



Flexi Loan

Conditions of Use

This booklet contains

General conditions

Things you should know about your
credit contract

Effective July 2011

Westpac Banking Corporation ABN 33 007 457 141
AFSL 233 714 ACL 233714

This document does not contain all of the terms of the contract or all of the information the Bank is required to give you before you enter into the contract. The rest of those terms and that other information are in the Schedule. If there are any inconsistencies, the Schedule prevails.

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General Conditions

1.0 Words with Special Meaning

1.1 In this contract:

“account” means the account the Bank opens in your name for the purpose of this contract.

“annual percentage rate” (interest) means the percentage rate or rates per annum applicable to the account as shown in Item 4 of the Schedule or as agreed between you and us under a promotion plan from time to time.

“credit limit” means the amount set out in Item 4 of the Schedule.

“balance” means the difference between all amounts credited and all amounts debited to the account.

“Bank”, “we”, “us” or “our” means Westpac Banking Corporation ABN 33 007 457 141.

“base plan” means a withdrawal that is not a term plan or a promotion plan.

“credit fees and charges” means the credit fees and charges set out in Item 4 of the Schedule and any other fees and charges payable in connection with this contract, but does not include:

- interest charges;
- government charges and duties on receipts or withdrawals; or
- enforcement expenses.

“daily balance” means the balance at the end of a day.

“daily percentage rate” means the rate determined by dividing the annual percentage rate by 365.

“disclosure date” means the disclosure date set out in Item 3 of the Schedule.

“electronic funds transfer” means a funds transfer from your account made by means of an electronic banking facility available through Westpac Online or Westpac Telephone Banking and any other electronic

banking facility advised to you by Westpac from time to time.

“local telegraphic transfer” means a funds transfer from your account to any account at any bank within Australia arranged at any Westpac branch.

“nominated repayment amount” means the estimate calculated by the Bank of the monthly payment required to pay in full an amount withdrawn under a term plan within a period specified by you in relation to that term plan.

“plan” in clauses 6.4(b) and 10.2(h)(ii) means a base plan or term plan as applicable.

“promotion plan” means a special promotion offer made by us to you in terms of which, if accepted, a different annual percentage rate than the standard annual percentage rate will apply to an agreed portion of the balance for an agreed period of time.

“statement date” is defined in clause 7.1 of this document.

“statement cycle” is defined in clause 7.1 of this document.

“term plan” is defined in clause 4.4 of this document.

“you” means the person or persons referred to as the customer(s) in Item 1 of the Schedule.

1.2 In this contract:

The singular includes the plural and vice versa; where any word or phrase has a special meaning, any other part of speech or other grammatical form of that word or phrase has a corresponding meaning; a reference to a document (including a document that forms part of this contract) includes any variation or replacement of it; and the Bank is the credit provider.

2.0 This Contract

This contract is made up of two parts. They are: these General Conditions; and the Schedule.

3.0 Preconditions to Loan

- 3.1 The Bank will not be required to lend the whole or any part of the credit limit to you:
- if, in the Bank's opinion, there is a significant change in your financial position;
 - if you are in default under this contract; or
 - if, in the Bank's opinion, the information provided to the Bank in applying for this loan was not materially accurate, or materially complete or was misleading or deceptive.

4.0 The Loan

- 4.1 The Credit Limit set out in Item 4 of the Schedule is the maximum amount of credit the Bank agrees to lend to you under this contract and must not be exceeded.
- 4.2 You must immediately repay any unpaid balance in excess of the Credit Limit and any overdue amounts without the Bank having to demand repayment of those amounts.
- 4.3 (a) The amounts lent to you pursuant to this Contract must be wholly or predominantly for personal, domestic or household purposes.
- (b) You must not use any funds lent to you pursuant to this Contract for any unlawful purpose, including the purchase of goods or services prohibited by the laws of Australia or another country.
- 4.4 Term Plans
- (a) When you withdraw an amount from the account and you would like to repay that amount withdrawn in full within a selected period of time (which may be one, two, three, four or five years), you may ask the Bank to calculate an estimate of the nominated repayment amount to repay that amount within the selected period of time. Such a withdrawal, if the Bank agrees to provide you with the calculation of the nominated repayment amount, is referred to as a "term plan". The

Bank may require you to withdraw a specified minimum amount for a term plan. The Bank may apply or vary this specified minimum amount in its discretion.

