

Personal Loan

Loan Contract Terms and Conditions

Effective November 2018

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Contract Terms and Conditions

These Loan Contract Terms and Conditions do not contain all the required precontractual information. Other precontractual information is contained in the **schedule**.

The meaning of **words printed like this** in these Loan Contract Terms and Conditions is explained in 11 below, as are the terms *we* and *you*.

1. What we lend and when

1.1 *We* agree to lend *you* the **amount of credit** by making the payments set out in the **schedule**. *You* authorise *us* to use the **amount of credit** to make these payments.

1.2 *You* are liable for all *your* obligations under this contract both separately on *your* own and jointly with any one or more of the *persons* named in the **schedule** as “Customer”.

You include *your* **successors** and **assignees**.

1.3 However, *we* only have to lend if:

(a) *we* have received in a form satisfactory to *us* the *following*:

- if *you* are providing **security**, each **security** and related document (such as title documents and acknowledgements); and
- if *you* are providing **security**, evidence of any insurance *we* reasonably require noting our interest; and
- if *you* are providing **security**, any report or valuation *we* reasonably require; and
- a privacy consent; and
- any other document or information (such as, a direct debit authority) that *we* reasonably require; and

(b) neither *you* nor a **security provider’s** financial circumstances have significantly changed since information concerning those financial circumstances was first provided to *us*; and

(c) no **security** has been withdrawn or is otherwise unenforceable and *you* have not withdrawn from a **security**; and

- (d) the property the subject of a **security** has not become the subject of a claim from a third party; and
- (e) neither *you* nor a **security provider** is in default under this contract or a **security** (clause 8 sets out when *you* are in default under this contract); and

1.4 Where *we* have provided *you* with an offer to enter into another loan contract at the same time as *we* provide *you* with the offer on which this contract is based, *we* can also lend under the other loan contract at the same time.

1.5 Our obligation to lend *you* the **amount of credit** terminates if *you* do not borrow it within 60 days of the **disclosure date** (or any longer period *we* consent to).

1.6 Unless *we* otherwise agree, *you* may only borrow the **amount of credit** in a lump sum.

2. The annual percentage rate

The **annual percentage rate** at which *you* will be charged interest for any day under this contract is as described in the **schedule**.

3. Interest charges

How we calculate interest charges

3.1 Interest charges for each day are calculated by applying the **daily percentage rate** to the **balance owing on your loan account** at the end of that day.

When we debit interest charges

3.2 Interest charges accrue daily from and **including** the **settlement date** and are debited to **your loan account** (so increasing the **balance owing on your loan account**):

- (a) at monthly intervals, the first debiting to occur one calendar month or as specified in the **schedule**, after the **settlement date**; and
- (b) on the day *you* repay the **total amount owing** in full.

If however, the relevant month does not contain the scheduled day for debiting then *we* debit interest charges on the last day of that month.

Changes

- 3.3** We may change the method of calculation of, and frequency with which *we* debit, interest charges. We will give *you* notice in writing of any such change 20 days before the change takes effect, (unless a change decreases *your* obligations, in which case *we* may notify *you* afterwards).

4. Repayments

What you must pay

- 4.1** You must repay the **amount of credit** to *us* and interest charges in the repayments *we* require by no later than the last day of the **loan term** or any later date that *we* determine.
- 4.2** The **schedule** sets out the repayments *we* require as at the **disclosure date**.
- 4.3** Where a dollar amount is stated these repayments include any government duties applicable to the repayment.

Changes to repayments

- 4.4** We may change the amount, number, frequency or time for payment of, or the method of calculation of, repayments. We will notify *you* in writing of any such change no later than 20 days before the change takes effect (unless a change to repayments decreases *your* obligations or extends the time for payment, in which case *we* may notify *you* afterwards).

How to make repayments

- 4.5** You must make the required monthly repayments at the times required by and in accordance with the **schedule**, unless *we* agree in writing to change the repayment arrangements. If *you* pay more, this will help reduce the amount of **interest** *you* repay but does not affect *your* obligation to ensure that there are sufficient funds in the **loan account** to meet *your* obligations in accordance with the **schedule**. Also refer to Clause 4.8 for any additional payments that may be payable should *you* repay the **loan** prior to the end of the **loan term**.
- 4.6** We may require *you* to make the required repayments by direct debit. *You* must ensure that there are sufficient funds in any relevant account or other facility to allow any cheque, bank order or other payment facility (such as direct debit) to be honoured at first instance.

- 4.7 We must pay any money remaining after **the total amount owing** is repaid either to *you* or to another person entitled to it (such as pursuant to a court order).

