

Personal Loans

Terms & Conditions

Effective from 5 April 2024



Important Information

This booklet contains the Terms and Conditions of our Personal Loans.

The Contract for the Loan is made up of these Terms and Conditions and a Schedule setting out the particulars of the Loan. By signing and returning the Schedule to us you agree to be bound by the relevant terms and conditions of the Contract as set out in both documents.

NB: This booklet does not contain all the information we are required to give you before you enter into the Contract. Other information is contained in the Schedule. Please read both documents carefully.

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Part A
PERSONAL LOANS GENERAL TERMS AND
CONDITIONS

1. Interpretation

What some important words mean

1.1 The following definitions apply to each Part of this booklet and to the Schedule:

Amount of Credit means the Amount of Credit stated in the Schedule.

Annual Percentage Rate means the interest rate applicable to your Contract as set out in the Schedule (but subject to change as described or authorised by your Contract).

Bank, we, our and us means Police & Nurses Limited ABN 69 087 651 876 and its successors and assignees.

Business Day means a weekday other than a bank holiday or national holiday in Australia.

Contract means the Schedule you sign and Part A of this booklet and, if specified in the Schedule, both or either Part B and Part C of this booklet.

Disclosure Date means the date the Contract is entered into.

Loan means that part of the Amount of Credit we provide to you under the Contract.

Loan Account means the account we open in your name to record transactions under the Contract.

National Credit Code means the National Credit Code set out in Schedule 1 to the *National Consumer Protection Act 2009* (Cth), Chapter 7 of the *National Consumer Credit Protection Regulations 2010* (Cth) and any amendments to, replacements of or statutory instruments or determinations issued under them from time to time.

PPSA means the *Personal Property Securities Act 2009* (Cth), the *Personal Property Securities Regulations 2010* (Cth) and any amendments to, replacements of or statutory instruments or determinations issued under them from time to time.

Schedule means the Schedule which records the particulars of the Contract and includes a Financial Table.

Security means the security (if any) stated in the Schedule (or any security substituted for it with our consent).

Security Interest means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement, notice or arrangement having a similar effect. For the purposes of this definition Security Interest includes "security interests" referred to in section 12(1) and (2) of the PPSA.

Security Property means, in respect of a Security, the goods (if any) described in the Schedule, any replacements for, and accessories and additions to the goods at any time and, if the context allows, your rights at any time in connection with the goods.

Unpaid Balance means the difference between all amounts credited and all amounts debited to your Loan Account.

You/You means the Borrower named in the Schedule and **your** has a corresponding meaning. If more than one person comprises the Borrower, you means each of them separately and all of them jointly.

Working out when something must be done

1.2 Except in the case of clause 7.2, where the Contract says something will or must be done on or by a particular day (including a payment you are required to make) and:

- (a) that day is the 29th, 30th or 31st of any month – that thing will or must be done on or by the 28th day of the month;
- (b) if clause 1.2(a) does not apply and that date is not a Business Day - that thing will or must be done on or by the next Business Day unless that Business Day is in the next calendar month, in which case it will or must be done on or by the preceding Business Day.

2. What makes up your Contract?

2.1 The Contract for your Loan comprises the Schedule you sign, this Part A and, if specified in the Schedule, both or either Part B and Part C of this booklet.

2.2 To the extent of any inconsistency between the Schedule and any of Part A and Part B (if relevant), the terms of the Schedule will prevail.

2.3 To the extent of any inconsistency between Part A and Part B (if relevant), the terms of Part B will prevail.

3. Customer Owned Banking Code of Practice

If you are an individual or a small business, we will comply with the Customer Owned Banking Code of Practice in our dealings with you. You may obtain a copy of the code by contacting us on 13 25 77.

4. Your Loan and Loan Account

4.1 The Bank will provide the Amount of Credit in accordance with the Contract and your written instructions.

4.2 The Loan must be used for the purpose stated in the Schedule.

4.3 If no part of the Amount of Credit is advanced to you within 30 days of the date you sign the Schedule, the Bank may terminate the Contract.

4.4 The Bank may open an account in your name for the purpose of the Contract (**Loan Account**) and may debit the account with the Loan and any interest charges, fees and charges and enforcement expenses payable pursuant to the Contract.

4.5 You must repay the Loan, interest charges and all other amounts debited to the Loan Account in accordance with the Contract.

4.6 The Bank may close your Loan Account if the balance of the Loan Account is zero. The Bank will give you reasonable notice of its intention to close your account in accordance with these Terms and Conditions.

5. Things that must happen before you get your Loan

5.1 The Bank need not provide any part of the Amount of Credit unless and until:

- (a) you complete all necessary documentation to open a Loan Account and provide the Bank with suitable identification (if required);
- (b) if applicable, you complete a direct debit authority as required by clause 10.2;
- (c) you pay to the Bank those fees and charges that are described as the Initial Fees and Charges in the Schedule (unless the Bank agrees to their payment out of the Amount of Credit);
- (d) if requested by the Bank, you provide a copy of an insurance policy (or cover note) which satisfies the requirements referred to in clause 33; and
- (e) you provide the Bank with such other documents or authorities that the Bank reasonably requires.

