

# Interest FAQs - Personal Banking

Effective Date: 24 September 2024

The current interest rates that apply to your account can be found at [newcastlepermanent.com.au/rates](https://newcastlepermanent.com.au/rates) or upon request.

Interest type	Standard	Bonus	Tiered	Strata	Variable	Fixed
	Interest that is earned each day that you have a positive closing balance.	Interest that is earned if eligibility requirements are met.	A single interest rate that applies to the entire daily opening balance. The interest rate depends on your daily account balance.	Different rates of interest apply to the different portions of an account's daily opening balance.	The interest rate can change at any point in time without notice.	The interest rate is fixed for a set period of time.
Everyday	✓	✗	✓	✗	✓	✗
Special Monthly Interest	✓	✗	✗	✓	✓	✗
Smart Saver	✓	✓	✗	✓	✓	✗
Smart Saver for Under 25s	✓	✓	✗	✓	✓	✗
Online Savings	✓	✓	✓	✗	✓	✓ <sup>1</sup>
Term Deposit	✓	✗	✗	✗	✗	✓

 1. The Online Savings Introductory Bonus rate offer is a fixed rate.

Account Type	How we calculate interest	When interest is paid	Notes on interest
Everyday	Annual interest rate divided by 365, on the daily opening balance.	<b>6 monthly</b> , on the last day of June and December, or on account closure.	<ul style="list-style-type: none"> <li>– There are no interest earning requirements for the standard interest rate.</li> <li>– 100% and partial interest offset available if linked to an eligible home loan.</li> <li>– No interest will be paid to you on your account while that account is linked to a loan account under an interest offset facility (including if the balance of your account exceeds the amount owing on the linked loan account).</li> </ul>
Special Monthly Interest	Annual interest rate divided by 365, on the portion of the daily opening balance in each strata tier.	<b>Monthly</b> , on the last day of each calendar month, or on account closure.	<ul style="list-style-type: none"> <li>– Interest is credited to the account only.</li> <li>– There are no interest earning requirements.</li> </ul>
Smart Saver	Annual standard interest base rate plus any applicable bonus rate divided by 365 on the daily opening balance.	<b>Monthly</b> , on the last day of each calendar month. Bonus interest is paid at the same time where interest earning requirements have been met.	<ul style="list-style-type: none"> <li>– Interest is credited to the account only.</li> <li>– To meet standard interest earning requirements a positive balance needs to be maintained each month.</li> <li>– To meet bonus interest earning requirements, grow your balance by any amount (not including interest) and make no more than 2 withdrawals each calendar month.</li> </ul>
Smart Saver for Under 25s	Annual standard interest base rate plus any applicable bonus rate divided by 365 on the daily opening balance.	<b>Monthly</b> , on the last day of each calendar month. Bonus interest is paid at the same time where interest earning requirements have been met.	<ul style="list-style-type: none"> <li>– Interest is credited to the account only.</li> <li>– To meet standard interest earning requirements a positive balance needs to be maintained each month.</li> <li>– To meet bonus interest earning requirements, grow your balance by any amount (not including interest) and make no more than 2 withdrawals each calendar month.</li> </ul>
Online Savings	Annual base rate plus any applicable Introductory Bonus Rate divided by 365 on the daily opening balance.	<b>Monthly</b> , on the last day of each calendar month, or on account closure.	<ul style="list-style-type: none"> <li>– Interest is credited to the account only.</li> <li>– To be eligible to receive any interest, inclusive of the Introductory Bonus Rate or Standard Rate, all account owners must hold an Everyday Account, Home Loan or a Credit Facility with Newcastle Permanent.</li> <li>– The Standard Rate is variable and subject to change without prior notice.</li> <li>– The Introductory Bonus Rate is a fixed rate that applies for the first 3 months that won't change during the period it applies to your account.</li> <li>– If an Online Savings account is opened with the Introductory Bonus Rate offer on a particular date, then the 3 month period will end on that same date in 3 months' time.</li> </ul>
Term Deposit	Annual rate divided by 365 on the daily closing balance.	<p><b>Maturity</b>, at the end of the term.</p> <p><b>Monthly</b>, each month.</p> <p><b>Quarterly</b>, every 3 months.</p> <p><b>Half yearly</b>, every 6 months</p> <p><b>Annually</b>, every 12 months.</p>	<ul style="list-style-type: none"> <li>– Interest can be credited to the Term Deposit or into another eligible account depending on the interest frequency selection.</li> <li>– Interest is fixed for the term that is selected at the time of account opening (for a new account) or as at the date of maturity (for a reinvestment).</li> <li>– If funds are withdrawn from the Term Deposit before the maturity date or outside the withdrawal period, the account will receive the early withdrawal rate and the account will be closed. *</li> <li>– The early withdrawal rate can be found at <a href="http://newcastlepermanent.com.au/rates">newcastlepermanent.com.au/rates</a>.</li> </ul>

