

Interest FAQs - Value + Credit Card

DES-2893_0623

Effective Date: 28 June 2023

The current interest rates that apply to your account can be found at newcastlepermanent.com.au/rates or upon request.

| Interest Type | What interest rate will apply type change |
|-----------------------------------|--|
| Variable calculated daily. | <ul style="list-style-type: none"> – Purchase Rate - Interest is charged on purchases made using your credit card. – Cash Advance Rate - Interest is charged if you withdraw cash via ATM/over the counter or transfer funds from the credit card to another account or make a cash equivalent transaction such as traveller's cheques or gambling transactions. Interest is calculated on these items from the day of the transaction. – Balance Transfer Rate - Interest is charged on balance transfers from the date the balance transfer amount is debited to your credit card account. |

How to avoid incurring interest

Receive up to **55 days interest free** on your purchases (this does not apply to Cash Advances or Balance Transfers), if you pay the closing balance each month (including any accrued interest, fees and charges) on each statement in full by the due date.

If you do not pay the closing balance in full by the due date, you will no longer receive an interest-free period for new purchases until the next time you pay your closing balance in full.

The actual interest-free period may be less than the maximum interest-free period for your credit card account, due to the date on which the purchase is made and the date on which a statement period ends. Each statement tells you the closing balance on the credit card account at the end of the statement period as well as the due date for payment.

Example of how an interest free period works

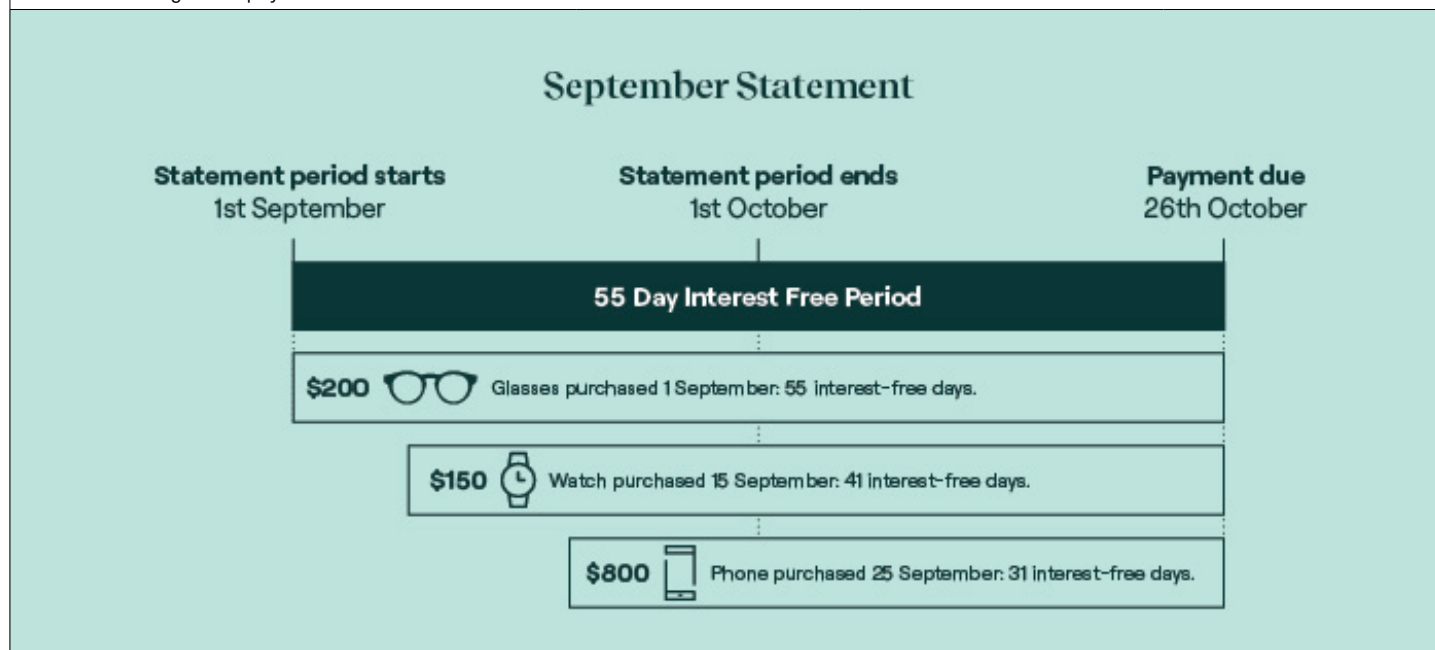
In this example the statement period begins on the 1st of September, this is the same date the **55 day interest free** period begins.

