

PORTFOLIO FACILITY

TERMS AND CONDITIONS
10.2019



INTRODUCTION

References to ANZ

In this Terms and Conditions booklet, 'ANZ' means Australia and New Zealand Banking Group Limited ABN 11 005 357 522.

Read your terms and conditions material

You should read all relevant contractual material that is provided to you and ask ANZ about any issues that concern you. This document does not contain all the precontractual information required to be given to you. The rest of the information is contained in the Letter of Offer including the Portfolio Schedule.

Your Letter of Offer describes the annual percentage rate(s) as at the disclosure date and the Credit Fees and Charges that apply to the Portfolio Facility and to the use of any Sub-account established under the terms of the Portfolio Facility. The Repayments applicable to the initially proposed Sub-accounts are set out in the Portfolio Schedule and the method by which repayments will usually be calculated is described in the Letter of Offer. The Repayments applicable to all Sub-accounts that are current from time to time will be shown in the then current Portfolio Schedule.

If you accept the Letter of Offer addressed to you, the contract will be made up of:

- the terms in the Letter of Offer;
- the Portfolio Schedule annexed to and forming part of the Letter of Offer or any subsequent Portfolio Schedule provided to you;
- the General Conditions in this booklet;
- the Specific Conditions in this booklet; and
- the Electronic Banking Conditions of Use in this booklet.

The General Conditions apply to the operation of the Portfolio Facility and to each Sub-account that is opened under the Portfolio Facility. In addition, Specific Conditions (A) and Specific Conditions (B) will apply to any Sub-account that is of a type to which one or both of those Specific Conditions are applicable.

You should also see the Electronic Banking Conditions of Use in this booklet. These Conditions of Use explain when they will be applicable to you. When you are reading the Letter of Offer, the current Portfolio Schedule and General and Specific Conditions, keep in mind that some terms have special meanings which are explained at the end of the General Conditions section of this booklet.

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GENERAL CONDITIONS

1. IMPORTANT TAXATION NOTICE

In accepting the Letter of Offer, you must not rely on any statement or representation by ANZ (including by any of its employees or agents) relating to taxation matters connected with this Portfolio Facility. You must obtain your own independent taxation and/or legal advice about these matters. ANZ makes no representations, and provides no advice, about the manner in which your use of the Portfolio Facility or any Sub-account will be treated or regulated for taxation purposes, either with respect to yourself or any other person.

2. SUB-ACCOUNTS AND GUARANTEE AND INDEMNITY FROM PORTFOLIO FACILITY HOLDERS

Up to 12 Sub-accounts can be established under the Portfolio Facility.

Before a Sub-account is established at your request, each of the Portfolio Facility holders will need to nominate which of you are to be the account holders for that Sub-account.

If any of the Portfolio Facility holders is a company, including a company acting as a trustee, that company may not hold any Sub-account jointly with any other person and any Sub-accounts proposed to be held by that company must be established in the company's name alone.

Where some or all of the Portfolio Facility holders are natural persons (individuals), including natural persons acting as trustees, they may hold any Sub-account jointly and the Portfolio Facility holders may request the establishment of any Sub-account in the joint names of one or more of those individuals.

Each Sub-account that is established under the Portfolio Facility will be operated as a separate loan or facility that is provided by ANZ to those nominated Sub-account holders alone. Accordingly, where an advance is made, or a loan or facility is provided to the Sub-account holders under a Sub-account, it is the Sub-account holders who will be, and who agree to be, liable to ANZ in respect of the advance that is made, or the finance that is provided, by ANZ under that Sub-account. You should note, however, that before ANZ will establish a Sub-account for one or more nominated Sub-

account holders, ANZ will require the other Portfolio Facility holders to have provided a separate guarantee and indemnity to ANZ in respect of the Sub-account holders' obligations to ANZ under that Sub-account. That guarantee and indemnity must be in a form and in terms acceptable to ANZ.

Where a Portfolio Facility holder has provided a guarantee and indemnity, if this liability is secured by a mortgage provided by the Portfolio Facility holder, ANZ may become entitled to enforce its rights against the Portfolio Facility holder under that mortgage, for example, by selling the mortgaged property.

3. THE PRIMARY SUB-ACCOUNT

At and from the commencement of the Portfolio Facility, at least one ANZ Equity Manager Sub-account must be established under the Portfolio Facility. Accordingly, as part of the application process for the establishment of a Portfolio Facility you must request the establishment of one ANZ Equity Manager Sub-account.

This ANZ Equity Manager Sub-account must then be nominated by you as the Primary Sub-account.

In addition, where the Portfolio Facility holders are all natural persons (individuals), every one of them, including any individual acting as a trustee, must be a Sub-account holder of that Primary Sub-account. Where, however a Portfolio Facility holder is a company the Primary Sub-account must be held in the name of the Portfolio Facility holder that is a company.

The Sub-account holders of the Primary Sub-account are not required to request an advance (or to request the establishment of a credit limit) under the Primary Sub-account.

4. OPERATION OF A SUB-ACCOUNT

Each joint holder of a Sub-account will be deemed to be authorised to operate that Sub-account. ANZ may require all Sub-account holders to authorise certain transactions. The holders of a Sub-account may nominate any other person(s) to operate that Sub-account (subject to any restrictions imposed by ANZ or the Sub-account holders).

The holders of a Sub-account must not allow the credit limit for the Sub-account (if any) to be exceeded at any time. Where any amount(s) are debited to a Sub-account in excess of the credit limit applicable to that Sub-account the excess must be repaid immediately by the holders of that Sub-account.

The holders of a Sub-account must also comply with all other terms and conditions that apply to the use of that Sub-account and any card (including a debit card or a credit card) or other account (including but not limited to Mortgage offset account) that is connected to that Sub-account.

Different Reference rates may apply to determine the annual percentage rates that are applicable to different Sub-accounts.

Where the Portfolio Facility holders have, at the time of their application for a Portfolio Facility, nominated the Sub-accounts to be initially established under the Portfolio Facility and the amounts to be advanced under those Sub-accounts, the details of each Sub-account that ANZ initially agrees to provide (including the names of the proposed Sub-account holders that have been nominated by all of the Portfolio Facility holders) will be set out in the Portfolio Schedule enclosed with the Letter of Offer. The details of each Sub-account that ANZ subsequently agrees to provide (including the names of the proposed Sub-account holders) will be set out in subsequent Portfolio Schedules.

After the commencement of the Portfolio Facility, ANZ will continue to require the written authorisation of each Portfolio Facility holder to establish a Sub-account in the names of one or more Portfolio Facility holders and to make a requested advance to those Portfolio Facility holders as Sub-account holders of the relevant Sub-account.

5. REQUESTING CHANGES TO THE PORTFOLIO FACILITY OR SUB-ACCOUNTS

Portfolio Facility holders may request changes to the Portfolio Facility and the holders of a Sub-account may request a change to the terms of their Sub-account.

Where there is more than one Portfolio Facility holder, ANZ may require each Portfolio Facility holder to authorise certain change requests. ANZ will require each Portfolio Facility holder to authorise or consent to the following request types:

- adding a new Sub-account;
- decreasing or increasing the Portfolio Credit Limit;
- changing existing Sub-account limits and the terms applicable to any advances provided (or to be provided);
- adding or releasing a security provided in relation to the Portfolio Facility;

- a request to cancel the Portfolio Facility in accordance with clause 13 of these General Conditions.

Where ANZ agrees to the make the requested change, it will inform all Portfolio Facility holders of its agreement to the requested change.

6. CHANGE TO A SUB-ACCOUNT DURING A FIXED RATE PERIOD

Where a change to a Sub-account is requested while the Sub-account is in a fixed interest rate period, the Sub-account holders may be liable to pay an Early Repayment Cost in accordance with Specific Conditions (A) clauses 18 and 19. You should also note that in the event of a default by the relevant Sub-account holders in the payment of any amount that becomes due to ANZ, the other Portfolio Facility holders may become separately liable to ANZ in respect of that default under the terms of the separate Guarantee and Indemnity that they provide to ANZ. You should therefore ensure that you have a full understanding of whether an Early Repayment Cost will become payable before a request is made to change the terms applicable to any advance provided under the Sub-account.

7. ACCEPTANCE OF THE LETTER OF OFFER

This clause 7 will apply to your account until 31 May 2018. From 1 June 2018 clause 7 below will replace it.

To accept the offer each person to whom the Letter of Offer is addressed must within 14 days of the Date of Disclosure or by the Acceptance period, (if one is specified) whichever is sooner, appearing on the Letter of Offer, sign the copy of the Letter of Offer marked 'original to sign'. The signed copy must be returned to ANZ.

ANZ must receive signed acceptance of the Letter of Offer from each person to whom the Letter of Offer is addressed, unless otherwise agreed by ANZ in writing.

If you do not accept the Portfolio Facility offer within the 14 days or by the Acceptance period, whichever is sooner, but decide later you would like to accept it, you can contact your ANZ branch to request an extension of the acceptance period.

If ANZ does not receive acceptance of the Letter of Offer within this time period (or within such extension period as ANZ agrees in writing), the Letter of Offer will expire and ANZ will not be obliged to make the Portfolio Facility available to you.

A second copy of the Letter of Offer marked 'Copy to Keep' is yours to keep along with this booklet.

7. ACCEPTANCE OF THE LETTER OF OFFER (FROM 1 JUNE 2018)

This clause 7 will apply to your account from 1 June 2018.

To accept the offer each person to whom the Letter of Offer is addressed must within 14 days of the Date of Disclosure or by the Acceptance period, (if one is specified) whichever is sooner, appearing on the Letter of Offer, sign the Letter of Offer. The signed copy must be returned to ANZ.

ANZ must receive signed acceptance of the Letter of Offer from each person to whom the Letter of Offer is addressed, unless otherwise agreed by ANZ in writing.