**i** \*WARNING: If you break a Term Deposit prior to the maturity date, the early withdrawal rate that applies could mean a significant reduction in interest or require a repayment of interest back. Current interest rates including Introductory Bonus Rate offer terms and conditions can be found at [newcastlepermanent.com.au/rates](http://newcastlepermanent.com.au/rates) or by contacting us.

### Examples of interest type

Standard	Bonus	Tiered	Strata																														
<p>Standard Interest is earned each day that you have a positive closing balance.</p> <p>The daily interest payable is calculated:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr style="background-color: #e0f2f1;"><th style="text-align: left;">Annual Standard Interest Rate</th></tr> <tr><td style="text-align: center;">÷</td></tr> <tr><td style="text-align: center;">365</td></tr> <tr><td style="text-align: center;">X</td></tr> <tr><td style="text-align: center;">Daily opening balance</td></tr> </table>	Annual Standard Interest Rate	÷	365	X	Daily opening balance	<p>Bonus Interest is earned if eligibility requirements are met.</p> <p>The daily interest payable is calculated:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr style="background-color: #e0f2f1;"><th style="text-align: left;">Annual Standard Interest Rate</th></tr> <tr><td style="text-align: center;">+</td></tr> <tr><td style="text-align: center;">Bonus Rate</td></tr> <tr><td style="text-align: center;">=</td></tr> <tr><td style="text-align: center;">Total interest rate</td></tr> </table>	Annual Standard Interest Rate	+	Bonus Rate	=	Total interest rate	<p>Tiered Interest is a single interest rate that applies to the entire balance daily.</p> <p>The interest rate depends on your daily account balance.</p> <p>Your balance will be looked at daily to determine which interest rate your account will earn. Different balance tiers may offer the same interest rate.</p> <p>If you have \$75,000 in your account, you will receive <b>X% p.a.</b> on the entire balance.</p> <p>If you have \$150,000 in your account, you will receive <b>Y% p.a.</b> on the entire balance.</p> <p>The daily interest payable is calculated:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #e0f2f1;"><th style="text-align: left;">Balance</th><th style="text-align: left;">Interest Rate</th></tr> </thead> <tbody> <tr><td>Up to \$50,000</td><td>W% p.a.</td></tr> <tr><td>\$50,000 – \$100,000</td><td>X% p.a.</td></tr> <tr><td>\$100,000 – \$250,000</td><td>Y% p.a.</td></tr> <tr><td>\$250,000 plus</td><td>Z% p.a.</td></tr> </tbody> </table>	Balance	Interest Rate	Up to \$50,000	W% p.a.	\$50,000 – \$100,000	X% p.a.	\$100,000 – \$250,000	Y% p.a.	\$250,000 plus	Z% p.a.	<p>Strata Interest is different rates of interest that apply to the different portions of an account balance.</p> <p>Your balance will be looked at daily to determine which interest rate your account will earn.</p> <p>If you have \$15,000 in your account, the following would apply:  <b>W% p.a.</b> would apply to the first \$9,999; and <b>X% p.a.</b> would apply to the additional \$5001.</p> <p>The daily interest payable is calculated:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #e0f2f1;"><th style="text-align: left;">Balance</th><th style="text-align: left;">Interest Rate</th></tr> </thead> <tbody> <tr><td>Up to \$9,999</td><td>W% p.a.</td></tr> <tr><td>\$10,000 – \$49,999</td><td>X% p.a.</td></tr> <tr><td>\$50,000 – \$249,999</td><td>Y% p.a.</td></tr> <tr><td>\$250,000 plus</td><td>Z% p.a.</td></tr> </tbody> </table>	Balance	Interest Rate	Up to \$9,999	W% p.a.	\$10,000 – \$49,999	X% p.a.	\$50,000 – \$249,999	Y% p.a.	\$250,000 plus	Z% p.a.
Annual Standard Interest Rate																																	
÷																																	
365																																	
X																																	
Daily opening balance																																	
Annual Standard Interest Rate																																	
+																																	
Bonus Rate																																	
=																																	
Total interest rate																																	
Balance	Interest Rate																																
Up to \$50,000	W% p.a.																																
\$50,000 – \$100,000	X% p.a.																																
\$100,000 – \$250,000	Y% p.a.																																
\$250,000 plus	Z% p.a.																																
Balance	Interest Rate																																
Up to \$9,999	W% p.a.																																
\$10,000 – \$49,999	X% p.a.																																
\$50,000 – \$249,999	Y% p.a.																																
\$250,000 plus	Z% p.a.																																