- (b) Any balance remaining at the end of the term plan(s) expiry date will automatically transfer into the base plan.
- (c) You agree that it is within the Bank's sole discretion whether or not to provide you with an estimate of a monthly nominated repayment amount.
- (d) You agree that a monthly nominated repayment amount in relation to a term plan is only an estimate and is dependent on a number of things which may change and which may result in the estimate being inaccurate (including, but not limited to, the interest rate, fees and charges and how repayments are made).
- (e) You acknowledge and agree that the Bank provides no representation, warranty or guarantee that if a monthly nominated repayment amount is paid each month by you that the full amount in relation to that term plan shall be paid by the selected period in relation to that term plan.
- (f) You acknowledge and agree that the exercise of the Bank's discretion to provide you with an estimate of the monthly nominated repayment amount in relation to a term plan does not limit or otherwise affect your obligation to pay the minimum monthly repayment in accordance with clause 9.0 of this document and Item 4 of the Schedule.
- (g) Without limiting clause 10.0 of this document, and assuming there are no other outstanding amounts – such as, but not limited to, fees or charges, or interest charges, if you have more than one term plan, each payment made by you (even if there is more than one separate payment made by you during a statement cycle) shall, in relation to those term plans, reduce the outstanding balance of the

oldest term plan by the value of the nominated repayment amount in relation to that term plan first and then reduce the outstanding balance of the next oldest term plan by the value of the nominated repayment amount in relation to that term plan next and so on from the oldest term plan to the most recent term plan.

- 4.5 (a) You agree that withdrawals may need to be authorised by us before they can proceed. We may not permit a withdrawal if:
- (i) the credit limit would be exceeded; or
 - (ii) there are overdue amounts payable on the Flexi Loan account.
- (b) We reserve the right to decline authorisation for any withdrawal request on the Flexi Loan account.
- (c) Once an authorisation is obtained, it will reduce the amount of available funds in the Flexi Loan account. If the withdrawal is not completed, the amount of available funds in the Flexi Loan account may continue to be reduced for up to three (3) Bank business days after the authorisation is obtained.
- 4.6 (a) Withdrawals against the base plan of your account
- You may make a withdrawal from your account and debit that withdrawal against the base plan of your account:
- (i) by electronic funds transfer to a Westpac transaction, deposit or cheque account through our Telephone Banking or our Online Banking services or by telephoning our Personal Lending Centre or in any Westpac branch.
 - (ii) by local telegraphic transfer in any Westpac branch to a Westpac or non-Westpac account in Australia (fees and charges may apply).
 - (iii) by bank cheque in any Westpac branch (fees and charges may apply).

- (iv) by BPAY® through our Telephone Banking or our Online Banking services or by telephoning our Personal Lending Centre.
 - (v) by completing a Flexi Loan Balance Transfer Form available at westpac.com.au or by requesting a balance transfer from your account to a Westpac or non-Westpac credit, charge or store card by telephoning our Personal Lending Centre or by using our Online Banking service or in any Westpac branch.
- (b) Withdrawals against a term plan of your account

You may make a withdrawal from your account and select a repayment goal for the withdrawal amount debited as a term plan:

- (i) by electronic funds transfer to a Westpac transaction, deposit or cheque account through our Online Banking services or by telephoning our Personal Lending Centre or in any Westpac branch.
- (ii) by requesting a balance transfer from your account to a Westpac or non-Westpac credit, store or charge card by telephoning our Personal Lending Centre or by using our Online Banking service or in any Westpac branch.