If you do not accept the Portfolio Facility offer within the 14 days or by the Acceptance period, whichever is sooner, but decide later you would like to accept it, you can contact your ANZ branch to request an extension of the acceptance period.

If ANZ does not receive acceptance of the Letter of Offer within this time period (or within such extension period as ANZ agrees in writing), the Letter of Offer will expire and ANZ will not be obliged to make the Portfolio Facility available to you.

A copy of the Letter of Offer has been provided for you to keep along with this booklet.

8. COMMENCEMENT OF THE PORTFOLIO FACILITY

The Portfolio Facility commences on the date when ANZ has received a copy of the Letter of Offer that is signed by each of the persons to whom it was addressed within the time frames set out in the section above.

9. TERMINATION OF THE PORTFOLIO FACILITY

Portfolio Facility holders can terminate the Portfolio Facility at anytime in accordance with clause 11 'Cancellation of the Portfolio Facility by Portfolio Facility holders' below.

10. TERMINATION OF THE PORTFOLIO FACILITY BY ANZ

ANZ may terminate the Portfolio Facility at any time before it has advanced any money to any Sub-account holders, whether

or not the Portfolio Facility holders (or any of them) are in breach of this agreement. We will give the Portfolio Facility holders 30 days notice in writing of any such cancellation.

11. CANCELLATION OF THE PORTFOLIO FACILITY BY THE PORTFOLIO FACILITY HOLDERS

The Portfolio Facility holders may, in writing, request the cancellation of the Portfolio Facility. They can do so at any time by requesting the cancellation of the Portfolio Credit Limit and by notifying ANZ that no further draw downs or advances are to be made under any Sub-account. If there is more than one Portfolio Facility holder, each of them must make such a request in writing.

Before ANZ will cancel the Portfolio Credit Limit in accordance with such a request any outstanding balance in any Sub-account(s), and any other money owing under the Portfolio Facility or under any Sub-accounts must be paid to ANZ.

Where the Portfolio Facility is cancelled by ANZ:

- all Sub-accounts operated under the Portfolio Facility will also be cancelled by us; and
- the Portfolio credit limit and any separate Sub-account credit limits will be reduced to zero.

Warning: Before you request the cancellation of the Portfolio Credit Limit you should check whether the repayment of the outstanding balance of a Sub-account would result in the relevant Sub-account holders becoming liable to ANZ for an Early Repayment Cost. An Early Repayment Cost are payable in circumstances described in Specific Conditions (A) clauses 18 and 19. Early Repayment Costs can be very substantial. On request, ANZ can give Sub-account holders an estimate of the likely cost, but the actual cost will be determined on the day that the early repayment event occurs.

12. APPLICATION OF FEES AND CHARGES

Any fees and charges payable under the Portfolio Facility, or in respect of a Sub-account will be payable in the manner described in the Letter of Offer and may be debited in the amounts and at the times described in clause 17 below.

13. CANCELLING OR REDUCING THE CREDIT LIMIT ON THE PORTFOLIO FACILITY OR A SUB-ACCOUNT

ANZ may reduce or cancel any unused portion of the credit limit on the Portfolio Facility and/or any Sub-account by giving 30 days notice in writing.

After ANZ cancels the unused portion of the Portfolio Facility credit limit, no further credit is available on the Portfolio Facility and ANZ may refuse to establish any new Sub-account.

ANZ reserves the right to block access to any Sub-account including any debit account attached to a Sub-account as outlined in the clause entitled "ANZ's rights if there is a default under this agreement".

14. ACTUAL AMOUNTS THAT NEED TO BE PAID MAY BE DIFFERENT FROM THOSE IN THE PORTFOLIO SCHEDULE

The actual amounts the Sub-account holders need to pay under a Sub-account may be different from the amounts set out in the applicable Portfolio Schedule. This is because the financial details in a Portfolio Schedule are based on some assumptions that may change.

The financial details for each Sub-account in a Portfolio Schedule:

- use interest rates and fees applicable at the date of disclosure (set out in the Letter of Offer or disclosed on the applicable Portfolio Schedule);
- assume the Sub-account will be fully drawn on the nominated date of advance (where relevant) unless a progressive drawdown has been nominated;
- may include government duties and taxes payable on foreseeable withdrawals and receipts; and
- may include periodic bank fees, where applicable, except when they are to be paid from another account.

15. ANNUAL PERCENTAGE RATE(S) (INTEREST RATE)

Interest rates can change

Variable Reference rates (or Index rates) can be changed at any time by ANZ.

Fixed Reference rates can also be changed at any time before drawdown, unless a Lock Rate applies, but not once the relevant Sub-account has been drawn and the fixed interest rate period has started.

At the end of any fixed interest rate period, the Sub-account holders may apply for another fixed interest rate period, and, if ANZ agrees to the request, all Portfolio Facility holders will be advised of any extra or varied terms which will apply. Please note that fees may apply as set out in the Letter of Offer.

If the Letter of Offer provides that a particular interest rate margin applies to a loan or facility provided under a Sub-account during a fixed rate period, that margin will, unless varied by ANZ, apply to that Sub-account for the whole of that fixed rate period. ANZ may, however, agree to offer a different margin in respect of any future fixed rate period agreed between the Sub-account holders and ANZ.

ANZ may at any time vary the margin on a loan or facility made under a Sub-account other than when it is subject to a fixed rate period.

Notifying you of changes

If there is a change in the reference rate or interest rate margin that applies to a Sub-account, the Portfolio Facility holders will be notified no later than the date on which the change takes effect, by notice in writing or advertisement published in a national newspaper. Details of the change will also appear on the next Sub-account statement. For further information in respect of other changes that may be made in respect of interest rates, refer to clause 35 below.

Current interest rates and reference rates are also available on www.anz.com, or you can obtain information on interest rates on request by asking at any ANZ branch or calling ANZ Home Loan Hotline on 1800 035 500, 8am – 11pm (Melbourne time) 7 days a week.

Repayments

Each Sub-account may be subject to differing repayment and interest terms. ANZ will outline these terms in the applicable Portfolio Schedule in respect to each Sub-account.

The Sub-account holders for a particular Sub-account are responsible for the use and management of that Sub-account

and are responsible for the repayment obligations that apply to that Sub-account.

16. PROCESSING OF REPAYMENTS, ADDITIONAL PAYMENTS OR OTHER TRANSACTIONS

This clause 16 will apply to your account until 31 May 2018. From 1 June 2018, clause 16 below will replace it.

If a request in relation to a Sub-account is made on a day that is not a business day, that request will generally be submitted for consideration on the following business day.

Generally, any transaction at an ANZ ATM (excluding envelope deposit transactions), ANZ EFTPOS, ANZ Phone Banking, Mobile Banking, ANZ Internet Banking or ANZ Internet Banking for Business will be processed to your account on the same day, provided they are made before the following times:

- 9.45pm Melbourne time Monday to Friday (excluding national public holidays) for ANZ ATMs (excluding envelope deposit transactions);
- 10pm Melbourne time Monday to Friday (excluding national public holidays) for ANZ EFTPOS transactions;
- 10pm Melbourne time Monday to Friday (excluding national public holidays) for funds transfers made through ANZ Phone Banking, Mobile Banking, ANZ Internet Banking or ANZ Internet Banking for Business; and
- 6pm Sydney time on Banking Business Days when using BPAY® Payments.

Any transaction made after these cut off times may be processed on the following business day or Banking Business Day. A Banking Business Day is a day on which banks in Melbourne or Sydney are able to effect settlement through the Reserve Bank of Australia.

Cash deposits made via an envelope at an ANZ ATM will usually take one to three business days to be processed to your account. Cheque deposits made via an envelope at an ANZ ATM will usually take up to seven business days to be processed to your account (and will be subject to the terms and conditions applying to cheques referred to from page 39).

Withdrawals conducted via another financial institution will be processed in accordance with the cut off time agreed between

ANZ and that financial institution (or their representative), and may be different to the above.

If a payment is made by mail it will be credited to the relevant account by ANZ on the date of receipt. Please allow a suitable amount of time for the mail to reach ANZ.

If a cheque used for a repayment is dishonoured, the repayment will be treated as not having been made, and interest will continue to accrue on the unpaid daily balance until actual payment is received. If a repayment or other payment is due on the 29th, 30th or 31st of a month which does not contain such a date, it is due on the last day of that month.

If a repayment or other payment is due on a day which is not a business day, it must be paid on the next business day.

A repayment or other payment made to a Sub-account on the last day of a statement period may not appear on the statement issued for that period. If so, the repayment or other payment will instead appear on the next statement for that Sub-account, together with its effective date.

16 PROCESSING OF REPAYMENTS, ADDITIONAL PAYMENTS OR OTHER TRANSACTIONS (FROM 1 JUNE 2018)

This clause 16 will apply to your account from 1 June 2018

If a request in relation to a Sub-account is made on a day that is not a business day, that request will generally be submitted for consideration on the following business day.

Generally, any transaction at an ANZ ATM (excluding envelope deposit transactions), ANZ EFTPOS, ANZ Phone Banking, Mobile Banking, ANZ Internet Banking or ANZ Internet Banking for Business will be processed to your account on the same day, provided they are made before the following times on the following processing days:

- 9.45pm Melbourne time Monday to Friday (excluding national public holidays) for ANZ ATMs (excluding envelope deposit transactions);
- 10pm Melbourne time Monday to Friday (excluding national public holidays) for ANZ EFTPOS transactions;
- 10pm Melbourne time Monday to Friday (excluding national public holidays) for funds transfers made through ANZ

Phone Banking, Mobile Banking, ANZ Internet Banking or ANZ Internet Banking for Business; and

- 6pm Sydney time on Banking Business Days¹ when using BPAY® Payments.

Any transaction made after these cut off times may be processed on the next processing day.

If a funds transfer is eligible to be processed through the New Payments Platform², including through Osko^{®3} it may be processed in near real time. If the New Payments Platform cannot be used for any reason, we will try to make the funds transfer through other available payments systems, which will generally be processed as set out above. You should always allow sufficient time for funds transfers to be received if they cannot be made using the New Payments Platform or Osko[®].