What you must pay if you repay early

- 4.8 If *you* repay the **total amount owing** prior to the end of the **loan term**, *you* will have to pay:
- (a) the **total amount owing** as at the date of early repayment;
 - (b) all accrued interest charges to the date of the early repayment;
 - (c) fees and charges that may apply to your loan from time to time (if any); and
 - (d) the **early termination fee**, if any, set out in the **schedule**.

5. Fees and charges

- 5.1 Subject to this clause, *you* must pay *us*:

- (a) all credit fees and charges in the circumstances indicated in the **schedule** and all new fees and charges *we* introduce in accordance with clause 5.4; and
- (b) all additional government stamp and other duties and charges payable on receipts or withdrawals under this contract or a **security** (these duties and charges are calculated in accordance with the relevant legislation and are payable by *you* at the time, as a matter of law, they are required to be paid); and
- (c) any enforcement expenses *we* reasonably incur in enforcing this contract or a **security** after a default (**including** in the case of a mortgage, expenses incurred in preserving and maintaining property **such as** by paying insurance, rates and taxes for the property after a default). These enforcement expenses are payable on notification to *you*.

A government or other third party fee or charge will only be payable to the extent of the actual amount finally determined as being payable by the relevant third party.

- 5.2 *You* authorise *us* to debit any of these amounts described in clause 5.1 to **your loan account**. *We* may do so on or after the date *we* pay them or the date they become due or payable by *you* or *us* (whichever is earlier).

5.3 The credit fees and charges current at the **disclosure date** are shown in the **schedule**.

Changes to fees and charges

5.4 We may change the amount of any fee or charge or change the method of calculation, frequency or time for payment, or impose a new fee or charge at any time.

We will notify *you* of such a change or of the introduction of a new fee, or charge in writing no later than 20 days before the change takes effect (unless a change to credit fees and charges decreases *your* obligations or extends time for payment, in which case *we* may notify *you* afterwards).

Disclosure of credit fees and charges

5.5 Where *we* have provided *you* with an offer to enter into another loan contract at the same time as *we* provide *you* with an offer on which this contract is based, the credit fees and charges disclosed in this contract are disclosed on the assumption that credit is provided under one loan contract before it is provided under the other loan contract and where relevant the credit fees and charges are apportioned accordingly.

The amount, number, frequency or time for payment, or the method of calculation of repayments may change under this contract. *You* will be informed of the change under Clause 4.4.

The amount, frequency or time for payment or method of calculation of a fee or charge may change or a new fee or charge may be introduced under this contract. *You* will be informed of the change or of the new fee or charge under Clause 5.4.

However, some changes in government fees and charges are publicised by the government and not *us*.

In the event of *your* default, enforcement expenses may become payable under this contract or any mortgage or other **security**.

6. Redraw facility

6.1 *You* may ask *us* to allow *you* to redraw amounts that *you* have prepaid under this contract (for example, if *you* have made lump sum payments or repayments more frequently than required or repayments of a greater amount than required).

- 6.2 However, *you* may not redraw an amount which 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. *We* will hold back any amount required to satisfy arrears on the **loan account**.
- 6.3 The minimum amount that *you* may redraw, subject to Clauses 6.2 and Clause 6.6, is as *we* advise *you* from time to time. *Your* right to redraw is at *our* discretion.
- 6.4 A request for a redraw can only be made by contacting *us* and *you* must nominate the account to which the amount requested is to be paid.
- 6.5 At first instance, the redraw will be paid into the account from which *your* repayments are debited. In all other instances, the redraw shall be paid into an account in *your* name or otherwise at *our* discretion.
- 6.6 Without limiting *our* discretion to refuse a request to redraw, *we* will not provide a redraw that *you* request if:
- (a) the **total amount owing** has been fully repaid;
 - (b) *you* are in default under this contract;
 - (c) where the **schedule** specifies a security, there has been a change in the security position since the **disclosure date** of this contract;
 - (d) *your* instructions are not in accordance with instructions given to *us* for operating the **loan account**;
 - (e) *you* do not provide *us* with instructions on how *your* redraw is to be applied;
 - (f) *your* instructions are not in accordance with this contract;
 - (g) *you* have cancelled the option to redraw pursuant to Clause 6.8;
 - (h) *we* have cancelled *your* option to redraw pursuant the Clause 6.9; or
 - (i) *we* reasonably believe doing so is in either *your* interest or *ours* – for example to protect *you* from fraud or other losses or to manage regulatory requirements.
- 6.7 By entering into this contract, *you* each authorize any co-borrower to access any surplus loan repayments alone by using this redraw facility.
- 6.8 *You*, and if there is more than one borrower, each of *you*, can cancel the right to redraw at any time.