- 5.2 If you:
- (a) are unable to comply with any term or condition of the Contract in a material respect;
 - (b) fail to make a material disclosure;
 - (c) have a material adverse change in your circumstances which, in the Bank's reasonable opinion, is likely to affect your ability to meet your obligations under the Contract and makes it undesirable for the Bank to proceed with making available the Amount of Credit; or
 - (d) there has occurred any event or circumstance which, in the Bank's reasonable opinion, may significantly reduce the value of the property, the subject of any Security;

the Bank may, where relevant, refuse to provide any part or any further part of the Amount of Credit. A material adverse change for the purposes of this clause 5.2 includes, but is not limited to, termination of employment or death.

6. What is your Annual Variable Percentage Rate?

- 6.1 If your Contract states that your interest is a variable rate, then this clause 6 will apply to your Loan Account.
- 6.2 The Annual Percentage Rate that applies under this Contract is a variable rate. The Annual Percentage Rate at the Disclosure Date is set out in the Schedule.
- 6.3 The Bank can change the Annual Percentage Rate at any time (including before the Loan or any part of it is advanced to you) without your consent, but will inform you of any change in accordance with clause 15.2.
- 6.4 Information on the Bank's current interest rates is available on request by calling us on 13 25 77 or by accessing the Bank's website at pnbank.com.au.
- 6.5 If your Contract is a Fixed Rate Personal Loan, refer to Part C of these Terms & Conditions.

7. How are interest charges calculated?

- 7.1 Interest charges will accrue daily and will be calculated on the Unpaid Daily Balance under the Contract at the Daily Percentage Rate where:
 - (a) **Daily Percentage Rate** means the applicable Annual Percentage Rate, as varied from time to time, divided by 365; and
 - (b) **Unpaid Daily Balance** means the Unpaid Balance at the end of a day.

If your Loan Account has a credit balance on any day the Unpaid Daily Balance for that day will be treated as zero.
- 7.2 The interest charges (calculated to the end of the day prior to the debiting) will be debited to the Loan Account monthly in arrears on the last day of the month after the day the Loan (or any part) is first advanced and on the same day in each subsequent month (see also 1.2).
- 7.3 On the date of termination of the Contract, interest charges (calculated to the end of the day prior to the debiting) will also be debited to the Loan Account and will be payable on that date.
- 7.4 Interest charges debited to the Loan Account form part of the Unpaid Balance upon which interest charges are calculated, that is interest charges will be subject to interest charges.
- 7.5 If you are in default, interest charges are higher (see clause 8). In such a case, we will exclude from the Unpaid Daily Balance, used for the purposes of calculating interest under this clause 7, any amount on which

interest charges are higher. We will charge interest on this amount in accordance with clause 8 instead.

8. When can default interest apply?

- 8.1 The Bank may charge you default interest on any overdue amount, that is any amount payable under the Contract which you fail to pay by its date for payment. The overdue amount could include the entire amount of the Unpaid Balance and any other amount owing under the Contract if this amount becomes due for payment in accordance with clause 17.2.
 - 8.2 Default interest is charged at a rate equal to 2% per annum above the Annual Percentage Rate applying to the Loan at the time (the **Default Rate**) and accrues daily on the overdue amount from the day it was due for payment until it is paid at the Default Rate divided by 365.
 - 8.3 The Bank will debit default interest (calculated to the end of the day prior to the debiting) to the Loan Account monthly in arrears on the same day that other interest charges are debited pursuant to clause 7.
 - 8.4 You must pay us on demand any default interest which is debited to your Loan Account. Default interest debited to the Loan Account will form part of the overdue amount and will attract interest at the Default Rate.
 - 8.5 If your Loan is not regulated by the National Credit Code and you fail to pay an amount payable under the Contract by its due date for payment, the Bank may charge you default interest, until that amount is paid, not on the overdue amount but, instead, on the entire amount of the Unpaid Balance.
- ## 9. Your payment obligations
- 9.1 You must make the repayments in the amounts and when required by the Schedule or otherwise by the Contract or the Bank. In working out when a repayment is due you should have regard to the requirements of clause 1.2.
 - 9.2 The Bank may change the amount of your minimum periodic payment in line with a change to your Annual Percentage Rate or fees and charges or otherwise as necessary to ensure that the Loan and all other amounts debited to your Loan Account are paid on the day the last scheduled repayment is due. We will notify you in accordance with clause 15 if we change your minimum periodic payment.
 - 9.3 All payments you make must be made in Australian dollars and must be made before the end of a Business Day. Any payment which is made after the end of a Business Day may not be treated as received, or credited to the Loan Account, until the next Business Day.
 - 9.4 You may make a payment which exceeds, or payments which in aggregate exceed, the amount of the repayment required by the Schedule (including making a payment equal to the Unpaid Balance of your account). However, if you do, this does not affect your obligation to pay in full the repayment required by the Schedule in any subsequent payment period unless the Bank agrees to alter your repayment arrangement or the Unpaid Balance of your account is zero.
 - 9.5 You must pay the Unpaid Balance of the Loan Account on the day the last scheduled repayment is due or, if the Contract is terminated before that day, on the day of termination.
 - 9.6 The Bank can apply any payments to any amount you owe under the Contract in any order the Bank reasonably determines.