If we receive a message through the New Payments Platform that a payment will be made to you, we may treat the payment as made even if we have not yet received the payment. If the payment is not subsequently received for any reason, we can reverse the transaction, and the credit and debit will be shown on your statement.

Cash deposits made via an envelope at an ANZ ATM will usually take one to three business days to be processed to your account. Cheque deposits made via an envelope at an ANZ ATM will usually take up to seven business days to be processed to your account (and will be subject to the terms and conditions applying to cheques referred to from page 39).

Withdrawals conducted via another financial institution will be processed in accordance with the cut-off time agreed between ANZ and that financial institution (or their representative), and may be different to the above.

If a payment is made by mail it will be credited to the relevant account by ANZ on the date of receipt. Please allow a suitable amount of time for the mail to reach ANZ.

If a cheque used for a repayment is dishonoured, the repayment will be treated as not having been made, and interest will continue to accrue on the unpaid daily balance until actual payment is received. If a repayment or other payment is due on

¹ *Banking Business Day* means any day from Monday to Friday that is not a national public holiday.

² *New Payments Platform* means the new payments platform operated by NPP Australia Limited.

³ *Osko[®]* means the Osko[®] payment service provided by BPAY Pty Ltd using the New Payments Platform.

the 29th, 30th or 31st of a month which does not contain such a date, it is due on the last day of that month.

If a repayment or other payment is due on a day which is not a business day, it must be paid on the next business day.

A repayment or other payment made to a Sub-account on the last day of a statement period may not appear on the statement issued for that period. If so, the repayment or other payment will instead appear on the next statement for that Sub-account, together with its effective date.

17. HOW FEES AND CHARGES ARE PAYABLE

Fees and charges are payable in the following manner:

- for Sub-accounts that are continuing credit facilities, they will be added to the unpaid daily balance and accrue interest at the same rate, and in the same manner, as advances;
- in all other situations, they will be debited to an ANZ account nominated by the Sub-account holders on the day they are due. Where the sub-account holders have not nominated an alternative account, they will be debited to the relevant Sub-account. Any fee debited to your Sub-account which is not paid immediately will be added to the unpaid daily balance and accrue interest at the same rate as the principal.

When a fee is charged in arrears and the Sub-account is repaid or terminated before the fee is due to be charged, ANZ can charge this fee on a pro-rata basis to cover the period up to the date of repayment or termination.

Where a fee is not attributable to a particular Sub-account, the Portfolio Facility holders must make arrangements for the fee to be paid to ANZ on the day it is due.

Information on current standard fees and charges is also available on request or via www.anz.com, any ANZ branch or by calling our Home Loan Hotline 1800 035 500, 8am-8pm AEST Mon-Fri, 8am-6pm AEST Sat-Sun, or the ANZ Customer Service Centre on 13 13 14.

18. CHANGES TO FEES AND CHARGES

Lending for personal use or investment in residential property regulated by the National Credit Code, or lending for personal investment purposes (other than investment in residential property)

ANZ can do the following:

	Minimum number of days notice	Method of notice
Introduce a new fee, change the frequency or payment dates for each fee	30 days	In writing
Increase a fee, change the method of calculation or manner of payment of each fee	30 days	In writing, or by press advertisement, with details provided before or when the next Sub-account statement is sent
Decrease a fee	Day of change	In writing, or by press advertisement, with details provided before or when the next Sub-account statement is sent

If any other change reduces the Sub-account holders' or Portfolio Facility holders' obligations, ANZ can give less than 30 days' notice but notice will be provided before or when the next Sub-account statement or Portfolio Facility statement is sent.

Lending for business purposes:

	Minimum number of days notice	Method of notice
Introduce a new fee	30 days	In writing
Increase a fee	Day of change	In writing, or by press advertisement
Decrease a fee	Day of change	In writing, or by press advertisement
Change method of calculation, frequency, manner of payment and payment dates of each fee	Day of change	In writing, or by press advertisement

Press advertisements will be published in a national newspaper.

During any fixed interest period, no change to the early repayment fees or charges will be applied to your loan, and no new early repayment fee or charge introduced to your loan.

19. GOVERNMENT CHARGES

Government duties, taxes and other charges incurred because of receipts and withdrawals (including cheques) made to or from Sub-account(s), are payable by the Sub-account holders.

20. SECURITY

The Letter of Offer sets out the details of any security required by ANZ for the Portfolio Facility. Please be aware that:

- each Portfolio Facility holder must provide ANZ with a guarantee and indemnity which guarantees the obligations of each Sub-account in respect of which the relevant Portfolio Facility holder is not also a Sub-account holder. The guarantee and indemnity will:
 - (i) guarantee the repayment of all amounts due to ANZ under that Sub-account in the event of a default by the Sub-account holders in the payment of any amount that becomes due to ANZ under that Sub-account; and
 - (ii) indemnify ANZ against loss suffered in connection with that default.
- if any security is a security that ANZ already holds at the date of disclosure, by accepting the Letter of Offer the Portfolio Facility holders who gave that security to ANZ, agree to that security also being held by ANZ as security for the Portfolio Facility;
- security documents are prepared on ANZ's normal security forms. If special circumstances exist, or if ANZ considers it necessary, these forms will be changed or new securities will be drafted to ensure there is effective security;
- if changes to securities or new security items are prepared outside ANZ, Portfolio Facility holders must pay to ANZ any reasonable external fees which are incurred. Portfolio Facility holders can ask for a quote or an estimate and the fees will be payable on the date they are invoiced to ANZ;
- portfolio Facility holders can obtain copies of ANZ's normal security documents through any ANZ branch before accepting the Portfolio Facility offer;

- ANZ must be satisfied with the title and the security documents before it will provide any credit.

Where there is more than one security to be provided and there is more than one settlement, ANZ has the right to limit the credit amount available under the Portfolio Facility, until all securities are held by ANZ.

Portfolio Facility holders must pay any applicable stamp duty and registration fees by the date funds are advanced under a Sub-account or the date that the Portfolio Facility commences (as the case may require). Portfolio Facility holders may also need to pay government fees and stamp duty when any security provided is discharged. Please refer to the Letter of Offer for details.

21. INSURANCE

All property mortgaged to ANZ, other than vacant land, must be insured under a policy acceptable to ANZ and the insurance policy must be maintained for the period that ANZ holds the mortgage.

Please be aware that:

- the insurance policy must cover full reinstatement and/or equal value replacement of the assets;
- Australia and New Zealand Banking Group Limited must be named on the insurance policy as the appropriately ranked mortgagee. This is unless the security is a unit in a building, or a subdivision for which the Body Corporate has taken out insurance for the whole building or subdivision. In this case, ANZ must see the Body Corporate insurance policy; and
- if the security is a Strata Title property and its value or purchase price exceeds \$500,000, the registered proprietor must also take out Strata Title Mortgagee Protection Insurance and give a copy of the policy to ANZ. This does not apply if the property is in Queensland or the Northern Territory.

22. LENDERS MORTGAGE INSURANCE

Lenders Mortgage Insurance is obtained by ANZ to protect it against possible loss arising from a loan or facility. If ANZ has made it a condition of a loan or facility that Lenders Mortgage Insurance is required, ANZ will purchase the insurance and the Portfolio Facility holders must reimburse ANZ for its cost.

The cost can be debited on that date to an ANZ account nominated by the Portfolio Facility holders.

Lenders Mortgage Insurance provides protection for ANZ as lender and not for borrowers. If there is a payment default under the Portfolio Facility, ANZ may incur a loss even if property given as security is sold.

ANZ may recover its loss under its Lenders Mortgage Insurance policy. However, you should note that the insurer may recover any amount that it has paid to ANZ from the Portfolio Facility holders.

23. TRUSTS

If a Portfolio Facility holder enters into the Portfolio Facility as a trustee, that Portfolio Facility holder is liable under the Portfolio Facility both personally and as trustee of the trust.

That Portfolio Facility holder also warrants that:

- that Portfolio Facility holder has been properly appointed as trustee;
- the Portfolio Facility and any Sub-account to which the trustee becomes a party is for a proper purpose under the trust;
- the trustee has all powers and authorities under the trust to enter into the Portfolio Facility and any Sub-account to which the trustee becomes a party; and
- the trustee has the right to be indemnified fully under the trust property, before the beneficiaries of the trust, for all liabilities incurred by the trustee under the Portfolio Facility and under any Sub-accounts to which the trustee becomes a party.

That Portfolio Facility holder must provide ANZ with all documentation regarding the trust reasonably required by ANZ.

24. COMPANY

If a Portfolio Facility holder is a company, the Portfolio Facility holder warrants that:

- the Portfolio Facility and any Sub-account to which the company becomes a party is for the commercial benefit of the company;
- the Portfolio Facility holder has the power and authority to enter into the Portfolio Facility and any Sub-account

to which the company becomes a party, on behalf of the company; and

- ANZ has received a copy of the company's certificate of incorporation.

25. ANZ'S RIGHTS IF THERE IS A DEFAULT UNDER THIS AGREEMENT

If any of the following events of default occur, ANZ can:

- refuse to establish any new Sub-account under the Portfolio Facility;
- refuse to provide further credit under a Sub-account;
- (subject to notice as described below) require the holders of any relevant Sub-account to make immediate repayment in full of all money then owed to ANZ or which may owed to ANZ in the future under the Sub-account; and
- exercise its rights in relation to Security provided to secure obligations under the Portfolio Facility.

An event of default occurs in relation to a Sub-account:

- if a payment due under the Sub-account or the Portfolio Facility is not made by its due date;
- if there is any breach of any other term or condition applying to the Sub-account.

Before ANZ requires immediate repayment in full, the Sub-account holders will be given 30 days' written notice to provide an opportunity to remedy the default. If ANZ fails to give notice regarding any event of default, ANZ has not waived its right to do so later.