6.9 You acknowledge and agree that *we* can cancel *your* right to redraw at any time without *your* prior consent and without prior notice. However, if *we* do, *we* will give *you* notice after *we* do so.

7. Your insurance obligations

7.1 You must:

- (a) insure the **mortgaged goods** acquired in whole or part with the **amount of credit** at *your own* expense with an insurance company based in Australia and keep them insured with such a company until the unpaid balance of the loan has been paid on the following basis:
 - (i) the policy must contain such terms, conditions, exclusions and exceptions as *we* require, be taken out in *your* name and *our* interest as mortgagee must be noted on the policy; and
 - (ii) the **mortgaged goods** must be insured for not less than their full insurable value or any other amount agreed by *us* against fire, accident, theft and such other risks as *we* may reasonably require;
- (b) when requested, hand to *us* all insurance policies and proof of payment of the premiums and currency of the cover;
- (c) not do or fail to do anything which might allow the insurer to refuse a claim under any insurance policy; and
- (d) notify *us* in writing immediately if the **mortgaged goods** are lost, damaged or destroyed, if insurance cover expires or lapses and if any event occurs which gives rise to a claim under any insurance policy or to the cancellation, change or rejection of any insurance policy or insurance proposal.

7.2 If the **schedule** indicates that the cost of any insurance premium relating to the **mortgage goods** is financed by *us*, the cost of the insurance for the **mortgaged goods** has been included in the **amount of credit**.

7.3 If *you* fail to take out or maintain insurance over the **mortgaged goods** as required by this clause 7, *we* may arrange the insurance and recover its costs in doing so from *you* as part of its enforcement expenses under this contract.

- 7.4 If there is any damage to, or loss of, the **mortgaged goods**, *we* are entitled to receive all money payable both under the insurance policy and by any other person in respect of that damage or loss which is not used to repair or reinstate the goods. Any such money received by *us* will be applied in accordance with clause 10.1.

8. If you are in default

When are you in default?

8.1 *You* are in default if:

- (a) *you* do not pay on time any amount due under this contract; or
- (b) *you* do something *you* agreed not to do, or don't do something *you* agreed to do under this contract;
- (c) *you* or another person gives *us* or has given *us* incorrect or misleading information in connection with this contract or a **security**; or
- (d) *we* reasonably believe *you* or another **person** has acted fraudulently in connection with this contract or a **security**; or
- (e) *you* or a **security provider** is in default under a *security* or withdraws from it or it becomes unenforceable; or
- (f) *you* or a **security provider** becomes **insolvent** or steps are taken to make *you* or the **security provider** so; or
- (g) *you* conceal the goods or other property subject of a *security* or part with possession of the goods or other property subject of a *security*, or *you* create a **security interest** over the goods or other property the subject of a **security** (except as contemplated in this contract);
- (h) *you* surrender to *us* goods secured by a **security** and *you* do not ask *us* to return these goods within the time contemplated by **consumer credit legislation**. (Under the National Credit Code legislation, *you* can request a return of the goods within 21 days after *we* serve a notice that *we* are required to give *you* when *you* surrender the goods) or
 - (i) a power of sale arises under any **security interest** over any property which is secured by a **security**.

What can happen if you are in default?

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

If *you* don't correct the default by following the actions set out in the default notice (within the period given in the notice), 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.

- 8.3** 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 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.

The National Credit Code sets out circumstances in which *we* need not give notice, including, for example, where *we* are unable to locate *you*, where *we* believe on reasonable grounds that *you* have disposed of goods subject to a **security** without our permission or urgent action is required to protect such goods, or a court authorised *us* to begin enforcement proceedings (this could be the case, for example, if *you* threaten to damage or hide assets subject to a **security**).

- 8.4** *Your* obligation to pay on time is not cancelled by the provisions of this clause.

9. Securities

By giving this mortgage *you* undertake certain obligations and *you* also give *us* rights concerning *you* and the **mortgaged goods** – for example, if *you* do not comply with *your* obligations, in certain **mortgaged goods** sell them and sue *you* for any remaining money *you* owe *us*.

(Some of these obligations and rights are set out in this clause 9 and others arise under laws relating to mortgages. If you are not sure what all of these obligations and rights are and what they mean, you should consult a legal adviser or your state/territory consumer affairs office.)