Subject to the terms and conditions of your Westpac transaction, deposit or cheque account (and any applicable fees or charges), you can then withdraw your withdrawal amount in the following ways:

- (iii) transfer your withdrawal amount by electronic funds transfer to a Westpac or non-Westpac account, in any Westpac branch, or through our Online Banking services.
- (iv) transfer your withdrawal amount by BPAY® through our Telephone Banking or our Online Banking services or by telephoning our Personal Lending Centre.

- (v) withdraw the withdrawal amount by bank cheque in any Westpac branch (fees and charges may apply).
- (vi) transfer your withdrawal amount by local telegraphic transfer in any Westpac branch to a Westpac or non-Westpac account in Australia (fees and charges may apply).

5.0 Interest Charges

- 5.1 The annual percentage rate (the interest rate) that applies to this contract as at the disclosure date is set out in Item 4 of the Schedule.
- 5.2 The annual percentage rate is variable. We may notify you of changes to the interest rate in accordance with clause 12.0 of this document.
- 5.3
 - (a) Interest charges, including those charged in accordance with clause 5.3 (b), will be calculated on a daily basis by applying the daily percentage rate to the unpaid daily balance to which interest applies.
 - (b) Interest is charged on the Establishment Fee when that fee is debited to the account.
- 5.4 Subject to clause 5.3, interest charges for each statement cycle shall be calculated up to and including the statement date of that statement cycle.
- 5.5 If, in a statement cycle, the statement date (billing date) is not a processing day on which the Bank debits interest charges (for example, because it is a Saturday or a Sunday), the Bank shall:
 - (a) calculate interest charges in accordance with this clause 5.0; and
 - (b) debit interest charges on the last processing day prior to the non-processing day for that statement cycle.

6.0 Fees and Charges

- 6.1 The fees and charges that you must pay under this contract as at the disclosure date are set out in Item

4 of the Schedule. We may charge these fees and charges to the account.

- 6.2 The Bank is authorised to debit the fees and charges to your account when they become payable in accordance with Item 4 of the Schedule.
- 6.3 Subject to clause 5.3(b) of this document, any fees or charges debited to your account become part of the account balance but are excluded from the balance amount on which interest charges are calculated.
- 6.4
 - (a) Subject to clause 6.4(b), Fees and non-interest charges applicable to any plan will be debited against the base plan.
 - (b) Where the Establishment Fee is charged, this fee will be debited to the plan of your first withdrawal from your account.
- 6.5 The account will be charged with any contract stamp duty in respect of this contract; and any government duties, taxes, rates or charges now or in the future charged upon or in relation to the account whether or not you are primarily liable for such duties, taxes, rates or charges. Government charges and duties on receipts and withdrawals in respect of your account which are debited to your account are payable as part of the balance on which interest charges are calculated.
- 6.6 If a day on which the Bank would otherwise debit a fee or charge in a statement cycle is not a processing day (for example, because it is a Saturday or a Sunday), the Bank can debit the fee or charge on the last processing day prior to the non-processing day for that statement cycle.
- 6.7 We may notify you of changes to the fees and charges in accordance with clause 12.0 of this document.

7.0 Statements of Account

- 7.1 A statement for your account will be issued to you each month if:
 - there are any amounts owing by you or to you; or
 - there have been any amounts debited or credited to the account during the statement cycle.

The date your statement is issued is called the “statement date” and the period from one statement date to the next statement date is called the “statement cycle”.

- 7.2 Your statement will either be mailed to you, or, instead of receiving paper statements in the mail, you may elect to obtain electronic statements. To receive statements electronically, you must be registered for Westpac Online Banking. The electronic statements option may be selected through Online Banking after the account has been opened.
- 7.3 Amounts shown on your statement will be expressed in Australian currency and must be settled in Australia in Australian currency. There is no facility for payment to be made overseas, other than by transferring funds using our Telephone Banking or Online Banking services.
- 7.4 You should check each statement carefully as soon as you receive it. If you wish to dispute an amount charged to the account you must provide us with written notice of your dispute before the due date shown on your statement.