However ANZ will not give a Sub-account holder such notice if:

- ANZ believes, on reasonable grounds, that it was induced by fraud on the part of a Sub-account holder to enter into the Sub-account; or
- ANZ has made reasonable attempts to locate the Sub-account holder, but without success; or
- a court authorises ANZ to require immediate repayment without giving such a notice; or
- goods are mortgaged to ANZ as security the Sub-account, and ANZ believes on reasonable grounds that they have been or will be removed or disposed of without ANZ's permission; or

- ANZ believes on reasonable grounds that urgent action is necessary to protect property that is mortgaged as security for the Sub-account; or
- 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 the default but have committed another of the same kind.

If a Sub-account holder is a company, or a guarantee (if any) given in respect of such a Sub-account is given by a company, the Sub-account holders will also be in default if any of the following things happen:

- there is a change in the company's effective control without ANZ's prior written consent;
- an application is made, a resolution is passed or an order is made for the company's winding up;
- the company become an externally administered body corporate or a controller or a trustee for creditors is appointed in respect of any of its property; or
- without ANZ's written consent the company passes a resolution or takes a step:
 - a. to give financial assistance, whether directly or indirectly, for the purpose of, or in connection with an acquisition or proposed acquisition of:
 - the company's shares or the shares of a company of which it is a subsidiary, or
 - any right or interest in those shares;
 - b. to reduce the company's share capital;
 - c. to limit the company's ability to make calls on its uncalled share capital; or
 - d. to buy shares in the company itself other than by redeeming redeemable preference shares;
- some or all of the company's property is seized by or on behalf of a creditor or under legal process;
- the company stops, or threatens to stop, carrying on all or a material part of its business.

In addition, if a Sub-account holder is a company acting as a trustee of a trust, or a guarantee (if any) is given in respect of such a Sub-account by a company acting as a trustee of a trust, the Sub-account holders will also be in default if any of the following things happen:

- the trust is held by a court not to have been properly constituted or the trustee concedes that the trust has not been properly constituted;
- the trust terminates or the beneficiaries of the trust resolve to terminate it;
- the trustee ceases:
 - to hold the trust property in its name; or
 - to be trustee;
- the trustee commits a breach of trust which, in ANZ's opinion, is material.

The Sub-account holders agree to notify ANZ in writing promptly if they are in default and in the event that a Sub-account holder is a company (whether in its own right or as trustee of a trust) to notify ANZ in writing if they are in default or aware of an event of default.

26. WAIVER

The rights that ANZ has under the Portfolio Facility cannot be waived except by ANZ giving written notice to the Portfolio Facility holders waiving the particular right. In particular:

- ANZ does not waive any right that ANZ has in connection with the Portfolio Facility merely because ANZ does not exercise it, or does not exercise it as soon as ANZ can; and
- if ANZ exercises a right once or partly, it does not mean that ANZ cannot exercise that right again or its other rights.

27. ENFORCEMENT EXPENSES

If a Portfolio Facility holder breaches the terms of the Portfolio Facility or any security document related to the Portfolio Facility or a Sub-account holder breaches the terms of the relevant Sub-account, the Portfolio Facility holders or the Sub-account holders (as the case may be) will be required to pay expenses reasonably incurred by ANZ in enforcing or preserving its rights under the Portfolio Facility, the security or the Sub-account including collection expenses and expenses resulting from dishonour of a cheque or payment.

Enforcement expenses resulting may be debited to the relevant Sub-account, in the same way as other fees and charges. Where enforcement expenses relate to more than one Sub-account, the Portfolio Facility holders may nominate an account for them to be debited to, or, if no such nomination

is made, ANZ may apportion the enforcement expenses between the relevant Sub-accounts.

28. JOINT AND SEVERAL LIABILITY FOR SUB-ACCOUNT HOLDERS

If more than one person is the holder of a Sub-account then each of those persons is liable individually for the full amount of the loan or facility provided via that Sub-account, in addition to each of them being jointly liable with each other. If you want to change the details of the people authorised to use a Sub-account you must tell us in writing.

29. REVIEW BY ANZ AND DISCLOSURE OF FINANCIAL INFORMATION

ANZ may review the Portfolio Facility, including all Sub-accounts, at any time during the term of the Facility to satisfy itself that the Sub-accounts will be repaid as agreed and that all of the terms and conditions applicable to the Sub-accounts and to any security requested or provided to ANZ are being met.

ANZ can require Portfolio Facility holders to provide information about their financial circumstances at any time during the term of the Facility to show there has been no material adverse change in their financial situations which may be likely to affect their ability to meet their obligations under the Portfolio Facility, any security for it or any Sub-account of which the relevant Portfolio Facility holder is a holder.

ANZ can also require a new valuation of any property provided as security for the Portfolio Facility.

If so, Portfolio Facility holders may be charged a Valuation Administration fee as set out in the Letter of Offer.

30. PRIVACY AND CONFIDENTIALITY

ANZ will collect and use information about you during the course of your relationship with ANZ. We explain below when and how ANZ may collect, use and disclose this information.

It is important that the information ANZ holds about you is up to date. You must let ANZ know when information you have provided ANZ has changed.

Collection, use and disclosure of information

ANZ may use and disclose the information we collect about you for the following purposes:

- to assist in providing information about a product or service;
- to consider your request for a product or service;
- to enable ANZ to provide a product or service;
- to tell you about other products or services that may be of interest to you;
- to assist in arrangements with other organisations (such as loyalty partners) in relation to the promotion or provision of a product or service;
- to manage accounts and perform other administrative and operational tasks (including risk management, systems development and testing, credit scoring, staff training, collecting debts and market or customer satisfaction research);
- to consider any concerns or complaints you raise against ANZ and/or to manage any legal action involving ANZ;
- to identify, prevent or investigate any fraud, unlawful activity or misconduct (or suspected fraud, unlawful activity or misconduct);
- to identify you or establish your tax status under any Australian or foreign legislation, regulation or treaty or pursuant to an agreement with any tax authority; and
- as required by relevant laws, regulations, codes of practice and external payment systems.

Absence of relevant information

If you do not provide some or all of the information requested, ANZ may be unable to provide you with a product or service.

Information required by law etc.

ANZ may be required by relevant laws to collect certain information from you. Details of laws that require us to collect information about individuals (personal information) and why these laws require us to collect personal information are contained in ANZ's Privacy Policy and at www.anz.com/privacy.

Providing your information to others

ANZ may provide your information to:

- any related entity of ANZ which may use the information to: carry out ANZ's functions and activities; promote its own products and services; assess your application for one of its products or services; manage your product or service; perform administrative and operational tasks (including debt recovery); or comply with regulatory requirements and prudential standards;

- an organisation that is in an arrangement with ANZ to jointly offer products and/or has an alliance with ANZ to share information for marketing purposes (and any of its outsourced service providers or agents), to enable them or ANZ to: provide you with products or services; and/or promote a product or service;
- any agent, contractor or service provider ANZ engages to carry out or assist its functions and activities (for example, mailing houses or debt collection agencies);
- an organisation that assists ANZ to identify, prevent or investigate fraud, unlawful activity or misconduct;
- regulatory bodies, government agencies, law enforcement bodies and courts;
- other parties ANZ is authorised or required by law or court/tribunal order to disclose information to;
- participants in the payments system (including payment organisations and merchants) and other financial institutions (such as banks);
- other credit providers;
- mortgage insurers and any reinsurer of any such mortgage insurer;
- your guarantors (and intending guarantors) and any person who has provided security for your loan;
- any person who introduces you to ANZ;
- your referee(s);
- your employer;
- your joint borrower(s) or account holder(s); and
- your adviser; your authorised agents; your executor, administrator or trustee in bankruptcy; your legal representative; your attorney; or anyone acting for you in connection with your account.

If you do not want us to tell you about products or services, phone 13 13 14 to withdraw your consent.

ANZ may disclose information to recipients (including service providers and ANZ's related entities) which are (1) located outside Australia and/or (2) not established in or do not carry on business in Australia. You can find details about the location of these recipients in ANZ's Privacy Policy and at www.anz.com/privacy.

Credit Reporting

ANZ may also disclose personal information, including information about your other credit liabilities, repayments and defaults, to credit reporting bodies. We may also collect this information from credit reporting bodies. Information about credit reporting, including the name and contact details of these credit reporting bodies, when ANZ may disclose your personal information to them to include in a report about your credit worthiness, and how you can request credit reporting bodies not use your information in certain circumstances, is available at www.anz.com/privacy.

If you would like a hard copy of this information, please call 13 13 14 or visit any ANZ branch for a copy of ANZ's Privacy Policy.

ANZ Privacy Policy

ANZ's Privacy Policy (www.anz.com/privacy) contains information about:

- the circumstances in which ANZ may collect personal information from other sources (including from a third party);
- how to access personal information and seek correction of personal information; and
- how you can raise concerns that ANZ has breached the Privacy Act or an applicable code and how ANZ will deal with those matters.

Collecting sensitive information

ANZ will not collect sensitive information about you, such as information about your health, without your consent.

Personal information you provide about someone else

If you give ANZ personal information about someone else, please show them a copy of this clause so that they may understand the manner in which their personal information may be used or disclosed by ANZ in connection with your dealings with ANZ.

31. STATEMENTS

If you are a small business or an individual and the rules in the National Credit Code do not apply to your Portfolio Summary or any Sub-account, then ANZ will provide a statement as though those rules did apply (unless the nature of the Portfolio Summary or Sub-account means it is impractical for us to do so). Otherwise, ANZ will provide a Portfolio Summary

statement and individual Sub-account statements every three months.

The Portfolio Summary statement and individual Sub-account statement frequency will be set to the same frequency. If a Portfolio Facility holder or Sub-account holder requests a change to a statement cycle period, the change will impact both the Portfolio summary statement as well each Sub-account statement.

Portfolio Facility holders must carefully review all statements so they are aware of the status of their Portfolio Facility and Sub-accounts.