Mortgage of goods

- 9.1 Clauses 9.2 to 9.5 (inclusive) only apply if the **schedule** indicates that *you* are to provide a mortgage over goods as **security** for this contract.
- 9.2 In consideration of *us* agreeing to this loan, *you* as beneficial owner transfer to *us* the legal title and related rights to the **mortgaged goods** as security for this loan and the performance of *your* obligations under this contract (but *you* actually keep control of the goods and have ‘beneficial ownership’). Unless *you* already own the **mortgaged goods**, when *you* enter into this contract, the loan is to be spent (wholly or partly) in purchasing the **mortgaged goods**.
- 9.3 *You* promise that *you* have, or will have as soon as *you* purchase them, good and clear title to the **mortgaged goods** and that they are, or will be when purchased, free from any **security interest**. *You* acknowledge that Latitude Financial Services and its agents may rely on this representation.
- 9.4 *You* must:
- keep the **mortgaged goods** in good condition and in *your* possession or control to the extent that this is possible and tell *us* if *you* change *your* address. Where it is not possible to keep the goods in *your* possession or control (for example, if the mortgaged good is a car, and *you* put it in for repairs) *you* must take all reasonable action to recover possession or control of the goods as soon as possible (e.g. pay the mechanic immediately upon conclusion of the car service);
 - comply with any legal requirements concerning the **mortgaged goods**, for example, in relation to a car those relating to registration and compulsory insurance; and
 - notify *us* immediately if the **mortgaged goods** are lost or damaged.
- 9.5 *You* must not, without *our* consent:
- create another **security interest** in connection with the **mortgaged goods** or allow one to arise;
 - mortgage to anyone else, sell or otherwise dispose of the **mortgaged goods** or allow anyone to take an interest in them; or
 - do anything or omit from doing anything where *your* conduct would give *us* reasonable grounds

to believe that either *you* intend to remove or dispose of the **mortgaged goods**.

9.6 *You* agree not to change *your* name without prior notification to *us*.

Charge over real property

9.7 Latitude Financial Services Standard Mortgage Provisions (a copy of which will be supplied upon signing) will only apply if the **schedule** indicates that *you* are to provide a charge over real property as **security** for this contract.

9.8 In consideration of *us* agreeing to this loan, *you* as beneficial owner charge to *us* by way of mortgage, the **charged land** as **security** for this loan and the performance of *your* obligations under this contract.

9.9 *You* must:

- (a) keep the **charged land** in good condition and in *your* possession or control at all times; and by giving this charge *you* undertake certain obligations. *You* also give *us* rights concerning *you* and the land - for example, if *you* do not comply with *your* obligations, in certain circumstances *we* may exercise any rights *we* have in relation to this charge and sue *you* for any remaining money *you owe us*.
- (b) comply with all legal requirements concerning the **charged land**, including promptly paying all water, council and other rates or taxes payable in respect of the **charged land**.
- (c) comply with the provisions of the Latitude Financial Services Standard Mortgage Provisions.

9.10 *You* must not:

- (a) mortgage, sell or otherwise dispose of the **charged land** or allow anyone to take an interest in it, without *our* prior written consent; or
- (b) do anything or omit to do anything which would give *us* reasonable grounds to believe that *you* intend to dispose of the **charged land** without *our* consent.

Mortgage over refundable insurance premiums

9.11 Clauses 9.12-9.14 (inclusive) only apply if the **schedule** indicates that *you* are to provide a mortgage over refundable insurance premiums as **security** for this contract.

9.12 In consideration of *us* agreeing to this loan, *you*

as legal and beneficial owner of the **insurance policy** assign to *us* all *your* right and interest in any payment due and payable to *you* by way of refund of premium paid in relation to the **insurance policy** as security for this loan and the performance of *your* obligations under this contract. (This means, for example, that if *we* enforce this contract following a default, *we* will have a right to obtain payments due under the **insurance policy** and put them towards repayment of outstanding amounts under this contract).

9.13 *You* must:

- (a) comply with all legal requirements concerning the **insurance policy**, including promptly paying all premiums and making all necessary disclosures to *us* and to the insurer;

By giving this mortgage *you* undertake certain obligations and also give *us* rights concerning *you* and the **insurance policy**. (Some of these obligations and rights are set out in this clause 9 and others arise under laws relating to mortgages and insurance. If *you* are not sure what all of these obligations and rights are or do not understand them *you* should consult a legal adviser or *your* state/territory consumer affairs office).