- 9.7 If you have more than one loan contract with the Bank, and make any payment to the Bank without telling the Bank in writing how the payment is to be applied, the Bank will apply it to any or all of the loan contracts (including this Contract) in any way, acting reasonably, the Bank thinks fit.
- 9.8 A payment will not be treated as made until the date it is credited by the Bank to the Loan Account. If your cheque or other payment instrument is not honoured in full when first presented, the payment will not be treated as a valid payment until the Bank receives cleared funds in the full amount of the cheque or other payment instrument.
- 9.9 If you are unable to make a minimum periodic payment required by the Schedule, the Bank may, but is not required to, agree to defer that repayment for a specified period. If the Bank agrees to defer a repayment, the Bank will write to you before the date the repayment is required to be made advising you of the deferral and the new payment due date. You will have to pay interest on this amount calculated in accordance with clause 7 until it is paid.
- 10. Payment methods you can use**
- 10.1 Repayments may be made by direct debit, direct credit, cheque or any other payment method approved by us from time to time.
- 10.2 If you are making repayments by direct debit you must provide the Bank with a periodic debit authority instruction in such form as required by the Bank (if you have not already done so) for the minimum periodic payment amount. In this instruction you must authorise the Bank to debit your minimum periodic payment amount to your nominated financial institution account. The account must be suitable to allow an automatic debit and you agree to maintain sufficient cleared funds in that account to enable the debits to be made pursuant to your periodic debit authority.
- 11. Your actual obligations may differ from the Schedule**
- The actual amounts you must pay under the Contract may be different from the amounts (if any) set out in the Schedule. This is because the information in the Schedule is based on assumptions made on the Disclosure Date stated in the Schedule and those assumptions may change. For example, where repayment amounts are stated in the Schedule, they have been calculated by reference to the then current applicable interest rates on the assumption that interest rates will not change for the (then contemplated) term of the Contract and on the further assumption that you will make the repayments in the amounts and at the intervals specified in the Schedule.
- 12. What is your redraw facility?**
- 12.1 If the Schedule stipulates that redraw is available, then subject to clause 12.2, you can redraw (that is reborrow) all or part of the aggregate of the amounts paid by you to the Bank in excess of the amounts of the minimum repayments which were required to have been made under the Contract (less any amounts you have previously redrawn). Your right to redraw is at our discretion (see clause 12.5). You must ask for the redraw by completing and signing our "Loan Redraw Request Form" or alternatively, if you have signed a "Redraw Authority Nomination" for the Loan Account, you can also access available redraw funds via Internet Banking Services. All amounts you redraw are debited to your Loan Account and will be subject to interest charges in accordance with clause 7.
- 12.2 The Bank will not provide a redraw if:
- (a) the Loan has been fully repaid;
 - (b) the amount you ask to redraw is less than the minimum amount you can redraw as specified in the Schedule or as advised by us from time to time;
 - (c) you are in default under the Contract;
 - (d) you do not provide the Bank with instructions on how your redraw is to be applied;
 - (e) you do not pay the fees for the redraw (as indicated in the Schedule);
 - (f) you have cancelled your right to redraw (see clause 12.4); or
 - (g) we have cancelled your right to redraw (see clause 12.5).
- 12.3 You acknowledge and agree that, if there is more than one Borrower, by signing the Redraw Authority Nomination, you each authorise any co-Borrower to access alone any available redraw funds pursuant to your right to redraw.
- 12.4 You acknowledge and agree that you, or any of you if there is more than one Borrower, can cancel your right to redraw at any time.
- 12.5 We can, acting reasonably:
- (a) Impose reasonable conditions on approving any request for a redraw;
 - (b) refuse any request for a redraw at any time; and
 - (c) cancel your right to redraw at any time.
- We can do any of these things without your prior consent and without prior notice in order to protect our legitimate business interests and will only do so to the extent that this is reasonably required. However, if we do, we will give you notice after we do so (if we have not already given you prior notice).
- 13. Fees and charges**
- 13.1 You must pay the Bank the fees and charges that are or may become payable under the Contract and must do so when required by the Schedule or otherwise by the Contract or the Bank. The Bank may debit the fees and charges to the Loan Account when they are payable.
- 13.2 If the Bank incurs any government tax, duty or other charge imposed by law in respect of the Contract, the Security or the operation of the Loan Account, you must pay the Bank an amount equal to the charge calculated in accordance with the methods prescribed from time to time by relevant legislation. The amount payable by you may differ from the amount stated in the Schedule in respect of a government tax, duty or other charge imposed by law.
- 13.3 If you terminate the Contract before obtaining the Amount of Credit, the Bank may retain, or require payment of, fees and charges incurred before the termination.
- 13.4 Information on the Bank's fees and charges is available on request by calling us on 13 25 77 or by accessing the Bank's website at pnbank.com.au.
- 14. Will you get a statement of account?**
- 14.1 The Bank will send you a statement of account at least every six months. However, in circumstances where the National Credit Code states that no statement of account need be given, none will be sent.
- 14.2 You may opt-in to receive electronic communications through Internet Banking Services. If you do, your

statements will be available for you to review in your Internet Banking Services. We will send to you an email to tell you when you have a new statement to view. If you opt-in to receive electronic communications we will no longer send you a physical statement of account.

15. When we can change your Contract and how we will tell you

15.1 The Bank can change the Contract, or any part of it, at any time without your consent, as set out in this clause 15, for one or more of the following reasons:

- (a) to comply with any change or anticipated change in any relevant law, code of practice, guidance or general banking practice;
- (b) to reflect any decision of a court, ombudsman or regulator;
- (c) to reflect a change in our systems or procedures, including for security reasons;
- (d) to respond to changes in the cost of providing credit;
- (e) to discontinue a product in which case we may change the terms of your product to reflect a different product with similar features to the discontinued product; or
- (f) to make the Contract clearer or to add features, but will only do so in order to protect its legitimate business interests, and only to the extent reasonably required to do this.