If you believe there are errors or unauthorised transactions shown on a statement, you must contact ANZ as soon as possible.

32. NOTICES

ANZ can send a written notice, statement or demand for payment to you by sending it by post, telex, facsimile or similar facility to your residential or business address or by leaving it at that address. ANZ can use the last address it has recorded for you. If you change your name or address, you must let ANZ know as soon as possible. If there is more than one Portfolio Facility holder, any notice, statement or demand will be given to each Portfolio Facility holder at the Portfolio Facility holder's residential or business address unless the Portfolio Facility holders have nominated one person to receive them on behalf of all of them.

Where a Portfolio Facility holder elects to receive notices or statements electronically and the account or facility allows electronic delivery of such information, ANZ will deliver these to the Portfolio Facility holder via ANZ's Internet Banking facilities (the Portfolio Facility holder must be registered for ANZ Internet Banking and have the account or facility linked to their Customer Registration Number to enable electronic delivery of this information).

A notice, statement or demand from ANZ will be considered to have been received by you:

- if left at your address, on the date delivered or the date it bears, whichever is the later;
- 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; and

- if sent by facsimile or other electronic means, on the date it bears or the date the transmitting machine reports it was sent, whichever is the later.

A demand for payment can be signed by any officer of ANZ, or any agent authorised by an officer of ANZ. Any other form of notice or statement need not be signed, unless the law requires it.

33. ASSIGNMENT

ANZ may, without telling you or obtaining your consent:

- assign any of its rights under the Portfolio Facility and any Sub-account; and
- give information about the Portfolio Facility or any Sub-account and your obligations under them to any assignee of ANZ's rights under them or to anyone who is considering becoming an assignee.

The Portfolio Facility holders may not assign or transfer all or any part of their rights or obligations under the Portfolio Facility or Sub-account without the prior consent of ANZ.

34. BANKING CODE OF PRACTICE

If you are an individual or a small business (as defined in the Banking Code of Practice) ANZ is bound by the Banking Code of Practice when it provides its products and services to you. The Banking Code of Practice means the relevant version of the industry code published from time to time by the Australian Banking Association as it applies to ANZ.

35. CHANGES TO TERMS AND CONDITIONS

ANZ can vary any of the following:

- the dates on and frequency with which interest will be charged or debited, and the method of calculating interest. However, no such change will be made during any fixed interest rate period;
- the manner in which interest is to be paid or charged;
- the name of any reference rate;
- the amount, method of calculation, frequency, manner of payment and number of the repayments, together with the dates on which they are to be paid;

- the excess interest rate which applies to a Sub-account(s) if the credit limit of the Sub-account is exceeded; and
- the minimum amount that can be withdrawn from a continuing credit facility.

Lending for personal use or investment in residential property regulated by the National Credit Code, or lending for personal investment purposes (other than investment in residential property)

ANZ will give not less than 30 days' written notice of any such variation.

Lending for business purposes

ANZ will give not less than 30 days' written notice for the changes above relating to interest.

Changes to other terms and conditions

ANZ may make any other change to your Portfolio Facility or a Sub-account by giving you reasonable notice of the change. If ANZ reasonably considers a change is unfavourable to you, ANZ will give you prior notice of at least 30 days. ANZ may give you a shorter notice period, which may include notice on the day the change takes effect, if ANZ reasonably considers:

- the change has a neutral effect on your obligations;
- the change reduces your obligations; or
- providing a shorter notice period is necessary for ANZ to:
 - avoid or reduce a material increase in our credit risk or loss; or
 - comply with legal or regulatory requirements.

ANZ may give you notice of the change by any notification method allowed by these terms and conditions or by advertisement in a national newspaper or in two or more major metropolitan newspapers that in combination circulate generally in each State and Territory of Australia.

Despite this clause, ANZ will always give you notice in accordance with any applicable laws or industry codes (such as the Banking Code of Practice), or any other terms and conditions applicable to your Portfolio Facility or a Sub-account, which require any minimum notice periods or specific methods of notification.

If you are unhappy with a proposed change to the terms and conditions, you have the right to exit your agreement by

closing your Portfolio Facility and Sub-accounts in accordance with the applicable terms and conditions in this booklet.

36. ILLEGALITY

If, in any jurisdiction, a provision of this Agreement is illegal or unenforceable, this Agreement is to be interpreted, for the purposes of that jurisdiction only, as if it had never included the provision so far as the provision is illegal or unenforceable.

37. REPRESENTATIONS BY A PORTFOLIO FACILITY HOLDER WHICH IS A COMPANY, PARTNERSHIP OR ENTERING THE CONTRACT AS A TRUSTEE OF A TRUST

- (a) when the Portfolio Facility holders accept the Letter of Offer, each represents that each of the following statements is true in relation to any Portfolio Facility holder which is a company, partnership or entering the contract as a trustee of a trust:
- (i) except as notified to ANZ in writing, neither a Portfolio Facility holder nor any of the guarantors is acting as a trustee of a trust;
 - (ii) except as notified to ANZ in writing, there are no encumbrances over any property provided as security for the Portfolio Facility or any Sub-account.
 - (iii) except as notified to ANZ in writing, no litigation, arbitration or administrative proceeding exists or is pending against any Portfolio Facility holder, and the Portfolio Facility holders do not know of any which is threatened, that may have a material adverse effect on:
 - a Portfolio Facility holder's or a guarantor's business, assets or financial conditions; or
 - a Portfolio Facility holder's or a guarantor's ability to perform obligations under the Portfolio Facility.
 - (iv) each Portfolio Facility holder's most recent annual financial statements:
 - show a true and fair view of its financial condition and the results of its operations for the financial year that they cover;
 - disclose all material liabilities; and
 - if the Portfolio Facility holder is a company – comply with the laws of Australia and (except where inconsistent with those laws) generally

accepted accounting principles consistently applied in Australia.

The Portfolio Facility holder also represent that there has been no material adverse change in any Portfolio Facility holder's financial condition since the date of the financial statements.

- (v) for each corporate guarantor of a Portfolio Facility, that its most recent annual financial statements:
 - show a true and fair view of its financial condition and the results of its operations for the financial year that they cover;
 - disclose all material liabilities; and
 - comply with the laws of Australia and (except where inconsistent with those laws) generally accepted accounting principles consistently applied in Australia.

The Portfolio Facility holders also represent that there has been no material adverse change in the guarantor's financial condition since the date of the financial statements.

- (vi) the Portfolio Facility holders have disclosed to ANZ all material matters that they know of which affect:
 - their or a guarantor's business, assets or financial condition; or
 - their or a guarantor's ability to perform obligations under the contract.
 - their entry into the Portfolio Facility and carrying out their obligations under it will not contravene:
 - a law or government requirement that applies to them or any of the property provided as security for the Portfolio Facility; or
 - an authorisation, licence or exemption that applies to them or any of the property provided as security for the Portfolio Facility; or
 - an agreement which binds them or any of the property provided as security for the Portfolio Facility; or
 - if a Portfolio Facility holder is a company, any constitution of the company or the replaceable rules if applicable; or
 - if a Portfolio Facility holder is a partner, any partnership document.

- (b) each Portfolio Facility holder agrees to give ANZ prompt written notice if, after it was made or given to ANZ, a representation or statement made to ANZ or information given to ANZ ceases to be true or becomes misleading.

38. AVAILABILITY OF FUNDS

Before any funds are made available under a Sub-account you must:

- accept the Letter of Offer. If there is more than one person who is party to the Portfolio Facility, each party must individually accept the Letter of Offer;
- make sure that any new security documents that are required to be given to ANZ are in a form acceptable to ANZ and signed;
- arrange any new insurance required pursuant to clause 22 and give a copy of the policy to ANZ;
- complete a disbursement order for each Sub-account, if it is required by ANZ; and
- meet any other requirements as set out in the Letter of Offer.

ANZ must also be satisfied that:

- the documentation complies with legal requirements;
- you have received all statements and information required by law;
- no event of default has occurred;
- any required security has been provided and that any guarantor has obtained independent legal and financial advice to ANZ's satisfaction; and guarantee or security has been provided; and
- if you or a guarantor is a trustee of a trust, that all trust requirements have been properly met.

39. DISRUPTION TO SERVICE

To the maximum extent permitted by law, ANZ will not be liable for any loss or damage, including consequential loss or damage, suffered because of a disruption to service.

This disclaimer of liability does not apply to electronic banking transactions (see the section at the end of this booklet about the conditions which apply to those transactions). This disclaimer is in addition to, and does not restrict, any other provisions contained in these terms and conditions which limit ANZ's liability.

40. WITHHOLDING TAX

If a law requires a Sub-account holder to deduct or withhold an amount from a payment to ANZ on account of a tax or duty (other than any imposed on ANZ's overall net income):

- the Sub-account holder will pay ANZ, when the payment is due, whatever additional amount is needed so that what ANZ actually receives (after taking into account the deduction or withholding), is what ANZ would have been entitled to receive if no deduction or withholding had been made;
- the Sub-account holder and each Portfolio Facility holder will indemnify ANZ against any loss ANZ suffers or cost ANZ incurs because the Sub-account holder does not make the deduction or withholding; and
- the Sub-account holder will promptly give ANZ a copy of any document about the amounts paid or payable because of the deduction or withholding.

the obligation to arrange the payment of withholding tax rests with the Sub-account holder.

you should seek your own independent financial and taxation advice.

41. LAW AND JURISDICTION

Except to the extent required by the laws of another jurisdiction, this contract is governed by the law in force in the Australian State or Territory:

- where the security property is located; or
- if security property has not been provided to ANZ for the Portfolio Facility, the law in force in Victoria.

If you do not live in Australia at the time the Letter of Offer is accepted, this contract is governed by the law in force in Victoria.