You agree that if *you* are in default under this contract and the default is a cancellable *default* then, subject to any applicable law (including consumer credit, property and insurance legislation), *you* agree that *we* are *your* agent in respect of *your* rights:

- (a) to cancel the **insurance policy**; and
- (b) to receive and deal with any refund of premiums under **insurance policy**;

and *we* may act on *your* behalf in connection with these rights. In our capacity as *your* agent, *we* may exercise *your* right to cancel the **insurance policy** on *your* behalf. If *we* exercise a right to cancel the **insurance policy** (acting as *your* agent), *you* agree that *we* are entitled to receive any refund of premium which would otherwise be payable to *you* and may apply this reduction of the total amount *owing* and sue *you* for any remaining money *you* owe *us*. on *your* behalf. If *we* exercise a right to cancel the **insurance policy** (acting as *your* agent), *you* agree that *we* are entitled to receive any refund of premium which would otherwise be payable to *you* and may apply this reduction of the total amount *owing* and sue *you* for any remaining money *you* owe *us*.

- (b) give **notice** of the assignment (i.e. the transfer) of *your* rights under the policy upon *our* request to each provider of insurance in respect of the **insurance policy**; and
- (c) give notice to each provider of insurance in respect of the **insurance policy** that in the event that *you* are in default under these Loan Contract Terms and Conditions, *we* are appointed as *your* agent for the purposes of cancellation of the **insurance policy** and recovery of any payments (including unused premiums) due to *you* in connection with the **insurance policy** at the time of cancellation.

9.14 *You* must not:

- (a) amend, mortgage, assign (that is, transfer *your* rights) or otherwise dispose of the **insurance policy** or *your* right to receive a refund of premium paid in respect of the **insurance policy** or allow anyone to take an interest in the policy or *your* right to receive a refund of premium paid in respect of the **insurance policy**, without *our* prior written consent; or
- (b) do anything or omit to do anything such that *your* conduct would give *us* reasonable grounds to believe that *you* intend to dispose of the **insurance policy** or *your* right to receive a refund of premium paid in respect of the **insurance policy**. (For example, *you* must not take any steps to cancel the insurance policy, or give up *your* right to receive a refund of premium in respect of the insurance, such as by making a fraudulent claim under the policy).

Effect of securities generally

9.15 Each **security** has been, or is to be, given to secure the **total amount owing**. *We* agree not to rely on or to enforce any other security or guarantee *we* hold from *you* (being any security other than those listed in this contract or schedule) or any other **person** as **security** for the **total amount owing**. *You* acknowledge that this agreement by *us* does not vary the terms, or in any way affect *our* ability to enforce any such security or guarantee and applies regardless of the terms of that **security** and guarantee.

Liens

9.16 *We* may ourselves pay any money in *our* opinion reasonably necessary to discharge or have

withdrawn any lien on goods or other property the subject of a **security** and such cost may be debited to **your loan account** in the same way as *we* may debit an amount under clause 5.2.

The person that repairs, maintains or services the goods subject to a **security interest** may have a legal right to retain the **mortgaged goods** until they receive payment for the repair, maintenance or service (e.g. when a car is being serviced by a mechanic). This legal right is called a 'lien'.

10. General matters

What happens to payments we receive?

10.1 *We* will use a payment applied to this contract to reduce the **total amount owing** under this contract by first paying fees and charges, then interest and then to the principal outstanding.

Effective date of transactions

10.2 The **amount of credit** (or the relevant part of it) is provided on the day on which *we* disburse funds. *We* will generally debit **your loan account** with all (or the relevant part) of the amount of credit as at that date.

However, *we* may assign a date under which credit is provided to *you* under this contract that is on or after the date the transaction takes place.

Adjustments

10.3 *We* may subsequently adjust debits (additions) and credits (deductions) to **your loan account** so as to accurately reflect the legal obligations of *you* and *us* (**for example**, because of an error or a dishonour). If *we* do this *we* may make consequential adjustments (**including** to interest charges).

End of day

10.4 A day of the week ends for any purpose under this contract at 5pm in the place where the event happened.

10.5 *We* may change the time at which any day ends for any purpose under this contract. *We* will give *you* notice of any such change in writing no later than 20 days before the change takes effect.

Time

10.6 A reference to a time is a reference to the time in Melbourne, Victoria unless expressly provided otherwise.

How we may exercise our rights

- 10.7** We may exercise a right or remedy under this contract (in addition to other rights and remedies provided by law independently of it or by any other contract or **security**) or give or refuse *our* consent in any way *we* consider appropriate **including** by imposing reasonable conditions.
- 10.8** If *we* do not exercise a right or remedy fully or at a given time, *we* can still exercise it later.
- 10.9** We are not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right or remedy.

Queries and complaints

10.10 If *you* have any query or complaint regarding **your account**, *you* should call *us* on 13 28 26. We will try to resolve *your* issue at this first point of contact.