15.2 If the change does not reduce your obligations, or does not extend the time for payment, the Bank will give you prior written notice (which may be provided with or on your statement) of the change, as follows:

- (a) If the Bank changes the discount margin or Annual Percentage Rate, the Bank will either advertise the change in The Australian or another national newspaper or write to you on or before the day the change occurs.
- (b) If the Bank changes the manner in which interest, instalments or minimum repayments are calculated or applied; increases a fee or imposes a new fee or charge; changes the amount, frequency or time for payment of a fee or charge or of a repayment, the Bank:
 - (i) will give you 20 days' notice; and
 - (ii) if the Bank changes a fee or charge, may give the prior notice by advertising the change in The Australian or another national newspaper.
- (c) Where the Bank gives you notice by advertisement in accordance with paragraph (a) or (b), or the change is one which reduces your obligations or extends the time for payment, the Bank will provide particulars of the change before or when your next statement of account is issued after the change takes effect; and
- (d) If any government introduces or changes a tax or fee which applies to the Contract but does not publicise the change, the Bank will either advertise the change in The Australian or another national newspaper or write to you.

15.3 For all other changes to any other term or condition that applies to the Contract the Bank:

- (a) if the change does not reduce your obligations, will give you 30 days' notice; and

- (b) for other changes, no later than your next statement after the change has taken effect (by notice to be provided to you before, with or on your next statement).

15.4 If the Annual Percentage Rate changes, the Bank may, in accordance with clause 9.2 change the amount of your minimum periodic payment either immediately or at a later date. If the Annual Percentage Rate increases and the amount of your minimum periodic payment is not increased, you will be required to pay the Unpaid Balance of your Loan Account at the end of the Loan term. This may result in a large lump sum payment at that time.

15.5 We are not obliged to give you advance notice if an immediate change to your Contract is deemed necessary for the security of our systems or individual accounts.

15.6 If we change the Contract, or any part of it, and the change is adverse to you, you may terminate the Contract without penalty by telling us before the change takes effect.

16. Your warranties (i.e. things you promise us)

16.1 You warrant that all statements made and documents provided in connection with the application to the Bank for the Loan and all representations which you have made or may make to the Bank during the term of the Contract are true and correct.

16.2 You acknowledge that the Bank has relied upon the correctness of those statements, documents and representations in entering into the Contract and will continue to do so in its dealings with you and that if any of the statements or representation you made are, or become, incorrect in a material respect, you will inform the Bank.

16.3 You undertake and agree not to breach the terms of any Security, any obligations secured by any Security or any other contract you have with the Bank.

17. What happens if you are in default?

17.1 You will be in default under the Contract if:

- (a) you do not pay any amount due under the Contract by its due date for payment;
- (b) you do not comply with any of your other obligations under the Contract;
- (c) you breach your undertaking under the Contract not to breach any other agreements you have with the Bank;
- (d) you breach your undertaking under the Contract not to breach any terms of any Security or your undertaking to comply with any other obligations secured by any Security; or
- (e) you give us incorrect or misleading information in connection with the Contract before or after you enter into the Contract.

17.2 If you are in default, the Bank may give you a notice stating that you are in default. The notice will also tell you:

- (a) what the default is;
- (b) what you have to do to remedy the default; and
- (c) that you will have at least 30 days from the date of the notice to remedy the default.

17.3 Subject to clause 17.4, if you do not, or cannot, correct the default within the period given in the default notice, or required by law, then at the end of that period and without further notice to you:

- (a) the Unpaid Balance and any other amount owing under the Contract will become immediately due

for payment (to the extent it is not already due for payment); and

- (b) the Bank may sue you for that amount and exercise any and all of its rights under the Contract including, if relevant, in respect of any Security.

17.4 We will only act on a default under paragraphs (b) to (e) of clause 17.1 if:

- (a) the event by its nature is material, or we reasonably consider that the event has had, or is likely to have, a materially adverse impact on:
 - (i) the ability of you to meet your financial obligations to us (or our ability to assess this); or
 - (ii) our security risk (or our ability to assess this); and
- (b) you have not remedied that default within the applicable period referred to in 17.2(c).

17.5 If the Bank is required by law to first give you notice to remedy your default, you will be deemed to have failed to remedy the default specified in the notice if, at the end of the time allowed by the notice, you have remedied that default but have committed another of the same type.

17.6 If the Bank is not required by law to first give you notice the Bank may exercise any of their powers immediately following a default.

17.7 If:

- (a) we believe, on reasonable grounds that we were induced by fraud on your part to enter into this Contract;
- (b) we have made reasonable attempts to locate you without success;
- (c) *(if the bank has taken a Security)* we believe, on reasonable grounds that you have or you intend to do any of the things in clause 32(c); or
- (d) *(if the bank has taken a Security)* we believe, on reasonable grounds that urgent actions is necessary to protect the Security Property;

we need not give you a default notice as described above. The outstanding balance of your Loan Account will become immediately due and payable and we may take any of the steps referred to in paragraphs (a) and (b) of clause 17.3 without notice.

