

# Variation Notice

We are updating our Terms and Conditions for Personal Loans, effective 6 June 2024.

The updated Terms and Conditions for Personal Loans will be available at [newcastlepermanent.com.au/terms-and-conditions](https://newcastlepermanent.com.au/terms-and-conditions), from 6 June 2024.

## Important changes to the Important Information about Personal Loans

The changes to the Important Information about Personal Loans (T&Cs) dated 31 October 2023 are described below.

### General updates

Most of the changes we've made are to support our adoption of the Customer-Owned Banking Code of Practice 2022, and due to changes in laws regarding contract terms. We've also made changes following our merger with Greater Bank, to ensure consistency with other products and to make things easier to understand. We've focused on summarising the changes below which we think are most important for you. Clause and page numbers referenced relate to the original Important Information about Personal Loans document, unless otherwise specified.

### Changes to the date of the T&Cs (page 1)

We've changed the date of the T&Cs to 6 June 2024.

### Changes to 'What we lend and when' clause 1 (page 6)

We've made changes to clarify that we will only lend money subject to the borrower meeting certain conditions.

### Changes to 'Interest charges' clause 3 (page 7)

We've made changes to clarify and improve wording with respect to how interest is charged and debited. We have specified that interest accrues on a daily basis from the day we disburse money at your request to make the first advance.

### Changes to 'What you must pay and when' clause 4 (page 8)

We've made changes to clarify and improve wording with respect to how payments must be made and how payments are credited, including that we can apply any payment received in any way we consider reasonable. We have added that where you repay us by direct debit, that if an attempted direct debit fails, we may make reasonable further attempts to direct debit your account until the direct debit is successful.

### New 'Combination of accounts' clause 5 (Page 7)

We've moved information about our rights to set-off and combine your accounts, including the right to do this across our brands, to a new clause 5 'Combination of accounts' on page 7 of the updated T&Cs.

### Changes to 'Prepayments' clause 6 (Page 9)

We've made changes to clarify that making prepayments (i.e. making a repayment in the amount that exceeds the minimum repayment) will not decrease the minimum repayment you must make to repay the loan.

### New 'Changes we can make to your loan contract' clause 8 (Page 8)

We've clarified and moved information about the types of changes we may make to your loan contract to a new clause 8, 'Changes we can make to your loan

contract' on page 8 of the updated T&Cs. We've clarified how much notice we will give you if we vary your loan agreement. We have also added that if you are not satisfied with any change to your loan agreement, you may repay your loan.

#### New 'Consequences of breach of any term' clause 11 (Page 9)

We have made changes to specify that if you breach any term of your loan agreement or any other agreement, if an event of default occurs, or if any security or guarantee is terminated or is of reduced force and effect, we are not obliged to:

- lend you any more money; and
- we may rectify the breach or event of default by performing your obligations under your loan agreement or any other agreement.

This information is contained within a new clause 11 on page 9 of the updated T&Cs.

#### New 'Monetary events of default' (clause 12) and 'Non-monetary events of default' (clause 13) clauses (Page 9)

We have replaced the events of default with events of default which are consistent with industry best practice and which we consider are not unfair. We have removed any events of default which may be considered unfair contract terms. This information is contained within new clauses 12 and 13 on page 9 of the updated T&Cs.

#### New 'What we can do if an event of default occurs' clause 15 (Page 10)

We have made changes to amend our enforcement rights so that they are consistent with industry best practice, including clarifying that we will only take enforcement action if we have given you at least 30 days written notice of the event of default and 30 days to remedy the event of default (if it is remediable). This information is contained within a new clause 15 on page 10 of the updated T&Cs.

#### New 'When we can take action if you are a small business' clause 16 (Page 11)

We have made changes to amend the actions we can take when the borrower is a small business. This information is contained within a new clause 16 on page 11 of the updated T&Cs.

#### New 'Enforcement expenses' clause 17 (Page 11)

We have made changes to clarify that if you default under your loan, enforcement expenses may become payable. We have also clarified that any limitation of our liability does not extend to loss arising from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents, or a receiver we appoint. This information is contained within a new clause 17 on page 11 of the updated T&Cs.

#### Changes to 'Joint accounts' clause 17.1 (page 15)

We've made changes to clarify that joint borrowers are jointly and severally liable.

#### Changes to 'Assignment' clause 17.11 (page 16)

We have made changes to clarify our rights to assign, novate or otherwise deal with our rights and obligations under your loan contract, any security, and any document or agreement entered into or provided under or in connection with your loan contract.

#### Changes to 'Notices, other communications and/serving documents' clause 17.15 (page 16)

We have made changes to clarify the types of notices we may give you in relation to your loan and how we may give you those notices (including electronically). We have also added that, subject to any applicable laws, we may give you any notice, statement, demand, court document or other document connected to your loan agreement or any mortgage given under your loan agreement by electronic means,

including any documents that would otherwise require personal service in accordance with the relevant court rules in force in the jurisdiction in which the mortgaged property or the security is located.

Changes to 'Statements' clause 17.32 (page 17)

We've made changes to clarify that we will generally give you a statement for your loan account every 6 months.

New 'If you are a trustee' clause 23.15 (page 14)

We have added that if you are at any time a trustee of any trust, you are liable under your loan contract in your own right and as trustee of the trust. This information is contained within a new clause 23.15 on page 14 of the updated T&Cs.

New 'If there is a trustee in bankruptcy or liquidator' clause 23.16 (page 14)

We have added that if a trustee in bankruptcy or liquidator is appointed to you, and they ask us to refund a payment we have received in relation to your loan, we may treat the original payment as if it had not been made except for the purpose of calculating interest payable by you. This information is contained within a new clause 23.16 on page 14 of the updated T&Cs.

New 'Third party systems' clause 23.17 (page 14)

We have made changes to specify that our provision of services and finance is dependent on third party systems and financing, and we will not be liable to you for any failure or delay in meeting our obligations to you to the extent that they are beyond our reasonable control. This information is contained within a new clause 23.17 on page 14 of the updated T&Cs.

New 'Anti-money laundering and counter-terrorism financing' clause 23.22 (page 15)

We have clarified when we may require repayment of the amount you owe us, or when we may delay, block, freeze or refuse a transaction from your loan account, for reasons relating to our anti-money laundering and counter-terrorism. This information is contained within a new clause 23.22 on page 15 of the updated T&Cs.