

Section 2

TERMS AND CONDITIONS FIXED RATE CREDIT CONTRACT

1. Making the Loan

- 1.1 By signing this Loan Agreement, you agree to borrow the amount of credit on the terms specified in this document. This Loan Agreement becomes binding on you when you sign, irrespective of any payment of money or delivery of goods.
- 1.2 We reserve the right to withdraw from this transaction if you do not comply with any of the conditions of our offer. We also reserve the right to withdraw this offer if it is not accepted within 14 days from the Disclosure Date, if the initial drawdown does not occur within 20 days of the Disclosure Date, or if anything occurs which in our opinion makes settlement undesirable.

2. Repayments

- 2.1 You must make all payments on the due date. In addition to making any repayments specified in the Schedule, on expiry of the Loan Term, you must pay to us the total amount you owe us. The expiry of the Loan Term is the date set out in the Schedule, or such other date which we agree with you. The 'total amount you owe us' means, in respect of each account, the total amount outstanding from time to time and includes all interest, fees and charges including any fees or other amounts which become due on final repayment.
- 2.2 Repayments are to be made as directed by us. You must sign any forms required by us to effect repayments. Repayments must be made in full, without any deduction or set-off for any amount we owe you.
- 2.3 If any repayment is due to be made on a day which is not a business day, the repayment must be made on the next business day. If any repayment is due on a date which does not exist (for example 31 June) the repayment is due on the last day of the month.
- 2.4 If you use direct debit to make payments under your Loan Agreement, you must not cancel the direct debit authorisation or close the account without making alternate arrangements.
- If any direct debit or cheque used for repayment is dishonoured, the repayment will be treated as not having been made, and interest will continue to accrue on the unpaid daily balance until actual payment is received by us.
- 2.5 We can apply any payment to any amount you owe us in any order we determine.
- 2.6 If you have more than one account with us and you make a payment without telling us in writing how the payment is to be applied, we can apply it to any one or more of the accounts as we decide.
- 2.7 We will not pay interest on any credit balance in your account.

- 2.8 You may repay early the whole or any part of the AMOUNT OWING at any time.

3. Interest charges

- 3.1 Interest on your loan accrues daily, starting on the Settlement Date based on the outstanding debit balance of your loan. The interest rate applied each day is equal to the annual percentage rate applicable to the loan at the time divided by 365.
- 3.2 Interest will be debited monthly in arrears on the same day each month as the Settlement Date. If any day on which interest is due to be debited is not a business day, that interest will be debited on the next business day. If any interest is to be debited on a day which is the 29th, 30th or 31st of a month with no such date, the debit will be made on the last day of the month.
- 3.3 Interest debited to your loan will be added to the outstanding balance of your loan and accrue interest at the same rate and in the same manner as the principal of your loan.
- 3.4 In addition to debiting interest to your account monthly, we may debit interest whenever the loan is in default, there is any repayment of the loan, there is any principal increase or variation in your Loan Agreement, or there is any change to the loan terms.

4. Fees and charges

- 4.1 You must pay any fees and charges which become payable under the Loan Agreement.
- 4.2 If the fee or charge is payable to us, you authorise us to debit your loan for the relevant amount.
- 4.3 If the fee or charge is for someone else (eg an insurer), you authorise us to debit your loan with that amount and pay it to the relevant third party.

5. Mortgage Terms

Secured Property

- 5.1 You hereby charge the Secured Property to us way of mortgage, and grant to us a security interest over the Secured Property and any insurance policy with respect to the Secured Property (including any money received from a warranty claim, or any insurance claim over the Secured Property, or received from an insurer following a cancellation of a policy) to secure payment to us of the total amount you owe to us, and any other money now or at any time in the future due to us under this Loan Agreement. The Secured Property includes any repairs, replacement parts, additions, or alterations made to the Secured Property, and any money or replacement vehicles received from any insurance claim or warranty policy in respect of the Secured Property.