17.8 If an obligation to pay the Bank an amount under the Contract becomes merged in a court order or judgment, you must pay interest on that amount as a separate obligation. The interest rate to be applied will depend upon whether the amount the subject of the order or judgment is an amount to which clause 8 applies (being an amount that was due and payable under the Contract which was unpaid). The interest payable will be calculated as follows:

- (a) if the amount is one to which clause 8 applies, the interest rate applied will be the higher of the Default Rate we may charge on overdue amounts under clause 8 and the rate (if any) otherwise payable under or in respect of the court order or judgment;
- (b) if it is not an amount to which clause 8 applies, the interest rate will be the higher of the Annual Percentage Rate and the rate (if any) otherwise payable under or in respect of the court order or judgment; and
- (c) the interest will accrue daily on the amount

from its payment due date until it is paid at the relevant rate divided by 365.

We will debit the Loan Account monthly in arrears with the interest accrued up to the end of the day prior to debiting.

18. Enforcement expenses you must pay

18.1 If:

- (a) you breach any term or condition of the Contract; and
- (b) the Bank or its agents incur enforcement expenses in enforcing the Bank's rights under the Contract;

you must pay to the Bank the enforcement expenses reasonably incurred by the Bank or its agents. The Bank will debit these expenses to the Loan Account and they will be due and payable immediately.

18.2 Enforcement expenses include the Bank's reasonable internal and external expenses in enforcing or taking any action to recover any amounts owing, dealing with the Security Property or otherwise in connection with its rights under the Contract or a Security.

18.3 The Bank's internal expenses include but are not limited to the Bank's internal lawyers' fees and expenses and internal administration costs. The Bank's external expenses include but are not limited to barristers' fees, lawyers' fees and expenses (on a full indemnity basis), receivers' fees and charges, valuers' fees, licensed debt recovery agents' fees and commissions, process servers' fees, enquiry and other Bank agents' fees and charges.

19. Our certificates

You agree that a certificate which has been signed by a Bank officer is admissible evidence of any fact or matter stated in the certificate (including, for example, that a default has occurred under the Contract, or that an amount is due and payable by you to the Bank under the Contract).

20. Our right to combine accounts

20.1 The Bank may, at any time and without prior notice, combine your accounts: that is, transfer any credit balance of any other account you hold with us, to your Loan Account.

20.2 In addition, if:

- (a) you fail to pay any amount that you owe to the Bank on the date that amount is due for payment; and
- (b) you have funds available for redraw in any Loan Account or any other loan account you hold with us;

the Bank may, at any time and without prior notice, apply those funds available for redraw to the payment of the overdue amount.

20.3 If we exercise our rights under clause 20.1 or clause 20.2 we will inform you promptly.

21. Miscellaneous conditions

21.1 To the extent permitted by law the Bank can appoint agents to do anything the Bank can do under the Contract.

21.2 If there is more than one Borrower and there is more than one copy of the Contract signed by any of you, then each signed copy taken together is part of the same Contract.

21.3 If the Contract allows the Bank to do something on a day then the Bank can do that thing on that day or any later

day unless the Bank is required by law to do it on that day.

- 21.4 The rights of the Bank under this Contract will not be prejudiced by any indulgence granted to you. The rights of the Bank under this Contract can only be waived in writing, and a waiver of your breach will not affect the Bank's rights and remedies in relation to any continuing, recurring or subsequent breach of this Contract.
- 21.5 If the Bank decides not to exercise a right, remedy or power, this does not mean it cannot exercise it later. In addition, the Bank is not liable for any loss caused by exercising or attempting to exercise a right, remedy or power or by not exercising it, except to the extent that it is caused by the Bank's fraud, negligence or wilful misconduct (including that of our officers, employees, contractors or agents).
- 21.6 You must inform the Bank upon any change in your name or address. You can do this by contacting us on 13 25 77.
- 21.7 In order for us to protect our legitimate business interests, you must not reduce or seek to reduce your liability to the Bank under the Contract by claiming that you or any other person has a right of set-off or counter claim against the Bank (except to the extent that you have a right of set-off granted by law which the Bank cannot exclude by agreement). We may, acting reasonably, set off, against any amount you owe us, any amount we owe you. We will notify you in writing if we do this. You authorise us to do anything which is necessary for us to exercise our right to set-off.
- 21.8 You must not, at any time, pay an amount to the Bank which would cause the Loan Account to have a credit balance. Should that occur, you agree to withdraw that credit balance. We will not pay interest on a credit balance in a Loan Account.

22. Keeping us informed

- 22.1 You must inform the Bank upon any change in your name or address (including email address). You can do this by contacting us on 13 25 77.
- 22.2 You must notify us in writing when:
- (a) there is a material adverse change in your personal or financial circumstances;
 - (b) anything happens which makes any of the statements made by you to us in your application for the Loan to be untrue or misleading in a material respect; or
 - (c) anything happens which materially reduces the value of the property the subject of the Security.

23. What is the applicable law?

- 23.1 Subject to clause 23.2, the Contract is governed by the laws of the State or Territory in which you ordinarily reside on the date you sign the Schedule. You submit to the non-exclusive jurisdiction of the courts of that place.
- 23.2 If you are not ordinarily resident in an Australian State or Territory on the date you sign the Schedule or, if there is more than one Borrower and all Borrowers do not ordinarily reside in the same State or Territory on the date the Schedule is signed, the Contract is subject to the laws of the State or Territory in which the Loan, or any part, is first advanced.