### What happens to interest?

Account closure	Account type change
<ul style="list-style-type: none"> <li>– If an account is closed mid-month interest earning requirements will be checked and interest will be paid if eligibility criteria was met.</li> <li>– If you break a Term Deposit prior to the maturity date, the early withdrawal rate that applies could mean a significant reduction in interest or require a repayment of interest back and the account will be closed.</li> <li>– If a Smart Saver Account (including for Under 25s) is closed during the month, only the standard rate of interest is paid.</li> </ul>	<ul style="list-style-type: none"> <li>– When converting from an Online Savings account (Including Introductory), Special Monthly Interest account or Smart Saver account to another applicable savings account, the accrued interest will only be paid at the end of the month if the interest earning requirements of the new account have been met for the entire month.</li> <li>– When converting to a transaction account (excluding the Special Monthly Interest account) from a savings account, no interest accrued will be applied or carried forward to the new transactional account.</li> <li>– If a Smart Saver or Smart Saver for Under 25s is converted to another account type only the standard rate of interest will be paid up until the date of conversion.</li> </ul>
Overdrawn Interest	
<ul style="list-style-type: none"> <li>– A higher interest rate is payable by the account holder on any overdrawn amount. We will calculate interest on the overdrawn amount on a daily basis and charge it to your account on a monthly basis. Our current interest rates for overdrawn accounts are available by contacting us or at <a href="http://newcastlepermanent.com.au/rates">newcastlepermanent.com.au/rates</a>.</li> </ul>	