42. FIRST HOME OWNER GRANT

Approval or refusal of a First Home Owner Grant (FHOG) application is decided by the relevant state revenue authority in the State or Territory where the home is purchased or built. ANZ is not responsible for the approval or refusal of any FHOG application but it may lodge your FHOG application on your behalf if you request it to do so. Processing of FHOG applications may be conducted offshore by ANZ Operations and your personal information may be sent offshore for that purpose.

If the Facility approval assumes approval of the FHOG, any settlement shortfall, or penalties resulting from the refusal of the FHOG application is the responsibility of the Portfolio Facility holders.

ANZ is only responsible for the lodgement of the FHOG application (if any) on the FHOG applicant's behalf.

43. FINANCIAL SERVICES DISPUTE RESOLUTION SCHEMES

Who to contact if you have a complaint

If you would like to make a complaint or provide feedback, you can talk to staff at your local ANZ Branch or Business Centre or call our Contact Centre. We will do our best to help resolve any issue you may have.

Phone: Contact Centre 13 13 14

In Person: use 'Find ANZ' on anz.com to find your nearest Branch or Business Centre

If you are not satisfied with our response to your complaint, or do not want to talk to the customer service team, you can contact our Complaint Resolution Centre. Our specialists will work with you to resolve your complaint quickly and amicably.

Phone: 1800 805 154 (8am – 7pm AEST/AEDT weekdays excluding national public holidays)

Email: yourfeedback@anz.com

Fax: 1800 269 030

Online: Visit anz.com Select 'Complaints and compliments' under 'Find out more' Select 'Lodge your feedback online'

Mail: ANZ Complaint Resolution Centre
Locked Bag 4050
South Melbourne, VIC 3205

If you are not satisfied with our resolution of your complaint, you can ask for a free and impartial review by the ANZ Customer Advocate, who operates separately from ANZ's businesses and reports to the Group Executive, Australia Retail and Commercial. Escalation to the Customer Advocate is not mandatory. While ANZ is bound by the Customer Advocate's findings in all cases you do not have to accept the Customer

Advocate's decision. You can contact the ANZ Customer Advocate on:

- Phone:** (03) 8654 1000
- Email:** customeradvocate@anz.com
- Mail:** Customer Advocate
833 Collins Street
Docklands, VIC 3008

If you are not satisfied with our response and do not want to go to the Customer Advocate (or if you remain dissatisfied after the Customer Advocate has reviewed your complaint) you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA offers free, fair, independent and accessible financial services dispute resolution. You can contact AFCA on:

- Phone:** 1800 931 678
- Email:** info@afca.org.au
- Website:** www.afca.org.au
- Mail:** Australian Financial Complaints Authority
GPO Box 3
Melbourne, VIC 3001

Time limits may apply to complain to AFCA. Please act promptly and consult the AFCA website to find out if or when the time limit relevant to your circumstance expires.

44. IF YOU ARE IN FINANCIAL DIFFICULTY

You should inform ANZ as soon as possible if you are in financial difficulty. If you have an ANZ credit card or other ANZ loan account, ANZ will, with your agreement, try and help you overcome your difficulties with your Facility, including for example, developing a repayment plan.

45. CHEQUES

Bank cheques

Bank cheques are cheques instructing payment from the bank itself rather than from a customer's account. They are designed to provide an alternative to carrying large amounts of cash when a personal cheque is not acceptable. Bank cheques are usually requested because of the higher likelihood that they

will be paid. However bank cheques should not be regarded as equivalent to cash.

Bank cheques can be purchased by ANZ and non-ANZ customers and a fee is charged.

A bank may dishonour a bank cheque if:

- the bank cheque is forged or counterfeit;
- the bank cheque has been fraudulently or materially altered;
- a fraud or other crime has been committed;
- the bank is told the bank cheque has been lost or stolen;

How long does it take to clear a cheque?

Usually three to seven working days.
When you pay a cheque into an ANZ account, ANZ may allow you to draw on the cheque before it has cleared but you will be liable for the amount of the cheque if it is subsequently dishonoured.

You can arrange for a cheque to be cleared in less than the usual time by requesting a 'special clearance.

What if the cheque is dishonoured after I have drawn on the funds?

ANZ will debit your account by the amount of the cheque and may also charge you a fee.

What happens to the original cheque once paid?

For cheques drawn on ANZ and paid prior to 1 February 2006, ANZ will keep a copy of the cheque for seven years, but will destroy the original. For cheques drawn on ANZ and paid on or after 1 February 2006, ANZ will destroy the original cheque but keep a copy of the cheque for:

- 13 months if the cheque amounts to less than \$200;
- seven years if the cheque amounts to \$200 or more.

'Crossed' cheques	A cheque with two parallel lines across it is a crossed cheque. When you cross a cheque, you are telling the bank that the cheque must be paid into an account with a financial institution and not cashed.
'Not negotiable' cheques	The words 'Not Negotiable' between two parallel lines protects the true owner of a lost or stolen cheque. They ensure that the recipient of a cheque obtains no better rights to the cheque than the person who passed the cheque. For example, if your cheque has been stolen and passed by the thief to an innocent person, you will be able to recover the amount paid on your cheque from the innocent person (or the thief if they are found) – this is because the thief had no right to the cheque and therefore passed no rights to the innocent person.
'Account payee only'	If you write these words on a cheque in the cheque crossing, you are directing the bank collecting the cheque to only pay the cheque into the account of the person named on the cheque.
'Or bearer' and 'or order'	<p>The words 'or bearer' mean that a bank may pay the cheque to whoever is in possession of the cheque, not only the person named on the cheque (except where the cheque is crossed). If you delete these words and replace them with "or order", the cheque becomes an 'order' cheque.</p> <p>A cheque payable 'to order' means that if the payee wants to transfer the cheque to another person, they must first sign the back of the cheque. .</p>

Third Party Cheques	<p>If you present a cheque which is payable to someone else or it appears to belong to someone else (third party cheque), ANZ may, in its discretion, refuse to accept that cheque for deposit or refuse to cash it or may require you to comply with some conditions before it will accept that cheque for deposit or cash it.</p>
Stopping a cheque	<p>You may stop a cheque that you have written by telling ANZ the following:</p> <ul style="list-style-type: none"> • amount of the cheque; • number and date of cheque; and • name of payee. <p>If you have lost a cheque you received from someone else, notify that person so they may stop the cheque.</p>
Tips for cheque security – to reduce risk of unauthorised alteration	<ul style="list-style-type: none"> • don't leave gaps between words. • begin the amount in words as close as possible to the left hand side and add 'only' to the end of the amount. • begin the amount in figures as close as possible to the dollar sign. • never write on a cheque with pencil or erasable ink. • only sign a cheque when it is filled out. • always write the amount in words as well as figures. • check your bank statements regularly to reconcile cheques drawn on your account. • sign all alternations you make to the cheque.

When may a cheque be dishonoured?

At the bank's discretion, a cheque may be dishonoured where:

- there are insufficient funds in the account of the drawer;
- the cheque is unsigned;
- the cheque is more than 15 months old;
- the cheque is future dated;
- the cheque has been materially altered and the alteration has not been signed;
- there is a legal impediment to payment;
- the cheque has been stopped; or
- the paying bank has been notified of the mental incapacity, bankruptcy or death of the drawer.

ANZ may charge a dishonour fee.

What if I lose my cheque book or it is stolen?

You should keep your cheques safe at all times. If they are lost or stolen, you must take the following action:

- cheque payable to you – tell the person who wrote the cheque;
- cheque written by you – request ANZ to stop the cheque and tell the person to whom the cheque is payable;
- ANZ cheque book – tell ANZ to put a stop payment on the serial numbers. If you subsequently find the cheques, ANZ will require written authorisation from you before the cheques can be paid.

If you don't inform ANZ that your cheque book has been lost or stolen as soon as possible, you may be liable for transactions incurred by you before you notify ANZ, even if they are made without your authority.

- there is a court order restraining the bank from paying a bank cheque;
- the bank has not received payment or value for the issue of the bank cheque; or

- the bank cheque is presented by a person who is not entitled to the cheque proceeds.

If a bank cheque is lost or stolen, ANZ will, on certain conditions, provide a replacement cheque for a fee.

46. STOPPING PAYMENTS FOR DIRECT DEBITS AND PERIODICAL PAYMENTS

A direct debit is a debit from a Sub-account that the Sub-account holders arrange through a merchant or other service provider. A periodical payment is a debit from a Sub-account which the Sub-account holders instruct ANZ to make to the account of another person or business.

A Sub-account holder can:

- arrange for a direct debit or a periodical payment to be stopped by notifying ANZ in writing before the payment is made;
- arrange for payment of a direct debit or a periodical payment to be altered by notifying ANZ in writing at least two banking days before the payment is made; and
- cancel a direct debit request or a periodical payment facility at any time by notifying ANZ in writing.

Speed is important

Sub-account holders may notify ANZ initially by telephone. This may temporarily stop the direct debt or periodical payment until the Sub-account holder calls at an ANZ branch or sends written instructions.

47. ANZ'S RIGHT TO COMBINE ACCOUNTS

ANZ can combine the balances of two or more of your accounts (including but not limited to your Sub-account(s)) even if the accounts are at different branches or in joint names, or in the case of Sub-accounts, in different names. This may happen when one of your accounts or Sub-accounts is overdrawn or is in debit and another is in credit. This means that the credit balance in one account can be used to repay to ANZ the debit balance in another account.

ANZ will promptly inform you if it has combined any of your accounts. ANZ need not notify you in advance. You should not treat your accounts as combined unless ANZ has agreed to such an arrangement.

48. ANTI-MONEY LAUNDERING AND SANCTIONS

ANZ may delay, block or refuse to process any transaction on a Sub-account without incurring any liability if ANZ suspects that:

- (a) the transaction may breach any law in Australia or any other country;
- (b) the transaction involves any person (natural, corporate or governmental) that is itself sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by the United States, the European Union or any country; or
- (c) the transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, unlawful conduct.