24. We can assign our rights

The Bank may assign, transfer or otherwise deal with its rights under this Contract in any way the Bank considers appropriate, provided that you then have and may

exercise the same rights under this Contract against the assignee as you have against us. We do not need your consent to do so.

25. Disclosure of your information

You agree that information about you (including, if relevant, documents concerning you, the Contract and any Security) may be given to and obtained from:

- (a) an assignee or proposed assignee of the Contract;
- (b) a related entity of the Bank;
- (c) any agent, broker or contractor providing services to the Bank in connection with the Contract, its administration, or the marketing of the Bank's services e.g. postal services or debt collection;
- (d) any person, to the extent necessary in the view of the Bank, in order to carry out any instruction you give to the Bank; and
- (e) if the Schedule states that a commission is payable to or by the Bank, the person to or by whom such commission is payable including for the purpose of calculation of the commission payable.

26. Severance

If:

- (a) any part or provision of the Contract is or becomes void or unenforceable in any State or Territory; or
- (b) any part or provision of the Contract otherwise would contravene a requirement of, or impose an obligation or liability which is prohibited by, the National Credit Code;

the Contract is to be read as if that provision were varied to the extent necessary to comply with the relevant law or, if necessary, as if it were omitted.

27. How we serve notices

- 27.1 To the extent permitted by law, any notice, statement or other document given by us under this Contract, or required by law to be given by us, may be:
- (a) delivered personally;
 - (b) sent by pre-paid post to the last address you gave us or if you are a corporation, we may instead send by pre-paid post to your registered office;
 - (c) sent by facsimile to the facsimile number you have provided to us;
 - (d) given electronically:
 - (i) by email to an email address you have provided to us;
 - (ii) by making them available on the Bank's website at pnbank.com.au, or where you have activated Online Banking Services, through Internet Banking or the Mobile Banking App, and sending you a notification by email to an email address you have provided to us to let you know the information is there.

Unless required by law a notice given by us need not be signed but if required by law to be signed, or if signed when not so required, it can be signed by any officer of the Bank.

- 27.2 A notice, statement or demand from the Bank will be considered to have been received by you:

- (a) if left at your address, on the date delivered or the date it bears, whichever is the later;
- (b) if sent by post, on the date it would have been delivered in the ordinary course of post or the date it bears, whichever is the later;
- (c) if sent by facsimile, on the date it bears or the date the transmitting machine reports it was sent, whichever is the later; and
- (d) if given electronically, on the date that they were made available via the method described.

28. Anti-money laundering

- 28.1 You warrant that the payment of monies in accordance with your instructions by the Bank will not breach any laws in Australia.
- 28.2 You agree that the Bank may delay, block or refuse a payment in circumstances where the Bank believes, on reasonable grounds, that making a payment may breach any law in Australia or any other country, and the Bank will incur no liability if it does so.

Part B

SECURITY TERMS AND CONDITIONS

29. The Security we require

- 29.1 In consideration of the Bank agreeing to provide the Loan, you as a beneficial owner assign to the Bank, by way of legal mortgage, all your right, title and interest, present or future, to and in the Security Property, as security for the Loan and the performance of your obligations under the Contract.
- 29.2 If you do not have legal and beneficial title in the Security Property at the time you sign the Schedule you must do everything necessary to obtain such title as soon as possible and you agree that, when you do, such title shall vest in the Bank as mortgagee immediately that the Security Property is invoiced or delivered to you or you deal with it in any way, whichever occurs first.
- 29.3 You warrant that you have or will have as soon as you acquire it, good title to the Security Property and that the Security Property is, or will be when acquired, free from any other Security Interest.
- 29.4 Even though you have mortgaged the Security Property to us, you may keep possession of it subject to the provisions of this Contract.

30. Releasing the Security

When all amounts outstanding under the Contract have been repaid and, if there is no outstanding breach of the Contract, the Bank will, on request, release the Security Property from this mortgage.

31. Things you must do in relation to the Security Property

You must:

- (a) keep the Security Property in your possession or control at all times;
- (b) keep the Security Property in good repair and condition and keep it serviced in accordance with any manufacturer's recommendations;
- (c) tell the Bank if the Security Property is stolen, lost, defective or seriously damaged;
- (d) pay on time all moneys payable to any authority in connection with the Security Property (including registration fees and penalties); and
- (e) comply with all laws and requirements of authorities and any other obligations you may have in connection with the Security Property.

32. Things you must not do in relation to the Security Property

You must not:

- (a) keep the Security Property in a location other than the location stated in the Schedule;
- (b) conceal the Security Property, alter it or any identifying number or mark on it, or refuse to tell the Bank where it is located;
- (c) sell, lease, dispose of, or grant a Security Interest over the Security Property or allow anyone to take an interest in it (or purport to do any of those things), without the Bank's prior written consent (such consent will not be withheld unreasonably and may be given subject to conditions);
- (d) do anything or allow any state of affairs to continue to exist which would give the Bank reasonable grounds to believe that either you intend to remove or dispose of the Security Property without the Bank's consent or that urgent action is necessary to protect the Security Property; or
- (e) use the Security Property or allow it to be used for any illegal or improper purpose.