If *we* cannot do so, *you* can ask for the issue to be escalated to *our* Customer Resolution Team. The Customer Resolution Team can be contacted by calling 1300 369 340.

Alternatively, *you* may contact the Australian Financial Complaints Authority (“AFCA”) Australia. Their services are available to *you* free of charge. They may be contacted by phone on 1800 931 687, fax on 03 9613 6399, post GPO Box 3, Melbourne, Victoria, 3001 or by accessing their website on www.afca.org.au.

Assignment

10.11 We may at any time assign (that is, transfer) *our* rights under this contract and *you* consent to *us* novating *our* obligations under this contract to any person at any time. *You* consent to *us* disclosing any information or documents reasonably necessary to help *us* exercise this right **including** personal credit worthiness information to persons involved in providing funds for loans by way of **securitisation**. (Securitisation refers to the sale of loans to investors through the sale of ‘securities’ relating to those loans).

10.12 *Your* rights are personal to *you* and may not be assigned without *our* written consent.

Valuations and inspections

10.13 Any valuation or inspection report *we* obtain is for *our* benefit, **not yours** and it is *our* choice as to whether *we* make it available to *you*. *You* may not rely on it.

Notices, other communications and serving documents

10.14 Notices, certificates, consents, approvals and other communications in connection with this contract must be in writing.

10.15 Communications from *us* may be signed by any of *our* authorised employees.

10.16 Communications for *you* or *us* may be given by any means permitted by law.

Variations and waivers

10.17 A provision of this contract, or a right created under it, may not be waived except in writing signed by the party or parties to be bound.

10.18 *We* may agree to change this contract or defer or waive any of these terms and conditions without creating a new contract.

10.19 *We* may change other provisions of this contract (in addition to those specifically mentioned) apart from the **amount of credit** or the **annual percentage rate**. *We* will notify *you* of any such change in writing no later than 20 days before the change takes effect, (unless a change decreases *your* obligations or extends time for payment of any amount, in which case *we* may notify *you* afterwards).

Set-off

10.20 Subject to any statutory right of set-off that *you* have under legislation which *we* cannot exclude by agreement **such as** under consumer credit or trade practices legislation, *you* must pay all amounts due under this contract in full without setting off amounts *you* believe *we* owe *you* and without counterclaiming amounts from *us*, except for amounts that are subject to a genuine dispute between *us* which has not yet been resolved.

If *you* are not sure what rights of set-off *you* have, *you* should consult a legal adviser or *your* state/territory consumer affairs office.

Inconsistent legislation

- 10.21** If the **National Credit Code** or other credit legislation applies to this contract then, if:
- (a) that legislation would otherwise make a provision of this contract illegal, void or unenforceable; or
 - (b) a provision of this contract would otherwise contravene a requirement of that legislation or impose an obligation or liability, this contract is to be read as if that provision were varied to the extent necessary to comply with that legislation, or if necessary, omitted.
- 10.22** To the extent that legislation relating to consumer credit applies to this contract;
- (a) *our* right to demand any amounts from *you* and to exercise *our* rights and remedies against *you* are subject to the limitations on enforcement of this contract imposed by the legislation; and
 - (b) subject to Clause 10.21, *our* rights and remedies under this contract are in addition to those given to a credit provider under the legislation.

If *you* are not sure what rights *you* and we have under consumer credit legislation in relation to demands, remedies and enforcement of credit contracts, *you* should consult a legal adviser or ASIC.

Applicable law

- 10.23** This contract is governed by the law in force in Victoria. *You* and *we* submit to the non-exclusive jurisdiction of the Victorian courts.

Disclosures

- 10.24** The information in this contract is disclosed on the basis of tolerances and assumptions allowed under the **National Credit Code**. This is so even where the **National Credit Code** does not apply to this contract.

PPSA

- 10.25** If the **mortgaged goods** are not intended to be used predominantly for personal, domestic or household purposes and Chapter 4 of the **PPSA** would otherwise apply to the enforcement of a **security interest** arising out of this contract, the parties agree that:

- (a) to the extent that s.115(1) of the **PPSA** allows this, the following provisions of the **PPSA** will not apply to the enforcement of that **security interest**:
 - (i) s.95 (notice of removal of accession), to the extent that it requires *us* to give notice to *you*;
 - (ii) s.96 (when a person with an interest in the whole may retain an accession);
 - (iii) s.121(4) (enforcement of liquid assets – notice to grantor);
 - (iv) s.125 (obligation to dispose of or retain collateral);
 - (v) s.130 (notice of disposal), to the extent that it requires *us* to give a notice to *you*;
 - (vi) s.132(3)(d) (contents of statement of account after disposal);
 - (vii) s.132(4) (statement of account if no disposal);
 - (viii) s.142 (redemption of collateral); and
 - (ix) s.143 (reinstatement of security agreement); and

