the *daily percentage rate* to the *balance* for each day during the relevant period.

3.7 Your *annual percentage rate*

You can find out the *annual percentage rate* that applies to your *loan* at any time by contacting us at any branch, by telephone or in person using the contact details at the end of this brochure.

4. Payments

4.1 What you must pay us

You owe us and must pay the whole of the *balance* and any other amount payable under this *agreement* by the end of the term or on the day the final payment is due, whichever is the earlier, in accordance with this *agreement*.

4.2 Amount of repayments

You must pay us the repayments in the amounts and at the times set out in the *specific particulars* (as varied from time to time in accordance with this agreement).

4.3 How payments must be made

Payments are to be made:

- (a) by direct debit from your account or such other way as we may agree or specify; and
- (b) in Australian dollars; and
- (c) to us or as we may direct.

4.4 When you get credit for any payment

We do not treat a payment as made until we credit it to your *account*.

4.5 How we apply payments

We can apply any payment or other credit to any amount you owe us under this *agreement* in any order we determine.

4.6 No set-off or counterclaim

You must not deduct anything from any payment so that, to the extent permitted by law, all payments are free of any set-off or counterclaim.

5. Fees and Charges

5.1 Fees and charges you must pay

You must pay the fees and charges set out in the *specific particulars* (as varied from time to time in accordance with this agreement).

5.2 Debiting fees and charges

You authorise us to debit to your *account* any fees and charges payable. When debited to your *account* they may be added to the *balance*.

6. Statements of account

We will provide you with regular statements of account at six monthly intervals or more frequently if required by law.

7. Changes we can make

7.1 Changes before acceptance

We can change the terms of this offer without your consent at any time before you accept it.

7.2 Changes to the agreement

To the extent permitted by law, we can change the terms of this *agreement* without your consent at any time by giving you at least 60 days' prior written notice. You and we can also change its terms by agreement in writing at any time.

7.3 Types of changes we can make

Some of the changes we can make are:

- (a) the amount or frequency of payments;
- (b) to any *annual percentage rate* other than a fixed rate during a *fixed rate period*; and
- (c) to impose new or vary existing fees and charges in accordance with this agreement.

7.4 When will we tell you about changes that reduce your obligations?

If any change reduces your obligations under this *agreement*, we will notify you in writing before or when we provide your next statement of account after the change takes effect.

7.5 When will we tell you about other changes?

We will tell you about:

- (a) any change to the *annual percentage rate* no later than the day when the change takes effect either by advertising in a newspaper circulating throughout each state and territory, by writing to you or publishing on our website;
- (b) any other change by giving you at least 60 days' prior written or other notice as required or permitted by law.

8. Early repayment of your *loan*

You may make an early repayment of all or any part of your *loan*. If you wish to pay the whole of the balance, you must pay interest charges calculated to (but excluding) the date of repayment plus any applicable credit fees and charges in accordance with this agreement.

9. Redraw

9.1 Redraw

The redraw facility allows customers to transfer funds back from their loan, if their loan is in an advanced position e.g. If the loan is ahead of the repayment schedule. The redraw facility is not available on some loan types. Refer to your loan contract for further information.

9.2 Redraw

You may at any time during the *term* request us to relend to you an amount up to but not exceeding the amount by which:

- (a) the *scheduled balance* on the date we process your redraw request exceeds;
- (b) the *outstanding amount of credit* as at close of business on the *business day* before the date we process your redraw request (excluding any payments you have made during the 5 *business days* before that date and any uncleared funds); plus
- (c) the amount of the next regular payment due for that *account*; plus
- (d) the amount of any arrears outstanding under any *agreement* you have with us.

9.3 Form of request

Dependent on your loan type a request may be made via:

- (a) if you have access to iBank and your loan type permits, by using iBank in accordance with the terms and conditions applicable to iBank; or
- (b) by any other method we authorise from time to time.