You must provide all information to ANZ which ANZ reasonably requires in order to manage money-laundering or terrorism-financing risk or to comply with any laws in Australia or any other country and you agree that ANZ may disclose any information concerning you to any law enforcement, regulatory agency or court where required by any such law, in Australia or elsewhere.

Unless you have disclosed that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf in entering into this contract or any contract in respect of a Sub-account.

You declare and undertake to ANZ that the payment of monies by ANZ in accordance with your instructions will not breach any laws in Australia or any other country.

49. DEFINITIONS (FOR GENERAL CONDITIONS AND SPECIFIC CONDITIONS AND LETTER OF OFFER)

- 'Accrued interest' means interest which ANZ is entitled to charge, but that has not yet been debited to the relevant Sub-account.
- 'Annual percentage rate' means an interest rate offered by ANZ under the Portfolio Facility and, in relation to an advance, means the annual percentage rate applicable to that advance at the relevant time.
- 'Advance' means an advance made (or to be made) by ANZ under a Sub-account.

- 'Business day' means any day from Monday to Friday, on which ANZ is open for business in at least one of its branch locations in Australia.
- 'National Credit Code' means the National Credit Code introduced by the National Consumer Credit Protection Act 2009 (Cth) which applies nationally.
- 'Date of advance' means, for loans or facilities where the whole of an agreed advance is to be provided at one time, the date all or any of the advance under that Sub-account is first advanced. For a progressively drawn Sub-account, it means the date on which any part of the Sub-account is first advanced.
- 'Date of disclosure' means the date of disclosure specified in the Letter of Offer.
- 'Disruption to service' means that a service is temporarily unavailable, or that a system or equipment fails to function in a normal or satisfactory manner.
- 'Due date' in respect of an advance means a day or date on which a repayment (including accrued interest or interest in advance) is due to be paid to ANZ, as detailed in the applicable Portfolio Schedule and as adjusted in accordance with these Terms and Conditions.
- 'Event of default' is defined in the clause headed 'ANZ's rights if there is a default under this agreement' in the General Conditions.
- 'Facility' means the ANZ Portfolio Facility.
- 'Fixed rate period' means that period of the term of an advance in respect of which a fixed rate of interest applies, or is to apply.
- 'Guarantor' is a person/company who gives a guarantee of the obligations of any Sub-account holder under a Sub-account.
- 'Informal Overdraft' means an amount advanced to you under the Informal Overdraft facility.
- 'Informal Overdraft facility' means the informal short-term credit facility we provide to you when a debit to your Equity Manager credit facility would temporarily result in your outstanding balance exceeding your credit limit and you and the debit satisfy our criteria for the facility.
- 'Lending for personal use or for investment in residential property regulated by the National Credit Code' means credit provided by ANZ wholly or predominantly: for personal, domestic or household purposes; or to purchase, renovate or improve residential property for investment purposes, which is regulated by the National Credit Code.

- 'Letter of Offer' means the letter from ANZ addressed to you containing the offer for the Portfolio Facility.
- 'Lock Rate' is an interest rate applicable to a fixed interest rate loan which is not subject to change from the date of the agreement for an agreed period in relation to that fixed interest rate loan irrespective of any interest rate movements between that date of the agreement and the date the loan is drawn down (provided the loan is drawn down within the agreed period).
- 'Material adverse change' is defined in the clause headed 'ANZ's rights if there is a default under this agreement' in the General Conditions and in the Clause headed 'Specific obligations' in Specific Conditions A.
- 'Portfolio Facility' means the ANZ Portfolio Facility described in the Letter of Offer.
- 'Portfolio Facility holder' means each of the persons accepting the offer in the Letter of Offer.
- 'Portfolio Schedule' means a schedule issued by ANZ detailing the terms applicable to an advance made, or agreed to be made, via a Sub-account under the Portfolio Facility. The initial Portfolio Schedule is included with the Letter of Offer and subsequent Portfolio Schedules may be issued where the Portfolio Facility holders request a change to your Sub-accounts arrangements.
- 'Reference rate' means the ANZ Reference Rate/s applicable to the Sub-account(s), as detailed in the covering Letter of Offer and which include the following rates:
 - variable reference rates
 - ANZ Home Loan Index;
 - ANZ Home Loan Interest Only Index;
 - ANZ Residential Investment Property Loan (RIPL) Index Rate;
 - ANZ Residential Investment Property Loan (RIPL) Interest Only Index Rate;
 - ANZ Equity Manager Rate.
 - fixed reference rates
 - ANZ 1-5, 7 or 10 Year Fixed Home Loan Rates;
 - ANZ 1-5, 7 or 10 Year Fixed Home Loan Interest Only Rates;
 - ANZ Fixed Rate Residential Investment Property Loan (RIPL) Rates 1-5, 7 or 10 Years;
 - ANZ Fixed Rate Residential Investment Property Loan (RIPL) Interest Only Rates 1-5, 7 or 10 Years;

- ANZ Residential Investment Property Loan (RIPL) Interest In Advance Rates 1-5, 7 or 10 Years.
- ‘Scheduled balance’ means the Sub-account balance that a Sub-account would have had, if the only repayments that were made on the Sub-account were the minimum repayments as they fell due for that Sub-account.
- ‘Security’ in these terms and conditions includes reference to a guarantee.”
- ‘Sub-account’ means a separate account called a Sub-account which is operated under and subject to the terms of the Portfolio Facility and the Portfolio Schedule.
- ‘Sub-account holder’ means the Portfolio Facility holder in whose name a Sub-account is held whether solely or jointly with any other Portfolio Facility holder and to whom funds are advanced or are contemplated to be advanced under the terms of the Portfolio Facility and the Portfolio Schedule.
- ‘Terms and Conditions’ means the General Conditions, Specific Conditions (A) and Specific Conditions (B) in this booklet.
- ‘Unpaid daily balance’ means, in respect of an advance, the unpaid balance owing to ANZ under that advance at the end of the relevant day.
- ‘Unpaid balance’ means, in respect of an advance, the amount owing to ANZ under that advance at the relevant time.
- ‘Variable rate period’ means that period of the term of an advance in respect of which a variable rate of interest applies, or is to apply.
- ‘You’ means, in relation to the Portfolio Facility, each of the persons accepting the offer in the Letter of Offer and, in relation to a Sub-account or advance under a Sub-account, the Sub-account holders or person(s) named on that Sub-account.

SPECIFIC CONDITIONS (A)

Clauses 1-12 of these Specific Conditions (A) apply to you as Sub-account holder in respect of any advance of the following types under that Sub-account:

- Home Loans, Home Improvement Loans, Supplementary Loans and Residential Land Loans; and
- Residential Investment Loans and Residential Investment Land Loans.

In addition, Clauses 13-16 of these Specific Conditions (A) apply to you as Sub-account holders in respect of advances of those types under a Sub-account and where the advance is provided for construction purposes.

Clauses 17-19 of these Specific Conditions (A) are additional clauses which apply to you as a Sub-account holder when an advance under a Sub-account has a fixed interest rate.

1. DATE OF ADVANCE (FULL SUM ADVANCE SUB-ACCOUNTS)

Where the whole of an agreed advance is to be provided at one time (a "full sum advance"), the Sub-account holders must draw down the full amount of the agreed advance within 6 months of the date of the applicable Portfolio Schedule that first records the terms of the proposed advance.

2. LOAN PURPOSE

The Sub-account holders must not use the loan funds advanced to them under a Sub-account for any purpose other than the purpose agreed between them and ANZ at the time the request for the advance was made.

3. FUNDS DISBURSEMENT

The proceeds drawn under a Sub-account will be paid to the Sub-account holders or as they direct. If the Sub-account holders want ANZ to pay money elsewhere, they must advise ANZ to whom and in what amounts the proceeds are to be paid.

If the Sub-account holders instruct ANZ to pay out an existing ANZ account, the amount they specify may be different to the final balance owed and the actual amount payable may only be determined at the time the account is paid out. The Sub-

account holders will be required to pay any shortfall to pay out the account.

If the amount the Sub-account holders advise ANZ to pay is more than the final balance owed on the account, no interest will be paid on the surplus.

4. DRAWDOWN CONFIRMATION

Unless a Lock Rate applies, the annual percentage rate which initially applies to the loan or facility under a Sub-account will be determined at the date of drawdown and confirmed in writing afterwards.

5. SPECIFIC OBLIGATIONS

The Sub-account holders must repay to ANZ, during each Sub-account term, all amounts which become due in accordance with the contract and, by the end of each Sub-account term, all outstanding principal, interest and any other amounts which are or have become due under the Sub-account.

If any of the following three events occur, the Sub-account holders must notify ANZ immediately:

Occupancy of a home

If the Sub-account purpose is to purchase a home as a personal residence and the Sub-account holders no longer personally occupy the property.

Construction and occupancy of a home

If construction of a home as the Sub-account holder's personal residence is not started within three years from the initial date of advance under the Sub-account, or the Sub-account holders no longer intend to personally occupy the property.

Construction and use of investment property

If construction of a home as an investment property is not started within one year from the initial date of advance under the Sub-account, or the Sub-account holders no longer intend to use the property for residential investment purposes.

If any of these events occurs, ANZ may treat the occurrence of that event as a material adverse change.

6. HOW INTEREST IS CALCULATED AND DEBITED

Interest is calculated on the unpaid daily balance of your loan. The rate applied each day is equal to your annual percentage rate applicable at the time, divided by 365.