Insurance

- 5.2 You must keep any Secured Property comprehensively insured in respect of any compulsory third party insurance and for not less than its full insurable value against loss or damage by fire, storm, tempest, and any other risk specified by us. The insurance must be with an insurer approved by us and must note our name as the mortgagee on all policies until the loan is repaid.
- 5.3 If loss or damage occurs, only we will be entitled to enforce and settle any claim against the insurer. Any money paid by the insurer must be paid direct to us. If the money is paid to you, you must immediately pay it to us. We may apply that money to repair the Secured Property, in repayment of the amount owing under the loan, or hold it as additional Secured Property for the loan.
- 5.4 You must pay all insurance premiums on or before the due date. If required by us, you must provide evidence to us of the currency of all policies relating to the Secured Property. If you do not take out and keep current all required insurance or, if you do not give us evidence of this on request, we may take out the insurance and debit the cost to your account. However, we have no duty to do so.
- 5.5 You must not do anything by which any insurance policy relating to the Secured Property could be prejudiced or cancelled or be subject to an increased premium.
- 5.6 If you make a claim that the insurer refuses, then you must tell us. We can ask you to give us your rights to take further action against that insurer on your claim.
- 5.7 If there is Total Loss (meaning damage to the Secured Property such that we or the insurer consider that the Secured Property cannot be repaired), you must pay to us the total amount you owe us, less any money we have received from insurance.

6. Things you must not do with the Secured Property

- 6.1 For as long as we have a mortgage over the Secured Property you must not:
- (a) mortgage, charge, or grant a security interest over the Secured Property to another person; or
 - (b) sell, lease or part with possession of, or give away the Secured Property; or
 - (c) make any alterations to the Secured Property, including remove any identification numbers; or
 - (d) do anything or allow anything to happen that might reduce the value of the Secured Property,
- without first obtaining our permission in writing.
- 6.2 You must not use the Secured Property, or allow it to be used, for any illegal or offensive purpose.

6.3 You must not, without our prior written consent:

- (a) make any replacement, modification, alteration or addition to the Secured Property, or do anything to the Secured Property which may lead to a material reduction in, or adversely impact on, the value of the Secured Property, or void any warranty in respect of the Secured Property;
- (b) agree, attempt, offer or purport to sell, assign, sublet, lend, pledge, mortgage, hire, encumber or otherwise part with or attempt to part with possession of, or otherwise deal with, the Secured Property; or
- (c) remove the Secured Property from the property in which it is normally located.

7. Things you must do in relation to the Secured Property

7.1 You must:

- (a) keep the Secured Property free from damage, in proper working order, and in a good state of repair at all times;
- (b) comply with all laws relating to the use, operation, maintenance and possession of the Secured Property, including obtaining any necessary licenses or permits;
- (c) ensure that operation and maintenance of the Secured Property complies with all relevant laws and the manufacturer's instructions as to use;
- (d) allow, or arrange for us to inspect the Secured Property on request with reasonable notice;
- (e) pay for repairs to the Secured Property immediately, to avoid a repairer's lien;
- (f) take all reasonable steps to keep the Secured Property secured against theft or damage while it is not in use;
- (g) immediately notify us in writing of any loss or damage to the Secured Property which is beyond normal wear and tear;
- (h) at your own cost immediately replace all parts of the Secured Property which may become worn out, lost, stolen, compulsorily acquired, destroyed, seized, confiscated, damaged beyond repair or permanently rendered unfit for use, and only use appropriate spare parts;
- (i) allow us or our authorised agents or employees to inspect the Secured Property and any records you hold pertaining to the Secured Property, and do anything else reasonably required by us to protect our rights, interests and remedies under this Loan Agreement. You must give us or our authorised agents or employees access to any premises where the Secured Property is located.

7.2 If you intend to surrender the Secured Property to us, you must give us written notice of your intention to do so. Within 14 days of that written notice, you must return the Secured Property to us at the place specified by us.

8. When there is default

If any one or more of the following occur we may decide default has occurred.