9.4 Minimum amount of redraw

The minimum amount of a redraw which you may request under clause 9.2(a) is \$50 or such other amount as we may notify you from time to time.

9.5 Discretion to refuse request

A redraw request may be declined if:

- (a) you are in default under any credit agreement you have with us, or have been in default at any time during the prior 12 months to the redraw request;
- (b) we become aware of a change to your creditworthiness and believe this change may impact your ability to make the scheduled repayments.

9.6 Changes to the redraw facility

At our discretion and subject to giving you at least 60 days' prior written notice or other notice as required or permitted by law, we may make changes to the redraw facility, which may include terminating the facility.

9.7 Agreement to make redraw payment

We agree, subject to clause 9.5 above, to make available the amount requested by you as a redraw by crediting the amount of the advance to a Hume account as instructed in the redraw request.

10. Default

10.1 When are you in default?

You will be in default under this *agreement* immediately if you:

- (a) do not pay any amount payable under this *agreement* when it is due to be paid and have not rectified that default within 7 days;;
- (b) become insolvent;

You will be in default under this *agreement* if you:

- (c) breach any other provision of this *agreement*;
- (d) breach the provisions of any other *agreement* or *security* you have entered into with us;
- (e) any guarantor breaches any *security*; or;
- (f) have made or make any misleading or untrue representation to us, and

you have failed to remedy that default within 30 days and, in our reasonable opinion, the default constitutes a material credit risk to us of you failing to repay your loan or it may jeopardise our ability to rely upon or exercise our rights against any secured property.

10.2 What can we do if you are in default?

If you are in default, then after giving any notice referred to in this *agreement* or required by law and waiting the required period, and if the default has not been rectified, we may:

- (a) make the *balance* and any other amount payable by you under this *agreement* immediately due and payable; and/or
- (b) enforce this *agreement* and/or any *security*.

10.3 Enforcement expenses

If you breach the terms of this *agreement* or any *security*, enforcement expenses may become payable under this *agreement* or any *security*. These are expenses which are reasonably incurred by us in enforcing or preserving our rights under this *agreement* or any *security* including, to the extent permitted by law, those reasonably incurred in the

use of our staff and facilities. You must pay us those expenses we reasonably incur, and you authorise us to debit those amounts to your account when they are incurred.

11. Notices

11.1 Address for notices

We can give any notice or other document to you at the address you nominate to us or in any other way the law allows.

11.2 Who will receive notices

To the extent permitted by law, two or more of you may nominate one of you to receive notices and other documents on your behalf. If you do this, you acknowledge that while the nomination remains in force, a notice or other document that is given to the nominated person is taken to have been given to each person who has signed the nomination.

11.3 Change of name or address

You must tell us as soon as possible if you change your name, address or contact details.

11.4 Service of notices on guarantors

You acknowledge that we can give to any *guarantor* a copy of any notice given to you.

12. Trusts

12.1 If you are a trustee

If you enter into this *agreement* as *trustee* of a trust, you make the following statements:

- (a) the *trust* is properly constituted and is in existence at the date you sign this agreement;
- (b) you have been validly appointed *trustee*;
- (c) no date has been declared as the date on which the *trust* will be vested or come to an end;
- (d) the *trust deed* confers on you the power to enter into and perform your obligations under this *agreement* and each *security*;
- (e) it is in the best interests of the beneficiaries of the *trust* that you enter into this *agreement* and each *security*;
- (f) you are personally liable to us to the full extent of your obligations under this *agreement* and any *security*; and
- (g) you have full rights to claim against the assets of the trust for all liabilities incurred by you under this *agreement* and each *security* and those rights have not been and will not be changed or lost.

12.2 Your covenants as trustee

You agree that you will:

- (a) tell us immediately if you stop being the *trustee* of the *trust* or the *trust* is terminated, vests, is altered or ceases to exist;
- (b) not distribute any capital of the *trust* if to do so would create a material credit risk to us of you failing to repay your loan, until the *balance* has been repaid in full;
- (c) promptly give us information we reasonably require about the business or financial condition of the *trust*, including copies of up to date balance sheet and profit and loss accounts of the *trust*;
- (d) not do anything which limits, prejudices or disposes of all, part of or an interest in your right to be indemnified from the *trust*; and
- (e) comply with all the terms of the *trust deed*.