If the statement period ends on the 1st of October, you then have 25 days, ending on the 26th of October to make a payment. This makes up your **interest free period**.

To avoid paying interest in this example, you would need to pay off the entire closing balance by 26th of October.

If you don't pay the full closing balance by your due date, you'll be charged interest from the day after the due date. This interest is charged against everything you've purchased during the statement period, minus any payments you've made.

To avoid late payment fees, it is important to make a payment before your payment due date. Although you can reduce your closing balance by making a payment during the statement period, it is necessary to make at least the minimum payment before your payment due date. Failure to do so may result in incurring a late payment fee.



| | | | |
|--|----------------------------------|----------------------------------|------------------------------|
| From the example you would need to apply the following: To avoid interest on purchases - you will need to pay the full balance of \$1,150 by the 26th of October. To avoid late payment fee – you will need to pay the minimum amount of \$34.50 by the 26th of October. | Closing balance - \$1,150 | Minimum payment - \$34.50 | Due Date 26th October |
|--|----------------------------------|----------------------------------|------------------------------|

| Type of interest | How we calculate interest |
|--|---|
| Purchases | <p>We calculate the interest we charge by using the daily percentage rates applying to your credit card account. The daily percentage rate for purchases is calculated by dividing the purchase rate applying to your credit card account by 365 days (366 days in a leap year).</p> <p>First, we average the outstanding daily amount of the purchases on which we do charge interest plus any accrued unpaid interest relating to purchases which have been charged to the credit card account over the statement period.</p> <p>Then we multiply this average by the daily purchase rate applying to your credit card account.</p> <p>Finally, we multiply this amount by the number of days in the statement period, or from the last due date, if the full closing balance was not paid in full on the due date.</p> <p>This results in the amount of interest on purchase amounts we charge to your credit card account in the statement period.</p> |
| Balance Transfers and Cash Advances | <p>First, we average the outstanding daily amount of the balance transfers plus any accrued unpaid interest relating to balance transfers which have been charged to the account over the statement period. We also average the outstanding daily amount of cash advances plus any accrued unpaid interest relating to cash advances which have been charged to the credit card account over the statement period.</p> <p>Then we multiply the average balance transfer amount calculated in the preceding step by the daily balance transfer rate applying to your credit card account. The daily percentage rate for balance transfers is calculated by dividing the balance transfer rate applying to your credit card account by 365 days (366 days in a leap year). We also multiply the average cash advance amount calculated in the preceding step by the daily cash advance rate applying to your credit card account. The daily percentage rate for cash advances is calculated by dividing the cash advance rate applying to your credit card account by 365 days (366 days in a leap year); and</p> <p>Finally, we multiply each of the amounts calculated in the preceding steps by the number of days in the statement period.</p> <p>The two figures we get from the last step are the amounts of interest on balance transfers and cash advances (respectively) that we charge to your credit card account in the statement period.</p> |

Applications for the Value+ Credit Card are subject to Newcastle Permanent's approval. Fees and charges may apply. Full Conditions of Use and Key Facts Sheet are available on request and will be included in any new card offer. Newcastle Permanent, part of Newcastle Greater Mutual Group Ltd ACN 087 651 992, Australian credit licence 238273.