- (b) to the extent that s.115(7) of the **PPSA** allows this, the following provisions of the **PPSA** will not apply to the enforcement of that **security interest**:
 - (i) s.127 (seizure by higher priority parties – notice);
 - (ii) s.129(2) and (3) (disposal by purchase);
 - (iii) s.132 (secured party to give statement of accounts);
 - (iv) s.134(2) (proposal of secured party to retain collateral);
 - (v) s.135 (notice of retention of collateral);
 - (vi) s.136(3), (4) and (5) (retaining collateral free of interest); and
 - (vii) s.137 (persons entitled to notice may object to proposal).

10.26 Despite clauses 10.14 to 10.16, notices or documents required or permitted to be given to *us* for the purposes of the **PPSA** must be given in accordance with the **PPSA**.

10.27 You consent to *us* effecting a registration on the **PPSR** (in any manner *we* consider appropriate) in relation to any **security interest** arising under or in connection with this contract and *you* agree to provide all assistance reasonably required to facilitate this.

10.28 You waive the right to receive any notice under the **PPSA** (including notice of a verification statement) unless the notice is required by the **PPSA** and cannot be excluded.

Confidentiality

10.29 You and *we* agree that the terms and conditions of this contract and any related document(s) are confidential. You and *we* agree that the content of these documents will not be disclosed except to the extent and for the purposes such disclosure is expressly permitted by this contract or required by law (other than section 275(1) of the **PPSA**).

11. Meaning of words

assignee is any person to whom *you* assign *your* rights. (You may only assign *your* rights in accordance with clause 10).

amount of credit is stated in the **schedule**.

annual percentage rate means the per annum rate of interest as stated in the **schedule**.

balance owing on your loan account means, at any time, the difference between all amounts credited to and all amounts debited to *your loan* account (that is, all amounts added to and subtracted from *your loan account*) under this contract at that time. When this amount is to be calculated at the end of a day, it includes all debits and credits allocated to that day.

banking day means a day other than a Saturday, Sunday, or a public, special or bank holiday in Melbourne, Victoria.

cancellable default means a financial default by *you* under this loan which is:

- (a) not remedied within 60 days; and
- (b) in relation to which *you* have not informed *us* in writing that *you* intend to make a claim under the **insurance policy**.

charged land means the real property described in the schedule as being subject to a charge and includes any buildings or other improvements to that property.

costs include charges, expenses and costs (including those in connection with legal and other advisers).

daily percentage rate for a day is the **annual percentage rate** for that day divided by 365.

disclosure date is the date stated in the **schedule**.

enforcement expenses include expenses incurred by *us* in preserving or maintaining the mortgaged goods (including insurance, rates and taxes payable for the mortgaged property) after a breach has occurred under this contract.

including, for *example* or such as 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.

insolvent means being an insolvent under administration or insolvent or having a controller appointed (each as defined in the Corporations Act) - such as being bankrupt, in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration, wound up, subject to any arrangement, assignment or composition, protected from creditors under any statute, dissolved (other than to carry out a reconstruction while solvent) or otherwise unable to pay debts when they fall due.

insurance policy means the insurance policy or policies described in the **schedule** as being subject to a mortgage over any payment due and payable to *you* by way of a refund of the premium paid in relation to that **insurance policy**.

interest free period means the finite period of time (if any) which is stated in the **schedule** during which 0% per annum interest is charged.

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

loan term is stated in the **schedule**.

mortgaged goods means the goods described in the **schedule** as being subject to a **security** and includes any goods acquired in replacement for or as additions or accessories to those goods (but the reference to 'accessories' excludes any accessory of a kind that is a temporary attachment (for example, a trailer, a horse float or a baby capsule is a temporary attachment to a car).

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

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

no payment period means the finite period of time (if any) which is stated in the **schedule** during which monthly repayments are not required.

PPSA means the Personal Property Securities Act 2009 (Cth) and any regulations made pursuant to it.

PPSR means the register established under the PPSA.

schedule means the Loan Contract Schedule provided with this booklet.

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

security interest means an interest in property provided for by a transaction that, in substance, secures payment of money or performance of an obligation (without regard to the form of the transaction or the identity of the person who has title to the property), and also includes a transaction which the PPSA treats as a security interest whether or not the transaction concerned, in substance, secures the payment or performance of an obligation.