- (a) There is default of any term or condition of this Loan Agreement.
- (b) There is default under any security given to secure payment of any money due under this Loan Agreement.
- (c) You fail to pay any person (including us and/or other banks etc) any money by the due date.
- (d) Any representation made by you to us or our agents proves to be untrue or misleading.
- (e) You die, become bankrupt or enter into kind of administration or are jailed.
- (f) You do not maintain appropriate insurance over the Secured Property.
- (g) You breach any material undertaking given at any time to us.
- (h) If you are a company:
 - (i) there is any change in ownership or control of the company or in any company of which you are a subsidiary;
 - (ii) a receiver and / or manager, administrator, controller, provisional liquidator, or liquidator is appointed to any part of assets;
 - (iii) any action is commenced to strike the company's name off any register of companies; or
 - (iv) the company reduces or proposes to reduce its authorised capital.
- (i) An insurer under a policy required to be taken out to insure the Secured Property cancels the insurance or disclaims liability for any reason.

9. Our rights on default

At any time after default occurs, we can take any of the actions listed below. We do not lose any rights or forgive any defaults unless we do so in writing.

- (a) Demand and require immediate payment of any money due under this Loan Agreement.
- (b) Call up the loan and require payment of the total amount owing under this Loan Agreement.

- (c) Exercise any right, power, or privilege conferred by any law, the Loan Agreement, or any security.
- (d) Enter any premises and take possession of any security by force if required.
- (e) Terminate this Loan Agreement.
- (f) Charge Default Interest.
- (g) Where you fail to make your Repayments for a period of 90 days or more, we may cancel any credit related insurance contract or warranty products funded under this Loan and receive any credit, rebate or refund to reduce your liability to us.

We can only enter residential premises with the occupier's consent unless we have a court order. We can exercise these rights with or without taking possession of the Secured Property. If we hold collateral security we can enforce any one of the securities first or all of them at the same time.

You must pay all costs of and incidental to repossession, storage, repair, and sale of the Secured Property.

We can take action even if we do not do so promptly after the default occurs so long as the default remains unrectified.

10. Enforcement expenses

Enforcement expenses may become payable under the Loan Agreement if you default. We may debit your account with our reasonable costs in connection with any exercise or non-exercise of rights arising from any default, including:

- (a) legal costs and expenses on a full indemnity basis, or solicitor and own client basis, whichever is higher; and
- (b) our internal costs.

You must pay these costs on demand. These costs will not exceed our reasonable enforcement costs including internal costs.

11. Failure to meet your third party obligations

We may at our own discretion cancel any warranty and or insurance products funded under this Loan where you are not meeting your obligations under those products.

Where we cancel such policies we shall be entitled to receive any credit rebate or any refund that may apply to those funds to reduce your liability to us.

12. Redraw

Upon request, we may at our option allow you to re-borrow some or all of the amounts that you have repaid under this Loan Contract up to the Amount of Credit (Redraw Credit).

You must pay the Redraw Fee applicable to the Redraw Credit.

The terms and conditions set out in this Loan Contract will apply to your Redraw Credit.

We are not under any obligation to make Redraw Credit available to you and nothing in this agreement is to construed as granting any right or entitlement to you to access the Redraw Credit Variations

13. Variations

13.1 **Acting reasonably**, we can change any terms of this Loan Agreement including the interest rate (except during a fixed rate term), the credit fees or charges, and the repayments. We can introduce new credit fees or charges. You will be notified in writing of any change in accordance with applicable laws on or before the day the change takes effect. You may not be notified of changes which reduce your obligations.

13.2 The interest rates and repayments shown in the financial information section in the Loan Agreement are correct at the Disclosure Date but may change prior to the Loan Date if the rate changes.

13.3 We will give you notice of any change in accordance with any requirement of the National Credit Code or any other code or law which may apply. For example, we will give:

- (a) notice of an increase in the annual percentage rate by writing to you or by newspaper advertisement no later than the day on which the increase is to take effect;
- (b) at least 20 days written notice if we increase charges, change your liability for losses for transactions, or make any other change to this contract which increases your obligations or reduces the time for any payment; or
- (c) at least 30 days written notice of any change in the manner in which interest is calculated, or the frequency with which it is debited, or the imposition of a new fee or charge.

14. PPSA Provisions

- (a) PPSA means the Personal Property Securities Act 2009 (Cth).
- (b) You acknowledge that we will have a security interest under the PPSA in respect of the Secured Property, and you authorise us to register one or more security interests under the PPSA in respect of this document.

(c) The rights and powers conferred on us by this document or the law are in addition to any rights and powers conferred by the PPSA.