8.0 Flexi Loan Repayment Protection

If you have requested Flexi Loan Repayment Protection, please note the following:

- **Names of Insurers:** Flexi Loan Repayment Protection is issued by the insurers who are Westpac General Insurance Limited and Westpac Life Insurance Services Limited.
- **Calculation of insurance premium:** The premium is calculated and debited monthly at 0.25% of the balance owing on the Flexi Loan Account at the end of the statement cycle. If there is no balance owing at the end of the statement cycle, no premium is payable for that period.
- **Debit of your insurance premium:** The premium is debited against the base plan of the account but designated a “fee” for the purposes of clause 10.0 of this document. Payments you make in

relation to your insurance contract will be applied as set out in clause 10.2(i)(a).

- **Insurance coverage:** It helps cover your repayments if you lose your job, contract a sickness or disease or sustain an injury and aren't able to work. It will also pay the balance owing on the Flexi Loan account to a maximum of \$75,000 if you die. Conditions, limits and exclusions on cover apply and are explained in the insurance Product Disclosure Statement and policy wording (PDS). You should consider the PDS before deciding whether to acquire the insurance. A copy of the PDS can be obtained by calling 1300 369 989 or visiting Westpac.com.au
- **Commissions:** The bank will be entitled to receive up to 20% of your premium (after government charges have been deducted) as distribution commission.
- **Other:** This insurance isn't compulsory nor is it an investment in or deposit with the Bank. The Bank does not guarantee payments under the policy.

9.0 Payments

- 9.1 You must pay the minimum amount shown on your statement by the statement due date. The minimum amount will be calculated in accordance with Item 4 of the Schedule.
- 9.2 In any month, you may make a payment or payments which in aggregate exceed the amount of your minimum monthly repayment. However, if you do, this does not affect your obligation to pay in full the minimum monthly repayment due in any subsequent month, unless the Bank agrees in writing to change the repayment arrangements.
- 9.3 You owe the Bank: the amount of credit; interest charges; and any other amounts debited to your account under this contract.
- 9.4
 - (a) Interest is applied to the Establishment Fee.
 - (b) Subject to clause 5.3, clause 6.3 and clause 9.4(a) of this document, any amount which the

Bank debits to your account becomes part of the balance on which interest charges are calculated.

9.5 The Bank will not treat a payment as having been made until it is actually credited to your account.

9.6 You may make payments:

- by direct debit;
- at a Bank branch;
- by BPAY®; or
- by electronic funds transfer through our Telephone Banking or Online Banking services.

Unless payments are made by direct debit, each payment must be accompanied by details identifying this contract and the account.

9.7 Any cheque or bank order received by the Bank for an amount payable by you under this contract will not be deemed a payment until cleared. The Bank's rights and powers will not be affected by any such receipt.

9.8 The Bank may choose to waive immediate payment of any amount due. A waiver by the Bank does not affect its rights under this contract or your obligation to make payment of any other amount on time or that amount at a later date.

9.9 Payments must be received and credited to your account by the due date. Payments will be credited to the account as soon as practicable after receipt.

9.10 If you cannot make a payment by its due date, you should contact us immediately. We may be able to help you.

10.0 Application of Payments

10.1 If you have any other credit contract with the Bank and you make a payment which is insufficient to satisfy your repayment obligations under each contract, then unless you tell the Bank how the payment is to be applied, the Bank may apply the payment to any one or more of the credit contracts in any way it thinks fit.

10.2 (i) Without limiting clause 10.1 of this document, we will apply payments in relation to this contract in the following order:

- (a) Pay all fees incurred and outstanding, excluding the Establishment Fee.
- (b) Pay all outstanding duties, taxes, rates and charges.
- (c) Pay up to the nominated repayment amount for each term plan. If more than one term plan or more than one promotion plan applies, payments will be first allocated up to the nominated repayment amount in relation to the oldest term plan, then to the next oldest term plan and so on, then to the oldest promotion plan and then to the next oldest promotion plan and then to the base plan in ascending order.
- (d) Pay outstanding amounts in relation to a promotion plan. If more than one promotion plan applies, payments will be first allocated to the promotion plan having the lowest annual percentage rate, then to the promotion plan having the next lowest annual percentage rate and so on in ascending order. If the same annual percentage rate applies to two or more promotion plans, payment will first be applied to the promotion plan having the earlier expiry date.
- (e) Pay any remaining amounts outstanding of the base plan.
- (f) Pay any remaining outstanding amounts of term plan(s). If more than one term plan applies, payments will be first allocated to the oldest term plan, then to the next oldest term plan and so on in ascending order.
- (g) Pay outstanding amounts on yet to be stated term plans. If more than one such term plan applies, payments will be first allocated to the oldest yet to be stated term plan, then to the next oldest such term plan and so on in ascending order.
- (h) Pay outstanding amounts on yet to be stated promotion plans. If more than one such promotion plan applies, payments will be first allocated to the oldest yet to be stated

promotion plan, then to the next oldest such promotion plan and so on in ascending order.

- (i) Pay outstanding amounts on the yet to be stated base plan.
- (ii) All payments made to the Flexi Loan account, when applied against a plan, will be made in the following order:
 - interest charges incurred to date for the plan;
 - Establishment Fee (if debited to the plan);
 - the principal of the plan.

11.0 Default and Enforcement

11.1 You are in default under this contract if:

- you do not pay any amount payable by you under this contract in full on or before its due date; or
- any cheque given in payment of any amount payable by you under this contract is not honoured on first presentation; or
- you do not comply with any other term of this contract; or
- the Bank believes on reasonable grounds that you induced the Bank to enter into this contract by fraud.

11.2 You agree to ensure that you are never in default under condition 11.1.

11.3 If you are in default under condition 11.1 and

- the Bank serves on you a default notice and you have not fully complied with the terms of the default notice within the time set out in it;
- the Bank has made reasonable attempts to locate you without success; or
- the Bank may make all amounts you owe under this contract (including amounts accrued or charged but not yet debited to your account) immediately due for payment.

11.4 Enforcement expenses may become payable under this contract in the event of a default. You must pay all reasonable enforcement expenses the Bank

reasonably incurs arising from any default by you under this contract. The Bank may debit these amounts to your account.

- 11.5 If enforcement expenses are debited to your account, they will be due for payment at that time.

12.0 Variations

We may change the Contract at any time by notifying you in the following manner:

12.1 Changes to the Annual Percentage Rate

- (a) We may notify you of an increase to the annual percentage rate by written notice no later than the day on which the change takes effect. Alternatively, notice may be given by publishing the change in a newspaper circulating in your State or Territory. In this case, we will confirm the change before or when your next statement of account is sent after the change takes effect.
- (b) Written notice may not be given where we reduce the annual percentage rate that applies to the account.

12.2 Changes in the method of calculation or application of interest charges

We may notify you of a change in the manner in which interest is calculated or applied by giving you written notice no later than 20 days before the change takes effect.

12.3 Changes to Credit Fees and Charges

- (a) We may notify you of an increase in the amount of a credit fee or charge, the introduction of a new credit fee or charge or a change in the frequency or the time for payment of a credit fee or charge by giving you written notice no later than 20 days before the change takes effect. Alternatively, notice may be given by publishing the change in a newspaper circulating in your State or Territory where we are increasing the amount of a credit fee or charge or introducing a new credit fee or charge. In this case, we will confirm the change

before or when your next statement of account is sent after the change takes effect.

- (b) Where the change reduces or abolishes a credit fee or charge or extends the time for payment of a credit fee or charge, we will advise you of the change before or when your next statement of account is sent after the change takes effect.

12.4 Changes to repayments

- (a) We may notify you of a change in the amount or frequency or time for payment of or a change in the method of calculation of repayments by giving you written notice no later than 20 days before the change takes effect.
- (b) Where the change reduces repayments or extends time for payment, we will advise you of the change before or when your next statement of account is sent after the change takes effect.