33. What you must do about insurance

- 33.1 You must, take out and maintain in respect of the Security Property:
- (a) compulsory third party personal injury insurance; and
 - (b) insurance against fire, theft, accident and any other risk against which a prudent person owning the Security Property would insure against.
- 33.2 The insurance must:
- (a) note the Bank's interest as mortgagee;
 - (b) be on terms and for an amount satisfactory to the Bank; and
 - (c) be with an insurer approved by the Bank acting reasonably.
- 33.3 You must produce evidence satisfactory to the Bank of current insurance cover whenever the Bank asks for it.
- 33.4 You must:
- (a) ensure that the insurance cover is not reduced or cancelled and notify the Bank if it is or could be; and
 - (b) ensure that nothing happens that could permit an insurer to decline a claim and notify the Bank if anything would permit the insurer to do this.

34. Insurance claims

- 34.1 You agree to use or hold proceeds you receive from an insurance claim as the Bank may direct and in the absence of a direction, you agree to ensure that proceeds from an insurance claim are:
- (a) used to replace or repair the Security Property; or
 - (b) paid to the Bank (in which event the Bank may apply the proceeds towards repairing, reinstating or replacing the Security Property, or satisfying your liability under the Contract, at its discretion).
- 34.2 You must notify the Bank if an insurance claim is refused either in part or in full.
- 34.3 If the Bank notifies you, the Bank may take over your rights to make, pursue or settle an insurance claim. The Bank may exercise those rights in any manner the Bank decides.

35. Administrative matters

- 35.1 If the Bank asks, you must deliver to, and/or deposit with, the Bank any documents which evidence your rights in the Security Property.
- 35.2 The Bank may, acting reasonably, at your expense, apply for a registration, or give any notification, in connection with its Security Interest created under the Contract and for whatever class of collateral the Bank thinks. You consent to any registration or notification by us.
- 35.3 You must, at your expense, do anything the Bank asks (such as obtaining consents, signing and producing documents, producing receipts, getting documents completed and signed and providing information):
- (a) to obtain more effective security over the Security Property;
 - (b) to effect registration, or give any notification, in connection with its Security Interest created under the Contract, or to otherwise ensure that the Security Interest has the priority the Bank requires;
 - (c) to enable the Bank to exercise its rights in connection with the Security;
 - (d) to show whether you are complying with this Contract; or
 - (e) to protect your interest, or the Bank's interest, in the Security Property.

36. Access by the Bank to the Security Property

- 36.1 You must, subject to the requirements of the National Credit Code or any other applicable legislation:
- (a) notify the Bank upon demand of the location of the Security Property;
 - (b) authorise the Bank and its agents, acting reasonably, to enter any premises owned or occupied by you for the purpose of inspecting the state and condition of the Security Property and must procure access for the Bank and its agents to any premises not owned or occupied by you where the Security Property is kept, for the purpose of inspecting them; and
 - (c) authorise the Bank and its agents to use necessary and reasonable force to obtain access to and possession of the Security Property following the occurrence of a default by you under the Contract.

37. If you are in default

- 37.1 If the Bank is entitled to demand payment under clause 17.1, it may, subject to the requirements of the National Credit Code or any other applicable legislation and subject to clause 17, take possession of and sell the Security Property and apply the sale proceeds towards satisfaction of your liability under this Contract.

38. Power of attorney

- 38.1 You appoint the Bank, each of its directors, each employee authorised by the Bank and each receiver or agent under the mortgage, separately as your attorney to better secure the performance of your obligations under the Contract. If, acting reasonably, the Bank asks, you must formally approve anything they do under clause 38.2. You may not revoke these appointments.
- 38.2 Each attorney may:
- (a) do anything which you can do as owner of the Security Property, in particular to protect the Bank's interest in the Security Property and

to enforce any insurance over the Security Property;

- (b) delegate his or her powers (including this power) and revoke a delegation; and
- (c) exercise his or her powers even if this involves a conflict of duty or a personal interest.

- 38.3 The attorney will not be liable to you for anything done under this power, except to the extent where the attorney has acted negligently, fraudulently or dishonestly.

Part C

TERMS AND CONDITIONS APPLYING TO FIXED RATE PERSONAL LOANS

NB: Part C will only apply to your Contract if the Schedule states or the Bank otherwise agrees it applies.

39. What does it mean to have a fixed rate?

- 39.1 The Annual Percentage rate that applies to your Contract is a Fixed Rate. The Annual percentage rate set out in the Schedule at the Disclosure Date will, be applied to your Loan or any part advanced to you.

Part D

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 the Bank. It does not state the terms and conditions of your Contract.

If you have any concerns about your Contract, contact the Bank and, if you still have concerns, the Bank's external dispute resolution scheme, or get legal advice.

The Contract

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

The Bank 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 Bank, you must be given a copy to keep. If you want another copy of your Contract, write to the Bank and ask for one. The Bank may charge you a fee but must 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 Bank so long as you have not obtained any credit 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 Contract out early?**

Yes. Pay the Bank the amount required to pay out your Contract on the day you wish to end the contract.
5. **How can I find out the pay out figure?**

You can write to the Bank 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.

The Bank must give you the statement within 7 days after you give your request to the Bank. 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 the Bank to charge one) and other fees.

7. Can my Contract be changed by the Bank?

Yes, but only if your Contract says so.

8. Will I be told in advance if the Bank is going to make a change in the Contract?

That depends on the type of change. For example:

- you get at least same day notice for a change to an annual percentage rate. That notice may be a written notice to you or a notice published by your credit provider.
- 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 the Bank;

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 the Bank. Discuss the matter and see if you can come to some arrangement.