13. General

13.1 What law governs this agreement

This *agreement* is governed by the laws of the state or territory in which we first provide credit.

13.2 How we can deal with your accounts

If you have more than one account with us we may set off monies held in any of those accounts towards payment of monies due under this *agreement*.

13.3 More than one of you

If there is more than one of you, this *agreement* applies to and binds each of you individually and all of you as a group.

13.4 Assignment

We may assign or otherwise deal with our rights under this *agreement* as we wish but not to your detriment.

13.5 Unenforceable provisions

If any provision of this *agreement* is invalid and unenforceable in whole or in part, the rest of this *agreement* will remain valid and enforceable.

13.6 Conflict

In the event of any conflict between these *general conditions* and the *specific particulars*, the terms of the *specific particulars* will prevail to the extent of the inconsistency.

13.7 Updating your financial information

You must promptly when we request it, provide us with updated information on your financial position.

13.8 Customer Owned Banking Code of Practice

We will comply with the Customer Owned Banking Code of Practice in our dealings with you.

13.9 No unfair terms

Every other clause of this *agreement* is subject to the terms of this clause. If any term

of this *agreement* is regulated by legislation relating to unfair contract terms and we are advantaged by that term, we may only exercise our rights under that term to the extent (if any) reasonably necessary to protect our legitimate interests, unless the term would not cause a significant imbalance in the parties' rights and obligations under this *agreement* or it would not cause detriment (financial or otherwise) to you if we applied the term or relied on it. Words used in this clause have the same meanings as under the applicable legislation.

This *agreement* is to be interpreted so that it complies with all applicable laws. If any provision of this *agreement* does not comply with the law, it must be read down to give it as much effect as possible. If it is not possible to give the provision any lawful effect, it is not included in this *agreement*.

14. Understanding the agreement

14.1 Words with special meanings

In this *agreement*, there are words and expressions that have special meanings as follows:

account means the account or accounts we establish in your name for the purposes of this *agreement*.

agreement means this agreement when it is entered into by you and us.

amount of credit means the amount of credit specified in the Financial Table in the *specific particulars*.

annual percentage rate means the rate described as the annual percentage rate in the Financial Table in the *specific particulars*.

availability date means the date specified in the *specific particulars* as the date by which you must accept or decline this offer.

balance means the difference between all amounts credited and all amounts debited to your *loan account*.

break costs means the fee specified as such in the Financial Table in the *specific particulars*.

business day means any day on which banks are generally open for business in Sydney and Melbourne.

daily percentage rate means the *annual percentage rate* divided by 365.

facility means the loan or overdraft facility to be provided under this *agreement*.

fixed rate period means any fixed rate period specified in the *specific particulars*.

general conditions mean these general conditions as they apply to your *agreement*.

guarantee means the guarantee (if any) specified in the *specific particulars* and any other guarantee given subsequently to secure this *agreement*.

guarantor means any person who at any time has given a *guarantee*.

interest only period means any interest only period specified in the *specific particulars*.

loan means the total amount we lend you under this *agreement*.

outstanding amount of credit means at any time the difference between all amounts credited and all amounts debited to your *account*.

scheduled balance means, on any day, the amount that would have been the *outstanding amount of credit* on that day if:

- > you had prior to that day made each repayment on the date it was due to be made; and
- > you had not repaid any part of the *outstanding amount of credit* early.

security means any agreement given by you or another by way of security and includes any *guarantee*.

settlement date means the date which we agree will be the settlement date and your facility is available for draw down.

specific particulars means the specific particulars which form part of this *agreement*.

term means the period specified as such in the Financial Table in the *specific particulars*.

trust means any trust of which you are the trustee and in your capacity as which you enter into this *agreement*.

trust deed means the deed or deeds or other documents evidencing the *trust*.

we, us, our and bank means Hume Bank Limited.

you means the person specified as the borrower in the *specific particulars*.