12.5 Other changes

We may notify you of any other material change by giving you written notice no later than 20 days before the change takes effect. However, where that change reduces your obligations or extends the time for payment, we will advise you of the change before or when your next statement of account is sent after the change takes effect.

12.6 When advance notice of a change may not be given

We may not notify you in advance when a change is necessitated by an immediate need to restore or maintain the security of our systems or of individual accounts.

12.7 Electronic Notification

Where permitted by applicable legislation and industry codes, written notice under this clause 12.0 may be given electronically (i.e. by electronic communication to your nominated electronic address, or by making particulars of changes available at our website: westpac.com.au).

13.0 Attorney

You appoint the Bank as your attorney (with power to appoint substitutes) to execute all documents and do everything:

1. which you must do under this contract; or
2. which the Bank is entitled to do under this contract.

You cannot revoke this power of attorney until you have paid to the Bank all moneys you owe under this contract.

You must ratify and confirm anything which the Bank does in exercising this power of attorney.

14.0 Appointment of a Manager

The Bank may delegate some or all of its powers, including delegation, to someone else (the “manager”). If it does, then anything done by or to a manager or its authorised representative will be effective as if done by or to the Bank or its authorised representative.

15.0 Transfer of Loan

You may not transfer your rights under this contract to another person. However, the Bank may transfer this contract to someone else.

To the maximum extent allowed by law, any transfer will be free of any setoff, equity or cross claim which you would have had against the Bank or transferees of this contract but for this condition.

16.0 Set-off – No Deduction

If you have any money in any account with us, the Bank may, but need not, use it to pay amounts owing under this loan contract unless the amount owing is genuinely in dispute. If the Bank does this, the balance of the account will reduce by the amount used for this purpose.

To the maximum extent allowed by law, you give up any right to set-off any amounts the Bank owes you

(for example, credit balances in your other accounts) against amounts you owe under this contract.

You will need to pay any money you are required to pay under this loan contract without deducting amounts you claim are owing to you by the Bank or any other person (for example, the amount in your deposit account).

17.0 General

17.1 You warrant that all statements made and documents provided in or in connection with your credit application and all representations which you have or may make are true and correct.

The Bank has relied on the correctness of those statements, documents and representations in entering into this contract and will continue to do so in dealing with you.

17.2 The Bank may choose at any time to waive any of its rights under this contract. A waiver by the Bank is not a change to, and does not reduce its rights, under this contract.

17.3 If the Bank gives you a certificate which states the amount owing by you under this contract or any other act, matter or thing relating to this contract, the certificate will be sufficient evidence of those matters unless you prove it to be incorrect.

17.4 You agree that the Bank may give information about you to any related entity of the Bank.

17.5 Any court cases involving this contract can be held in courts of any State or Territory of Australia. You submit to the non-exclusive jurisdiction of those courts.

17.6 The law of the place of your address set out in Item 1 of the Schedule applies to this contract. However, the law of New South Wales applies if:

- no address is stated as your address;
- your address is not in Australia; or
- more than one address is set out as your address, and they are not all in the same State or Territory of Australia.

The credit legislation of other States or Territories may apply.

17.7 You must notify the Bank as soon as possible if you change or intend to change your name or address. The Bank may give any correspondence, notice or other document to you by sending it to your last mailing address appearing in the Bank's records, or by any other method permitted by law.

17.8 The general descriptive information referred to in clauses 13.1 and 13.2 of the Code of Banking Practice is set out in our Terms and Conditions booklets:

- Deposit Accounts for Personal Customers: Terms and Conditions for using your account.
- Deposit Accounts for Business Customers: Terms and Conditions for using your account.

These booklets are available on request and/or on provision of new banking products and services. They include information about:

- account opening procedures;
- our obligations regarding the confidentiality of your information;
- complaint handling procedures; bank cheques;
- the advisability of you informing us promptly when you are in financial difficulty; and the advisability of you reading the terms and conditions applying to the relevant banking service.