If that is not successful, you may contact the Bank's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. The Bank's external dispute resolution provider is The Australian Financial Complaints Authority (AFCA) and AFCA's contact details are set out below in question 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?

The Bank 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 Bank 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 the Bank. 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 the Bank then, within 14 days of that happening, the Bank 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 Contract. The insurer will inform you if the proposal is rejected.

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

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

14. What happens if my 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 the Bank 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 Bank.

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 Bank 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 the Bank'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 the Bank, together with a letter saying you want the Bank to sell the property for you;
- sell the property, but only if the Bank gives permission first;

OR

- give the property to someone who may then take over the repayments, but only if the Bank gives permission first.

If the Bank won't give permission, you can contact their external dispute resolution scheme for help.

You should understand that you may owe money to the Bank even after the mortgaged property is sold.

19. Can the Bank take or sell the mortgaged property?

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

20. If the Bank writes asking me where the mortgaged

goods are, do I have to say where they are?

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

21. When can the Bank or its agent come into a residence to take possession of mortgaged goods?

The Bank 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 the Bank immediately. Discuss the matter and see if you can come to some arrangement. You can ask the Bank 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 the Bank and I cannot agree on a suitable arrangement?

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

If the Bank still refuses your request you can complain to the Bank's external dispute resolution scheme. Further details about this scheme are set out below in question 25.

24. Can the Bank 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 Bank'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 CONTRACT, OR WANT MORE INFORMATION, CONTACT THE BANK. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH THE BANK BEFORE CONTACTING THE BANK'S EXTERNAL DISPUTE RESOLUTION SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO THE BANK YOU CAN CONTACT THE BANK'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. THE BANK'S EXTERNAL DISPUTE RESOLUTION PROVIDER IS:

Name: THE AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (AFCA)
Mail: GPO BOX 3 MELBOURNE VIC 3001
Phone: 1800 367 287
Fax: (03) 9613 6399
Email: INFO@AFCA.ORG.AU
Website: AFCA.ORG.AU

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

**Part E
CREDIT GUIDE**

About this Credit Guide

As a licensed credit provider, Police & Nurses Limited (Australian Credit Licence 240701), is required to give you a Credit Guide as soon as practicable after it becomes apparent to us that a credit contract is likely to be entered into.

The guide includes information about us, our responsible lending obligations, and our dispute resolution process.

Suitability Assessment

Under the National Consumer Credit Protection Act 2009, we must not enter into a credit contract with you, or increase the credit limit of a credit contract with you, if the contract is unsuitable for you.

The contract will be unsuitable for you if, at the time the contract is entered into or the credit limit is increased, it is likely that:

- you will be unable to comply with your financial obligations under the contract, or could only comply with substantial hardship; or
- the contract will not meet your requirements or objectives.

We must make an assessment whether the contract will be unsuitable for you before entering into a credit contract with you or increasing the limit of an existing credit contract.

You can request a copy of our assessment. We must give you a copy (at no charge to you):

- before entering the credit contract or before the credit limit is increased, if you make the request before then;
- within 7 business days, if your request is made within 2 years of entering into the contract or the credit limit increase; and
- otherwise, within 21 business days.

We do not need to give you a copy of the assessment if:

- your request is made more than 7 years after entering into the contract or the credit limit increase; or
- the credit contract is not entered into or the credit limit is not increased.

Dispute Resolution

The Bank offers its members both an internal and an external dispute resolution process that are readily accessible and free.

When does a Dispute arise?

A dispute arises if you make a complaint to the Bank about a product or service and you are not satisfied with the response that you receive.

Internal Dispute Resolution

To use our internal dispute resolution procedure you should address a letter, email or fax detailing the dispute to "Member Advocate" at:

Mail: P&N Bank
PO Box 8609
Perth BC Western Australia 6849

Phone: 13 25 77

Email: member.advocate@pnbank.com.au

If the Member Advocate is able to resolve the dispute he or she will promptly notify you in writing of the outcome and provide reasons for the outcome. If you are still not satisfied with the outcome of a dispute, you can refer the matter to our external dispute resolution scheme.

You are not obliged to pursue a dispute with the Bank using its internal dispute resolution procedure. If you do use the

internal dispute resolution procedure, you may commence legal proceedings before, after or at the same time as using the internal dispute resolution procedure.

The Bank's participation in the internal dispute resolution procedure is not a waiver of any rights it may have under the law or under any contract between you and the Bank. An example of a contract between you and the Bank may be a loan contract, a guarantee, the terms and conditions of an account, or the terms and conditions of a VISA card or ATM card.

External Dispute Resolution

External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints.

You must attempt to resolve your complaint with us before contacting our external dispute resolution scheme. If you have a complaint which remains unresolved after speaking to our Member Advocate, you can contact our external dispute resolution provider or get legal advice.

Our external dispute resolution provider is:

Name: The Australian Financial Complaints Authority
(AFCA)

Mail: GPO Box 3
Melbourne VIC 3001

Phone: 1800 367 287 (9am to 5pm AEST)

Fax: (03) 9613 6399

Email: info@afca.org.au

Website: afca.org.au

Further information regarding AFCA including their Terms of Reference is available from their office or on their website.

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Contact US

Police & Nurses Limited

ABN 69 087 651 876 AFSL 240701

Australian Credit Licence 240701

PO Box 8609

PERTH BC WA 6849

Tel: **13 25 77**

 pnbank.com.au