14.2 General Interpretation

In this agreement, reference to:

- (a) a person includes the person's successors and assigns;
- (b) individuals includes corporations and the other way around;

- (c) a document or agreement include all variations, novations or replacements; and
- (d) the singular includes the plural.

Headings are for guidance only and are not to be used for interpretation.

14.3 Timing

If in this *agreement* a payment is required to be made on a day, or a credit or debit is to be made on a day, and that day is not a *business day*, then (as the case may be), that payment must be made, or that debit or credit must be made, on the previous *business day*.

15. Split loans

Where you have more than one *account* as part of your *loan*, then:

- (a) each *account* will be treated as a separate amount of credit;
- (b) amounts paid and received under this *agreement* will be debited and credited accordingly;
- (c) each *account* will have its own *balance* and we will send you separate statements for each *account*;
- (d) provided you are not in default under this *agreement*, we will credit all payments received by us under or in connection with this *agreement* among the accounts as requested by you; and
- (e) the rest of the terms of this *agreement* including those dealing with annual percentage rates, interest, fees and charges, statements and changes will apply separately to each *account*.

PART 4:

Conditions relating to Line of Credit loan or Secured Overdraft Facilities

1. Mortgage

This *agreement* is a *secured agreement* for the purposes of the *mortgage* and any *additional security*. The *balance* is secured by the *mortgage* and any *additional security*. You must comply with all the terms of the *mortgage* and any *additional security*.

2. What you must do before we will lend

We are not obliged to lend you the amount of credit until the following things have happened:

- > you accept our offer to enter into the *agreement* with you by the *availability date*;
- > you have given us any documents we require;
- > you have executed and delivered to us the *security* set out in the *specific particulars* in a form acceptable to us, together with all documents of title relating to the *property* and any *additional security*;
- > you have paid to us our expenses in connection with this *agreement* and any *security*;
- > if we request it, that lender's mortgage insurance has been put in place on terms and for the amount we require;
- > the *property* and any *additional security* are insured as required by the *mortgage*; and
- > if there is a *guarantor*, the *guarantor* has signed and delivered the *guarantee* to us.

We will not lend you an amount under this *agreement* if, having regard to some or all of the following, lending that amount would present a material credit risk to us of you failing to repay your loan or it may jeopardise our ability to rely upon or exercise our rights against any secured property:

- > you are, or in the previous 12 months have been, in default under this *agreement* or any other *agreement* you have entered into with us and that default was not rectified within the time allowed to do so;
- > any information you have given us changes or is not correct;
- > any *guarantor* withdraws from the *guarantee*;
- > lending that amount would cause the *balance* to exceed the *amount of credit*;
- > there occurs any event or circumstance which in our reasonable opinion may adversely alter the status or financial condition of you or any *guarantor* or which may reduce the value of the *property* or any *additional security*;
- > we are not satisfied that we will be entitled to the same priority in connection with the amount to be advanced as we are entitled to in connection with the *balance* at that time; or
- > we are not satisfied with any documents, materials or information provided to us in respect of you or any *guarantor*.

3. Use of the *loan*

3.1 Access to funds

You may access the *balance* up to the *amount of credit* by any of the methods set out in the Product Disclosure Statement for that *account*.

This may include by the issuing of a cheque book, Cashcard or debit card linked to the account.

3.2 Debiting your account

You authorise us to debit your *account* for all transactions *authorised* by you.

3.3 Keeping below your credit limit

You must not allow the *balance* to exceed the *amount of credit* without our approval. If you do, you must immediately repay the excess.

3.4 Account conditions

You must comply with the conditions that apply to the account as are set out in our Product Disclosure Statement and our Fees and Charges brochure. These conditions form part of this *agreement*.