17.9 Each relevant provision of the Code of Banking Practice will apply to this loan.

17.10 In order for us to meet our regulatory and compliance obligations relating to anti-money laundering and counter financing of terrorism, we will be increasing the levels of control and monitoring we perform. You acknowledge and agree that:

- transactions may be delayed, blocked or refused where we have reasonable grounds to believe that they breach Australian law or the law of any other country;
- we may from time to time require additional information from you to assist us in the above

compliance process and you agree to provide us that information as soon as practicable;

- where legally obliged to do so, we may disclose the information gathered to regulatory and/or law enforcement agencies.
- We must not initiate or conduct a transaction that may be in breach of Australian law or the law of any other country.

17.11 Information on current interest rates and current standard fees and charges are available on request.

- 17.12 (a) We may assign any date we consider appropriate to a debit or a credit to the Flexi Loan account, but in the case of a debit, that date must not be earlier than the date on which the relevant withdrawal occurred. If we do this we may make consequential amendments (for example, to interest).
- (b) You are liable to us for the amount of any withdrawal from the date we assign to the transaction under clause 17.12 (a) and the credit we provide under those amounts is payable under this contract.
- (c) We may subsequently adjust a debit or credit to the Flexi Loan account so as to accurately reflect the legal obligations of you and us (for example, because of an error or the dishonour of a cheque). If we do this, we may make consequential adjustments (for example, to interest).

17.13 To protect against fraud, you may not withdraw the value of deposited cheques until three Bank business days after the deposit has been made. In certain uncommon circumstances, this period may be extended by a further one, or even two, Bank business days. If drawings are made against a deposited cheque before it has been paid by the financial institution on which it is drawn, you will have to reimburse the Bank if the cheque is subsequently dishonoured.

17.14 When, on the same day, multiple withdrawals are made on the Flexi Loan account, or are received by us for processing to the Flexi Loan account, debit transactions (such as withdrawals) are posted to

your account before credit transactions (such as payments). This is the case, even where a credit transaction is made before a debit transaction, and it appears from an account balance enquiry made immediately after the credit transaction that the credit transaction has already been posted to the account.

18.0 Marketing Consent

Members of the Westpac Group would like to be able to contact you, or send you information, regarding other products and services.

If you do not wish to receive this information, please:

- call us on 132 032;
- write to us at GPO Box 3433, Sydney, NSW 2001; or
- send an email to acctstats@westpac.com.au.

you do not need to do this if you have already told us you do not wish to receive information of this sort.

19.0 If You've Got a Problem

19.1 If you have a problem or complaint, we will aim to resolve the matter when you first contact us. If we cannot resolve the issue there and then, we will commit to taking the following steps:

Step 1 – Let you know who is handling the complaint;

Step 2 – Keep you informed of what is happening;

Step 3 – Aim to resolve the complaint in five working days.

19.2 If you feel your complaint has not been properly handled or resolved, you can ask to have it referred to our Customer Advocate for a further review. The Advocate's role is to understand and represent your interests within the Bank and help us ensure you have the best possible experience. If you remain dissatisfied with the outcome, and you would like an independent review of the complaint and result, you can refer your complaint to the Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001, phone 1300 780 808, fax (03) 9613 6399. The Australian Securities & Investments Commission (ASIC) also has an infoline,

1300 300 630. You can use this number to make a complaint and to obtain further information about your rights. For further information on solving problems and disputes, please call us on 1800 080 000.

20.0 Cancellation, Suspension, Blocked and Termination

- 20.1 (a) We may cancel, suspend or block your Flexi Loan account at any time without prior notice.
- (b) You may terminate the Flexi Loan account at any time by giving us written notification.
- (c) We may terminate the Flexi Loan account if you are in default under Clause 10 of this contract.
- 20.2 Where a Flexi Loan account has been terminated, suspended, blocked or cancelled by us, you will not be able to access any funds in the account.
- 20.3 Where a Flexi Loan account has been cancelled by us, you must continue to make at least the minimum payment each month until the balance of the Flexi Loan account is paid in full. Fees, charges and interest charges will continue to be debited to the Flexi Loan account.
- 20.4 Subject to Clause 9.3 where the Flexi Loan account has been terminated, you must immediately pay us the full balance of the account; including (where applicable) any amount reasonably expended by us in collecting payments.
- 20.5 You will remain liable for withdrawals, fees and charges debited to the Flexi Loan account which were made prior to termination.
- 20.6 You may have to pay reasonable enforcement expenses under this contract, including any amount reasonably incurred by the use of our staff and facilities, in the event of a default.
- 20.7 We may block, or place a stop on, the Flexi Loan account if it is transacted on in such a way that we suspect fraudulent use of your Flexi Loan account, but have been unable to contact you to confirm our suspicion.