## Worked examples

<b>Special Monthly Interest</b>	<p>Ben has an account balance of \$60,000. A strata interest rate applies, and Ben would receive the following:</p> <ul style="list-style-type: none"> <li>– W% p.a. up to \$9,999; and</li> <li>– X% p.a. would apply to the additional \$40,001; and</li> <li>– Y% p.a. would apply to the additional \$10,000.</li> </ul>	<table border="1"> <thead> <tr> <th>Balance</th> <th>Interest Rate</th> </tr> </thead> <tbody> <tr> <td>Up to \$9,999</td> <td>W% p.a.</td> </tr> <tr> <td>\$10,000 – \$49,999</td> <td>X% p.a.</td> </tr> <tr> <td>\$50,000 – \$249,999</td> <td>Y% p.a.</td> </tr> <tr> <td>\$250,000 plus</td> <td>Z% p.a.</td> </tr> </tbody> </table>	Balance	Interest Rate	Up to \$9,999	W% p.a.	\$10,000 – \$49,999	X% p.a.	\$50,000 – \$249,999	Y% p.a.	\$250,000 plus	Z% p.a.										
Balance	Interest Rate																					
Up to \$9,999	W% p.a.																					
\$10,000 – \$49,999	X% p.a.																					
\$50,000 – \$249,999	Y% p.a.																					
\$250,000 plus	Z% p.a.																					
<b>Smart Saver</b>	<table border="1"> <thead> <tr> <th>Balance</th> <th>Standard Interest Rate</th> <th>Bonus Interest Rate</th> <th>Total Interest Rate (If interest earning requirements are met)</th> </tr> </thead> <tbody> <tr> <td>Up to \$50,000</td> <td>W% p.a.</td> <td>W% p.a.</td> <td>W% p.a. + W% p.a.</td> </tr> <tr> <td>\$50,000 – \$100,000</td> <td>X% p.a.</td> <td>X% p.a.</td> <td>X% p.a. + X% p.a.</td> </tr> <tr> <td>\$100,000 – \$250,000</td> <td>Y% p.a.</td> <td>Y% p.a.</td> <td>Y% p.a. + Y% p.a.</td> </tr> <tr> <td>\$250,000 plus</td> <td>Z% p.a.</td> <td>Z% p.a.</td> <td>Z% p.a. + Z% p.a.</td> </tr> </tbody> </table> <p><b>Example one</b> Samantha deposits \$30 into her Smart Saver Account during the month and has made no withdrawals. As Samantha has grown her balance and is under the free withdrawal limit, she has met the bonus interest earning requirements, she is eligible for the total interest rate (standard interest rate plus the bonus interest rate).</p> <p><b>Example two</b> Jennifer makes three withdrawals of \$40 and deposits \$300 into her Smart Saver Account during the month. Although Jennifer has grown her balance, she will not be eligible to earn bonus interest for the month as she has made more than two withdrawals. Jennifer will only receive the standard rate of interest.</p>	Balance	Standard Interest Rate	Bonus Interest Rate	Total Interest Rate (If interest earning requirements are met)	Up to \$50,000	W% p.a.	W% p.a.	W% p.a. + W% p.a.	\$50,000 – \$100,000	X% p.a.	X% p.a.	X% p.a. + X% p.a.	\$100,000 – \$250,000	Y% p.a.	Y% p.a.	Y% p.a. + Y% p.a.	\$250,000 plus	Z% p.a.	Z% p.a.	Z% p.a. + Z% p.a.	
Balance	Standard Interest Rate	Bonus Interest Rate	Total Interest Rate (If interest earning requirements are met)																			
Up to \$50,000	W% p.a.	W% p.a.	W% p.a. + W% p.a.																			
\$50,000 – \$100,000	X% p.a.	X% p.a.	X% p.a. + X% p.a.																			
\$100,000 – \$250,000	Y% p.a.	Y% p.a.	Y% p.a. + Y% p.a.																			
\$250,000 plus	Z% p.a.	Z% p.a.	Z% p.a. + Z% p.a.																			
<b>Online Savings</b>	<p><b>Example one</b> Jane opens an Online Savings account on the 15th of January.</p> <ul style="list-style-type: none"> <li>– This is Jane’s first Online Savings account.</li> <li>– Jane holds an Everyday/Home Loan/Credit Facility with Newcastle Permanent.</li> </ul> <p>Jane will receive an Introductory Bonus rate for the first 3 months from 15th January until the 15th of March. From the 16th of March onwards, the Standard rate will apply to Jane’s account.</p> <p><b>Example two</b> Jane opens an Online Savings account on the 15th of January.</p> <ul style="list-style-type: none"> <li>– Jane already received the Introductory Rate 5 months ago.</li> <li>– Jane also holds an Everyday account with Newcastle Permanent.</li> </ul> <p>As Jane was received the Introductory Bonus rate within the last 6 months, she will only be eligible for the Standard rate.</p> <p><b>Example three</b> Jane opens an Online Savings account on the 15th of January.</p> <ul style="list-style-type: none"> <li>– This is Jane’s first Online Savings account.</li> <li>– Jane also holds an Everyday account with Newcastle Permanent.</li> <li>– The Everyday account was closed by Jane during February.</li> </ul> <p>Holding an Everyday account is an eligibility requirement for earning the Introductory Bonus rate. As Jane’s Everyday account was closed in February, she will only be eligible for Introductory Bonus interest in January.</p>																					

Account terms, conditions, fees and charges apply. This information has been prepared without taking into account your objectives, financial situation or needs. Therefore, before acting on this information, you should consider its appropriateness having regard to these matters and the product Terms and Conditions, available on request from any branch, [newcastlepermanent.com.au](http://newcastlepermanent.com.au), or by calling 13 19 87. Newcastle Permanent, part of Newcastle Greater Mutual Group Ltd ACN 087 651 992, Australian Financial Services Licence/Australian credit licence 238273.