3.5 Purpose of the loan

You must use the *loan* for the purpose(s) specified in the *specific particulars* (if any).

3.6 Cheque access

If we issue you with cheques linked to your *account*, you authorise us to debit your *account* with the amount of any goods or services provided, or cash obtained using those cheques.

4. Interest

4.1 Calculation of interest charges

We will calculate interest on each *account* on a daily basis on the balance of your *account* at the end of each day. The interest rate applied each day is the *daily percentage rate*.

4.2 When we will debit interest charges

Interest charges will be debited to your *account* monthly on the last day of each month. Interest will also be debited on the date the *account* is due to be repaid in full.

4.3 Effect of debiting interest charges

Interest debited to your *account* becomes part of the *balance*.

4.4 Calculation of interest charges to be debited

The amount of interest debited on each occasion will be the sum of the interest charges calculated for each day in the period starting on the day interest charges were last debited (or, in the case of the first interest debit, the *settlement date*) and ending on the day before interest charges are next debited (including each of those days).

4.5 Interest on judgements

You must pay interest on the amount of any judgement we obtain against you at the *annual percentage rate* from the day the judgement is obtained until you actually pay it.

4.6 Changing the *annual percentage rate*

You may ask us in writing to change the *annual percentage rate* that is applicable to an account under this *agreement*. We do not have to agree to your request, but if we do, we will give you a written notice setting out particulars of the change and any other information required by law (including when the change is to take effect), and we may charge you a fee for allowing you to change.

4.7 Your *annual percentage rate*

You can find out the *annual percentage rate* that applies to your loan at any time by contacting us at any branch, by telephone or in person using the contact details at the end of this brochure.

5. Payments

5.1 What you must pay us

You owe us and must pay the whole of the *balance* and any other amount payable under this *agreement* by the end of the term or on the day the final payment is due, whichever is the earlier, in accordance with this *agreement*. In addition, where your loan is a Line of Credit Loan or overdraft, we may demand payment in full of the *balance* at any time.

5.2 Amount of repayments

You must pay us the repayments in the amounts and at the times set out in the *specific particulars* (as varied from time to time in accordance with this agreement).

5.3 How payments must be made

Payments are to be made:

- (a) by direct debit from your account or such other way as we may agree or specify; and
- (b) in Australian dollars; and
- (c) to us or as we may direct.

5.4 When you get credit for any payment

We do not treat a payment as made until we credit it to your *account*.

5.5 How we apply payments

We can apply any payment or other credit to any amount you owe us under this *agreement* in any order we determine.

5.6 No set-off or counterclaim

You must not deduct anything from any payment so that, to the extent permitted by law, all payments are free of any set-off or counterclaim.

6. Fees and Charges

6.1 Fees and charges you must pay

You must pay the fees and charges set out in the *specific particulars* and in the fees and charges brochure (as varied from time to time in accordance with this agreement).

6.2 Debiting fees and charges

You authorise us to debit to your *account* any fees and charges payable. When debited to your *account* they may be added to the *balance*.

7. Statements of account

We will provide you with regular statements of account at least once a month. You should check the entries on your statement carefully and promptly report any error or unauthorised transaction to us.

8. Changes we can make

8.1 Changes before acceptance

We can change the terms of this offer without your consent at any time before you accept it.

8.2 Changes to the *agreement*

To the extent permitted by law, we can change the terms of this *agreement* without your consent at any time by giving you at least 60 days' prior written notice. You and we can also change its terms by agreement in writing at any time.

8.3 Types of changes we can make

Some of the changes we can make are:

- (a) the amount or frequency of payments;
- (b) to any *annual percentage rate*; and
- (c) to impose new or vary existing fees and charges in accordance with this *agreement*.

8.4 When will we tell you about changes that reduce your obligations?

If any change reduces your obligations under this *agreement*, we will notify you in writing before or when we provide your next statement of account after the change takes effect.