Security interest also includes a guarantee or an indemnity.

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

settlement date means the date *we* first lend *you* any of the **amount of credit** and **settlement** has a corresponding meaning.

Successor means any person who succeeds *you* legally as a party to this agreement, such as *your* deceased estate.

such as see including.

total amount owing means the **balance owing on your loan account**, plus all accrued interest charges and other amounts which *you* must pay under this contract but which have not yet been debited (i.e. added) to *your loan account* as amounts owing.

we means Latitude Personal Finance Pty Ltd (ABN 54 008 443 810), Australian Credit Licence number 392 163, and its successors and assigns and **our** and **us** have a corresponding meaning.

you means the *person* or *persons* named in the *schedule* as “Customer” and *your* has a corresponding meaning. If there is more than one of *you*, it includes anyone or more of *you*. Where there is more than one of *you* each of *you* is individually liable for the full amount.

The singular includes the plural and vice versa.

A reference to:

- (a) a **document** includes any variation or replacement of it;
- (b) **law** means common law, principles of equity, and laws made by parliament (and laws made by parliament include regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of them); and
- (c) **anything** includes the whole and each part of it. The following information summarises rights and obligations that apply to the contract if it is regulated by the National Credit Code.

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 the 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 precontractual statement containing certain information about your contract. The precontractual statement, and this document, must be given to you before -

- your contract is entered into; or
- you make an offer to enter into the contract; whichever happens first.

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

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

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

If you want another copy of your contract, write to the credit provider and ask for one. 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 your 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 your 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;
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.

Our external dispute resolution provider is the Australian Financial Complaints Authority ("AFCA") and can be contacted at 1800 391 678, www.afca.org.au or GPO Box 3, Melbourne VIC 3001.

Alternatively, you can go to court. You may wish to get legal advice, for example from your community legal centre 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 providers cannot insist that you use any particular insurance company.

11. Will I get details of my insurance cover?

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

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

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

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

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

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

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

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

You can end the insurance contract and get a proportionate rebate of any premium from the insurer.

MORTGAGES

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

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

16. Should I get a copy of my mortgage and Latitude Financial Services Standard Mortgage Provisions in the event that a charge over real estate is given for this contract?

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 your credit provider has previously given you a copy of the mortgage document and Latitude Financial Services Standard Mortgage Provisions 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, 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 the 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 your 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 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 the mortgaged property is sold.

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

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

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

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

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

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

GENERAL

22. What do I do if I 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 reduce the payments; or
- to extend the term of your contract and delay payments for a set time; or
- delay payment 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 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 ("AFCA") AND CAN BE CONTACTED ON 1800 931 678, www.afca.org.au, GPO BOX 3, MELBOURNE, VIC 3001, AUSTRALIA. PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

COMPLAINTS & COMPLIMENTS

Feedback & Complaints

We are committed to improving the service we offer our customers, however we acknowledge that sometimes we get it wrong, and when this happens we'd like the opportunity to put things right.

When you make a complaint to us we're committed to:

- Doing our best to understand your concerns
- Recording your complaint
- Providing you with a response
- Providing you with our contact details so that you know who is dealing with your complaint
- Keeping you updated of our progress; and
- Doing what we can to solve the problem

Make a complaint

Step 1: Talk to us.

Please contact us on 13 28 26 as soon as you have identified a problem.

We'll aim to resolve your complaint on your first call.

To help us solve your complaint quickly, please have the following handy:

- any relevant documents or supporting information in relation to your complaint
- records of times, dates, letters or names relating to your complaint; and
- how you would like your complaint resolved

Step 2: Contact the Customer Resolution Team.

If a complaint is complex or requires further investigation it will be referred to the Customer Resolution Team. Alternatively, if you are not satisfied with the outcome of your complaint you may contact the Customer Resolution Team directly on:

Phone: **1300 369 340**

Email: disputeresolution@latitudefinancial.com.au

Step 3: External Dispute Resolution (EDR) Procedure.

If you are not satisfied with the response we provide, you may refer your complaint to the independent EDR body by contacting the Australian Financial Complaints Authority ("AFCA") for review.

The Australian Financial Complaints Authority is a free, impartial and independent EDR service established to resolve disputes between consumers and participating financial services providers.

You can contact AFCA on **1800 931 678**, or in writing to the Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC 3001, or online at www.afca.org.au.

Give a compliment

If you would like to pay a compliment to a staff member or team, please contact us on 13 28 26.

Personal Loan credit provided by Latitude
Personal Finance Pty Ltd ABN 54 008 443 810.
Australian Credit Licence number 392163.