(d) For the avoidance of doubt, in addition to the powers under section 125 of the PPSA, we may take any action after default authorised by this document or the law, including delaying any disposal, leasing or action to retain any of the Secured Property.

15. General matters

15.1 Relevant legislation or statutes

There may be some statutes (ie laws passed by parliament) or other law (usually called common law) intended to limit our rights. None of those statutes or laws will operate to limit our rights under this Loan Agreement, unless by law those rights cannot be negated. In particular, we need not give any notice before exercising any right, power (including the power of sale), or remedy under this Loan Agreement unless required by law. If the law does require notice, we need only give one day's notice, or the shortest notice required by that law.

If the law does require us to give you notice before exercising rights, we may not have to give notice if:

- (a) we believe on reasonable grounds that you have disposed of the Secured Property (or intend to) contrary to the terms of this Loan Agreement; or
- (b) we cannot locate you after making reasonable attempts to do so; or
- (c) you are insolvent; or
- (d) we are authorised by a court.

If any of the provisions of the Loan Agreement are illegal or become illegal at any time, the affected provisions will cease to have effect, but the balance of the Loan Agreement will remain in full force and effect.

15.2 Perfect security

You must sign anything and do anything we require to further or more effectively secure our rights over the Security or under this Loan Agreement.

15.3 Our certificate

A certificate signed by us or on our behalf as to an amount payable by you is conclusive and binding on you. In providing any certificate, we must act reasonably.

15.4 How we can deal with this Loan Agreement

We may assign, novate, or otherwise deal with our rights and obligations under this Loan Agreement in any way we wish. We may disclose personal and credit information about you in connection with any such dealing. You must sign anything and do anything we reasonably require to enable any dealing with this Loan Agreement. Of course, any dealing with our rights does not change your

obligations under this Loan Agreement in any way.

15.5 Blanks

You agree that we may fill in any blanks in any document related to the Loan Agreement (such as an acknowledgment or date).

15.6 Consumer legislation

To the extent that this Loan Agreement is regulated under consumer legislation (e.g. the National Credit Code), any provisions which do not comply with that legislation have no effect, and to the extent necessary, this Loan Agreement is to be read so it does not impose obligations prohibited by that legislation.

We encourage you to obtain independent legal advice and independent financial advice.

15.7 Notices

We may give you a notice by personal delivery, prepaid ordinary post, facsimile or email sent to your address shown on your Loan Agreement, sent to your registered office (if you are a company), or sent to your last address known to us. We may also give a notice in any other way authorised by law.

The notice may be signed by any employee, solicitor, or agent on our behalf.

If you have entered an email address in the Schedule, you consent to us sending you notices, information or documents electronically and we are not required to give you paper copies. You should regularly check your emails for any notices that we may send you. You are free to revoke your consent at any time.

15.8 Updated details

You must tell us if you change your residential, postal or email address, or if you think there is any information that we should be aware of about your ability to comply with your Loan Agreement.

15.9 Joint borrowers

If there are two or more of you, each of you is individually liable, and all of you are jointly liable. This means we may sue any one of you for the total amount you owe us. References to a person includes companies, trusts and any other kind of body.

You agree that each borrower can bind each other borrower. Each other borrower and any guarantor will be liable even though they did not know about or did not agree to the transaction.

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

15.10 Jurisdiction

This Loan Agreement is governed by the laws in the Australian state in which the borrower resides unless agreed by us, or not appropriate.

15.11 Internal dispute resolution

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

- Telephone: 1300 329 131
- Website: www.money3.com.au/feedback.php
- E-mailing: complaints@money3.com.au
- Writing to:
c/o Complaints Officer,
Level 1, 40 Graduate Road, Bundoora, VIC, 3083,

or by speaking to any representative of our business who will do everything they can to rectify your problem immediately. You should explain the details of your complaint as clearly as you can. You may do this verbally or in writing. When we receive a complaint, we will attempt to resolve it promptly. We hope that in this way we will stop any unnecessary and inappropriate escalation of minor complaints.

15.12 Interpretation

In this Loan Agreement:

- (a) a reference to the singular includes the plural;
- (b) reference to a document includes any variation or replacement of it; and
- (c) headings in this agreement are for ease of reference only and not to assist interpretation.