8.5 When will we tell you about other changes?

We will tell you about:

- (a) any change to the *annual percentage rate* no later than the day when the change takes effect either by advertising in a newspaper circulating throughout each state and territory, by writing to you or publishing on our website;
- (b) any other change by giving you at least 60 days' prior written or other notice as required or permitted by law.

9. Early repayment of your *loan*

You may pay us any part but not the whole of the *balance* at any time. If you wish to pay the whole of the *balance* you must also pay interest charges calculated to (but excluding) and debited on the date of repayment plus any applicable credit fees and charges in accordance with this *agreement*.

10. Processing transactions and payments

10.1

We will process transactions on the date that they are received by us and process them to your *account* (the date of posting). This may differ from the effective date of the transaction.

10.2

In the ordinary course of business, payments and other credits to your *account* will generally be treated in the following way:

- (a) cash payments to your *account* made at one of our branches will be credited to your *account* on that day;
- (b) cheque payments are only effective once cleared but once cleared will be credited from the date of receipt by us;
- (c) payments received electronically are effective the date they are processed into payments system by the paying institution.

Once cleared, funds will form part of your available *balance*.

10.3

To maximum extent permitted by law, we may apply any payment, credit, refund or reversal to your account in such order as we determine, acting reasonably.

11. Default

11.1 When are you in default?

You will be in default under this *agreement* immediately if you:

- (a) do not pay any amount payable under this *agreement* when it is due to be paid and have not rectified that default within 7 days;
- (b) become insolvent;

You will be in default under this *agreement* if you:

- (c) breach any other provision of this *agreement*;
- (d) breach the provisions of any other *agreement* or *security* you have entered into with us;
- (e) any guarantor breaches any *security*, or
- (f) have made or make any misleading or untrue representation to us, and

you have failed to remedy that default within 30 days and, in our reasonable opinion, the default constitutes a material credit risk to us of you failing to repay your loan or it may jeopardise our ability to rely upon or exercise our rights against any secured property..

11.2 What can we do if you are in default?

If you are in default, then after giving any notice referred to in this *agreement* or required by law and waiting the required period, and if the default has not been rectified, we may:

- (a) make the *balance* and any other amount payable by you under this *agreement* immediately due and payable; and/or
- (b) enforce this *agreement* and/or any *security*.

11.3 Enforcement expenses

If you breach the terms of this *agreement* or any *security*, enforcement expenses may become payable under this *agreement* or any *security*. These are expenses which are reasonably incurred by us in enforcing or preserving our rights under this *agreement* or any *security* including, to the extent permitted by law, those reasonably incurred in the use of our staff and facilities. You must pay us those expenses we reasonably incur, and you authorise us to debit those amounts to your *account* when they are incurred.

12. Notices

12.1 Address for notices

We can give any notice or other document to you at the address you nominate to us or in any other way the law allows.

12.2 Who will receive notices

To the extent permitted by law, two or more of you may nominate one of you to receive notices and other documents on your behalf. If you do this, you acknowledge that while the nomination remains in force, a notice or other document that is given to the nominated person is taken to have been given to each person who has signed the nomination.

12.3 Change of name or address

You must tell us as soon as possible if you change your name, address or contact details.

12.4 Service of notices on *guarantors*

You acknowledge that we can give to any *guarantor* a copy of any notice given to you.

13. Trusts

13.1 If you are a trustee

If you enter into this *agreement* as trustee of a *trust*, you make the following statements:

- (a) the *trust* is properly constituted and is in existence at the date you sign this *agreement*;
- (b) you have been validly appointed trustee;
- (c) no date has been declared as the date on which the *trust* will be vested or come to an end;
- (d) the *trust deed* confers on you the power to enter into and perform your obligations under this *agreement* and each security;
- (e) it is in the best interests of the beneficiaries of the *trust* that you enter into this *agreement* and each *security*;
- (f) you are personally liable to us to the full extent of your obligations under this *agreement* and any *security*; and
- (g) you have full rights to claim against the assets of the *trust* for all liabilities incurred by you under this agreement and each security and those rights have not been and will not be changed or lost.