21.0 Commission

This clause 21.0, only applies where an “In store” introduces you to the Westpac Flexi Loan and your application for that loan is approved. An “In store” is an independent third party (which is not part of the Westpac Group) that offers limited banking services to regional communities. If your application for the Westpac Flexi Loan is approved, Westpac may pay a service fee of \$25 to the In store.

Information Statement

The following Information Statement DOES NOT form part of the Loan Contract.

Things you should know about your proposed credit contract

This statement tells you about some of the rights and obligations of yourself and your credit provider. It does not state the terms and conditions of your contract.

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

The contract

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

Your credit provider 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 your credit provider, you must be given a copy to keep. Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however, apply if the credit provider has previously given you a copy of the contract document to keep.

If you want another copy of your contract, write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to 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 credit provider so long as –

- you have not obtained any credit under the contract; or
- a card or other means of obtaining credit given to you by your credit provider has not been used to acquire goods or services for which credit is to be provided 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 credit contract out early?

Yes. Pay your credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

5. How can I find out the pay out figure?

You can write to your credit provider 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.

Your credit provider must give you the statement within 7 days after you give your request to the credit provider. 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 your credit provider to charge one) and other fees.

7. Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

8. Will I be told in advance if my credit provider 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 in a newspaper.

- 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 your credit provider;

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 your credit provider. Discuss the matter and see if you can come to some arrangement.

If that is not successful, you may contact your credit provider's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is Financial Ombudsman Services and can be contacted at:

Phone: 1300 780 808

Internet: www.fos.org.au

Post: Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001.

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?

Your credit provider 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 credit provider can not 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 your credit provider. 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 your credit provider then, within 14 days of that happening, your credit provider 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 credit contract. The insurer will inform you if the proposal is rejected.

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

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

14. What happens if my credit 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 your credit provider 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 credit provider.

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 credit provider 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 can not assign or dispose of the property unless you have your credit provider'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 can not do with the property.

18. What can I do if I find that I can not 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 your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if your credit provider gives permission first;

OR

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

If your credit provider won't give permission, you can contact their external dispute resolution scheme for help.

If you have a guarantor, talk to the guarantor who may be able to help you.

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

19. Can my credit provider take or sell the mortgaged property?

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

20. If my credit provider writes asking me where the mortgaged goods are, do I have to say where they are?

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

21. When can my credit provider or its agent come into a residence to take possession of mortgaged goods?

Your credit provider 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 can not make a repayment?

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider 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 my credit provider and I can not agree on a suitable arrangement?

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

If the credit provider still refuses your request you can complain to the external dispute resolution scheme that your credit provider belongs to. Further details about this scheme are set out below in question 25.

24. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you can not be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the credit provider'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 CREDIT CONTRACT, OR WANT MORE INFORMATION, CONTACT YOUR CREDIT PROVIDER. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH YOUR CREDIT PROVIDER BEFORE CONTACTING YOUR CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO YOUR CREDIT PROVIDER YOU CAN CONTACT YOUR CREDIT PROVIDER'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. YOUR CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION PROVIDER IS FINANCIAL OMBUDSMAN SERVICES AND CAN BE CONTACTED AT:

PHONE: 1300 780 808

INTERNET: WWW.FOS.ORG.AU

POST: FINANCIAL OMBUDSMAN SERVICE, GPO BOX 3, MELBOURNE VIC 3001.

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

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