13.2 Your covenants as trustee

You agree that you will:

- (a) tell us immediately if you stop being the trustee of the *trust* or the *trust* is terminated, vests, is altered or ceases to exist;
- (b) not distribute any capital of the *trust* if to do so would create a material credit risk to us of you failing to repay your loan, until the *balance* has been repaid in full;
- (c) promptly give us information we reasonably require about the *business* or *financial condition* of the *trust*, including copies of up to date balance sheet and profit and loss accounts of the *trust*;
- (d) not do anything which limits, prejudices or disposes of all, part of or an interest in your right to be indemnified from the *trust*; and
- (e) comply with all the terms of the *trust deed*.

14. General

14.1 What law governs this agreement

This *agreement* is governed by the laws of the state or territory in which we first provide credit.

14.2 How we can deal with your accounts

If you have more than one account with us we may set off monies held in any of those accounts towards payment of monies due under this *agreement*.

14.3 More than one of you

If there is more than one of you, this *agreement* applies to and binds each of you individually and all of you as a group.

14.4 Assignment

We may assign or otherwise deal with our rights under this *agreement* as we wish but not to your detriment.

14.5 Unenforceable provisions

If any provision of this *agreement* is invalid and unenforceable in whole or in part, the rest of this *agreement* will remain valid and enforceable.

14.6 Conflict

In the event of any conflict between these *general conditions* and the *specific particulars*, the terms of the *specific particulars* will prevail to the extent of the inconsistency.

14.7 Updating your financial information

You must promptly when we request it, provide us with updated information on your financial position.

14.8 Lenders' mortgage insurance

In some circumstances, we may require that you pay the premium for a lenders' mortgage insurance policy on your loan. This policy protects us, the lender (and not you), for the life of the loan. If the loan is repaid in full within the first two years (including interest, fees and charges) you may be entitled to a partial refund of the premium paid. The terms of any refund are set by the insurer, not us and may change from time to time. Currently, you would receive a refund of 40% of the premium if the loan is repaid in the first year, and 20% if the loan is repaid in the second year. No refund is payable if the refund amount is less than \$500, the loan is not repaid in full or has been in arrears prior to repayment or is repaid after the first 2 years have elapsed. We will apply for any applicable refund on your behalf and forward it to you.

14.9 Customer Owned Banking Code of Practice

We will comply with the Customer Owned Banking Code of Practice in our dealings with you.

14.10 No unfair terms

Every other clause of this *agreement* is subject to the terms of this clause. If any term of this *agreement* is regulated by legislation relating to unfair contract terms and we are advantaged by that term, we may only exercise our rights under that term to the extent (if any) reasonably necessary to protect our legitimate interests, unless the term would not cause a significant imbalance in the parties' rights and obligations under this *agreement* or it would not cause detriment (financial or otherwise) to you if we applied the term or relied on it. Words used in this clause have the same meanings as under the applicable legislation.

This *agreement* is to be interpreted so that it complies with all applicable laws. If any provision of this *agreement* does not comply with the law, it must be read down to give it as much effect as possible. If it is not possible to give the provision any lawful effect, it is not included in this *agreement*.

15. Understanding the *agreement*

15.1 Words with special meanings

In this *agreement*, there are words and expressions that have special meanings as follows:

account means the account or accounts we establish in your name for the purposes of this *agreement*.

additional security means the additional security (if any) specified in the *specific particulars*.

agreement means this agreement when it is entered into by you and us.

amount of credit means the amount of credit specified in the Financial Table in the *specific particulars*.

annual percentage rate means the rate described as the annual percentage rate in the Financial Table in the *specific particulars*.

availability date means the date specified in the *specific particulars* as the date by which you must accept or decline this offer.

balance means the difference between all amounts credited by way of cleared funds and all amounts debited to your *account*.

break costs means the fee specified as such in the Financial Table in the *specific particulars*.

business day means any day on which banks are generally open for business in Sydney and Melbourne.

daily percentage rate means the *annual percentage rate* divided by 365.

general conditions mean these general conditions as they apply to your *agreement*.

guarantee means the guarantee (if any) specified in the specific particulars and any other guarantee given subsequently to secure this *agreement*.

guarantor means any person who at any time has given a *guarantee*.

interest only period means any interest only period specified in the *specific particulars*.

loan means the total amount we lend you under this *agreement*.

mortgage means the mortgage(s) over the *property* specified in the *specific particulars*.

property means the property specified in the *specific particulars*.

security means any *agreement* given by you by way of security and includes the *mortgage*, the *additional security* and any *guarantee*.

settlement date means the date you first draw down any monies under this *agreement*.

specific particulars means the specific particulars which form part of this *agreement*.

term means the period specified as such in the Financial Table in the *specific particulars*.

trust means any trust of which you are the trustee and in your capacity as which you enter into this *agreement*.

trust deed means the deed or deeds or other documents evidencing the *trust*.

we, us, our and *bank* means Hume Bank Limited.

you means the person specified as the borrower in the *specific particulars*.

15.2 General Interpretation

In this agreement, reference to:

- (a) a person includes the person's successors and assigns;
- (b) individuals includes corporations and the other way around;
- (c) a document or agreement include all variations, novations or replacements; and
- (d) the singular includes the plural.

Headings are for guidance only and are not to be used for interpretation.

15.3 Timing

If in this agreement a payment is required to be made on a day, or a credit or debit is to be made on a day, and that day is not a *business day*, then (as the case may be), that payment must be made, or that debit or credit must be made, on the previous *business day*.

16. Split loans

Where you have more than one *account* as part of your loan, then:

- (a) each *account* will be treated as a separate *amount of credit*;
- (b) amounts paid and received under this *agreement* will be debited and credited accordingly;
- (c) each *account* will have its own *balance* and we will send you separate statements for each *account*;
- (d) provided you are not in default under this *agreement*, we will credit all payments received by us under or in connection with this *agreement* among the *accounts* as requested by you; and
- (e) the rest of the terms of this *agreement* including those dealing with annual percentage rates, interest, fees and charges, statements and changes will apply separately to each *account*.

General Enquiries

1300 004 863

E: hume@humbank.com.au

W: www.humbank.com.au

Branch Locations

Albury

Head Office
492 Olive Street,
Albury NSW 2640

Myer Centrepaint
Shop 13A, David & Swift Streets,
Albury NSW 2640

Lavington
Shop 1/346 Griffith Road,
Lavington NSW 2641

Thurgoona Plaza
Shop 11/10 Shuter Avenue,
Thurgoona NSW 2640

Wodonga

Wodonga Place
Shop 7-8, 107-117 High Street & Elgin Boulevard,
Wodonga VIC 3690

Whitebox Rise
Shop 12, Victoria Cross Parade
& Kelliher Avenue,
Wodonga VIC 3690

Wangaratta

76 Reid Street,
Wangaratta VIC 3677

Wagga Wagga

Baylis Street
115 Baylis Street,
Wagga Wagga NSW 2650

Regional

Corowa
79 Sanger Street,
Corowa NSW 2646

Culcairn
Shop 2, 50 Balfour Street,
Culcairn NSW 2660

Yackandandah
35 High Street,
Yackandandah VIC 3749

Holbrook
39 Young Street,
Holbrook NSW 2644

Howlong
45 Hawkins Street,
Howlong NSW 2643

Jindera
Cnr Urana Road & Creek Street,
Jindera NSW 2642

Rutherglen
128-130 Main Street,
Rutherglen VIC 3685



Hume Bank

Hume Bank Limited
ABN 85 051 868 556
AFSL No. 244248

After Hours Emergency Numbers

Lost or stolen card or PIN

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