Interest will be debited each month, with the first month's interest being debited one month after the date of advance of the Sub-account. In addition, the following rules apply where interest payments are to accrue and be paid by instalments in arrears:

- when accrued interest is debited to the unpaid balance of an advance, it will be added to and become part of the unpaid balance of that advance with effect from the due date for payment of that accrued interest.
- If the usual due date for a payment to ANZ falls on the 29th, 30th or 31st of a month which does not contain such a date, the due date for that month will be the last day of that month.
- If, after applying these additional rules, a due date is not a business day, the accrued interest for the relevant period will be debited to the unpaid balance of the advance on the next business day.
- When accrued interest is debited to the unpaid balance of an advance after the due date, daily interest charges in respect of the due date and the days following the due date will be calculated as if the accrued interest had been debited to the unpaid balance of the advance on the due date.
- Each time that accrued interest is debited to the unpaid balance of the advance, the period covered by that accrued interest will include all days for which accrued interest has not been previously debited, up to and including the day prior to the due date.
- Where, after the term of the advance commences, the Sub-account holders and ANZ agree to change the terms applicable to the advance, ANZ may debit any accrued interest not previously debited to the Sub-account on the day the change takes effect.

Please see clause 17 of these Specific Conditions (A) below for the rules which apply where interest payments are to accrue and be paid by instalments in advance.

7. SUB-ACCOUNT REPAYMENTS

Repayments of principal and interest

Generally, the Sub-account holders have the following options for repayment of principal and interest in respect of a Sub-account:

- by periodical payment from a nominated ANZ account;
- by deposit using a coupon booklet;
- by salary deduction (applicable to ANZ staff only); or
- by periodical payment from another financial institution.

If, at any time, the Sub-account holders want to change their selected repayment method, and as long as the Sub-account is not in a fixed interest rate period, the Sub-account holders can notify ANZ in writing.

Repayments during interest only periods

During any interest only period, ANZ will debit the required interest payments to the nominated ANZ account of the Sub-account holders. ANZ will do this on the date that the interest payment is due.

Repayments will be automatically adjusted if there is a change in the annual percentage rate applicable to the Sub-account.

8. CHANGES TO REPAYMENTS OF PRINCIPAL AND INTEREST

Changes to repayment amounts before drawdown

Unless a Lock Rate applies, the repayment amounts that are required to be paid by the Sub-account holders in respect of an advance under their Sub-account are recalculated at the date of the first advance under that Sub-account. The recalculation is made to take into account the applicable annual percentage rate at that time. If the annual percentage rate applicable to the Sub-account is determined by a reference rate – this reference rate may have changed after the Letter of Offer was prepared.

For **lending for personal use or investment in residential property regulated by the National Credit Code, or lending for personal investment purposes (other than investment in residential property)** ANZ will give not less than 30 days' written notice of the new repayment amounts. For **lending for business purposes**, ANZ will give notice of any change to the repayments no later than the day the change takes effect.

Variable Interest Rate Loans

The Variable interest rate applicable to a Sub-account can change at any time during the life of that Sub-account and if this occurs, the amount of the repayments may need to change to ensure the Sub-account is repaid within its agreed term.

After any increase in the annual percentage rate applicable to your Sub-account, ANZ can increase the amount of the required repayments under the Sub-account so they are sufficient to pay out the outstanding scheduled balance of the Sub-account within the agreed term.

ANZ will not automatically do this every time an interest rate change occurs.

ANZ will give not less than 30 days' written notice of any repayment change made by ANZ.

Where an advance under a Sub-account is wholly or predominantly for **business purposes**, ANZ will give notice of any change to the repayments no later than the day the change takes effect.

If the Sub-account holders wish to change the amount of the repayments, they must contact ANZ. ANZ is not obliged to reduce the required repayment amount, following a reduction in the applicable annual percentage rate.

9. ANZ REDRAW

What is ANZ Redraw?

If there are early or additional repayments to a Sub-account for which ANZ Redraw is available ("an eligible Sub-account"), and all the conditions below are satisfied at the time of the request for redraw, the Sub-account holders may redraw a redraw amount equal to or less than the amount by which the total repayments that have been made exceed the total repayments required under the Sub-account, less any redraw previously made.

Conditions:

- the Sub-account must be fully drawn;
- the Sub-account must not be paid out;
- the amount of the early or additional repayments, less any previous redraws for eligible Sub accounts, must total an amount advised by ANZ from time to time. To find out the total amount, see anz.com or call 13 13 14; and

- there must have not been any event of default during the Portfolio or Sub-account term.

The minimum amount of any ANZ Redraw for eligible sub-accounts must total an amount advised by ANZ from time to time. To find out the total amount, see anz.com or call 13 13 14. After any redraw, ANZ can change the amount of the repayments to ensure that the Sub-account will be repaid within its agreed term.

Any redraws will be debited to the Sub-account and will incur interest on the same basis as principal owing under the Sub-account.

The amount which the Sub-account holders redraw can only be cleared funds.

When ANZ Redraw does not apply or is not available

Principal reductions made during any fixed interest period will not be available to be redrawn at any time.

Principal reductions made during any construction or progressively drawn period will not be available to be redrawn at any time.

Principal reductions made during any interest only period, other than any construction or progressively drawn down period, will be available to be redrawn during that interest only period. Principal reductions made during any interest only period will not be available to be redrawn after the expiry of that interest only period.

This paragraph will apply to your account from 1 June 2018:

Principal reductions made on a day that is not a Banking Business Day will not be available to be redrawn until after the end of the next Banking Business Day.

ANZ Redraw is not available for:

- ANZ Home Loans and ANZ Residential Investment Loans during their fixed rate periods.

Liability for ANZ Redraw

If there is more than one Sub-account holder of a Sub-account, redraw withdrawal transactions can be authorised by any one of the Sub-account holders and each Sub-account holder can bind the other Sub-account holders. Each Sub-account holder is liable individually for each redraw withdrawal transaction, whether or not they are aware of, or authorised the transaction in addition to each Sub-account holder being jointly liable with each other Sub-account holder.

Amendments to redraw arrangements

If a Sub-account holder wishes to amend or cancel ANZ Redraw access please contact:

- Home Loans 1800 077 070

10. REPAYMENT HOLIDAY

The Repayment Holiday feature under this clause 10 will no longer be available from 1 June 2018.

The Repayment Holiday feature allows for repayments to a Sub-account to be suspended for three months. Approval of a Repayment Holiday is at the discretion of ANZ and subject to conditions including the following:

- a minimum of two years' Principal and Interest repayments must have been made to the Sub-account (from the date the Sub-account was fully drawn down or renegotiated);
- a maximum of one Repayment Holiday can be made every two years;
- there must be no current repayment arrears or history of repayment arrears greater than 30 days on the Sub-account;
- interest on the Sub-account will continue to accrue during the period in which the Repayment Holiday applies; and
- the Sub-account repayment amount may increase from the date regular repayments restart or the Repayment Holiday may be repaid in a lump sum at the end of the Repayment Holiday period so that the Sub-account is repaid within its original term.

ANZ may impose any other conditions on its approval of a Repayment Holiday as notified by ANZ to the Sub-account holders.

11. MORTGAGE OFFSET ACCOUNTS

ANZ Mortgage Offset accounts ("offset account") can only be linked to one of the following eligible Sub-account types – an ANZ Standard Variable Rate Home Loan, ANZ Variable Rate Residential Investment Loan, ANZ One Year Fixed Rate Home Loan or Residential Investment Loan, ANZ Standard Variable Rate Supplementary Loan, or ANZ One Year Fixed Rate Supplementary Loan.

Only one ANZ Mortgage Offset account can be linked to an eligible Sub-account. An ANZ Mortgage Offset account must

be opened in exactly the same name(s) as the Sub-account to which the ANZ Mortgage Offset account is linked.

ANZ Mortgage Offset Accounts terms and conditions are contained in the ANZ Savings and Transaction Products terms and conditions which are available on www.anz.com or at any ANZ branch.

12. LATE PAYMENT FEE

The Late Payment Fee is payable on the following Sub-account types:

- Home Loans; and
- Residential Investment Loans,

if the whole or any part of any payment due has been unpaid for 30 days or more for Home Loans and Residential Investment Loans.

The Late Payment Fee is also charged every subsequent 30 days that the loan is in arrears.

SUB-ACCOUNT(S) FOR CONSTRUCTION PURPOSES

13. DATE OF FIRST ADVANCE (PROGRESSIVELY DRAWN SUB-ACCOUNTS)

For progressively drawn Sub-accounts, the first drawdown must occur within six months of the date that the proposed advance is first detailed in a Portfolio Schedule, unless otherwise agreed by ANZ in writing. If the first advance does not occur within this time (or within any agreed extension of it), the agreement of ANZ to provide that advance will end and ANZ will not be obliged to advance the requested funds.

14. PROGRESS PAYMENTS

Progress payments will only be advanced if:

- the funds you are contributing towards the purchase and construction of the property have already been used to meet these costs; and
- the progress payment is due and payable under the building contract; and
- the request is accompanied by a completed Progress Payment Instruction form.

To obtain the final progress payment, the following must be provided with the request:

- a copy of the certificate of occupancy required in the relevant State or Territory to occupy the property;
- a builder's invoice; and
- a completed Progress Payment Instruction Form, showing disbursement details.

Please note that the Sub-account holders are responsible for making sure that specifications of the builder's contract are completed by the builder.

15. RESTRICTION ON ADVANCES FOR CONSTRUCTION LOANS

If the purpose(s) of the Sub-account includes the construction of a residence, then, in addition to the other restrictions on advances set out in the section headed 'Availability of funds' in the General Conditions, no part of the Sub-account will be advanced to finance the construction of any residential building until ANZ has received a copy of the following documents:

- a signed and enforceable fixed price contract for the construction of a residence entered into by the Sub-account holder and a reputable licensed builder;
- Council approved plans for the construction of that residence; and
- the builder's current Builder's Risk Insurance Policy (or equivalent form of insurance) or other documentation confirming such insurance is current.

16. VALUATIONS AND SURVEYS

ANZ may require a valuation or survey of the property before any progress payment is made.

If a survey is required, the Sub-account holders must make this available to ANZ and pay any related costs.

If a valuation is required the Sub-account holders may be charged:

- a Valuation Administration fee. This fee is payable for administration costs incurred when a valuation or price estimate is required by ANZ in connection with each security for the Facility, change to security or guarantors as set out in the Letter of Offer.

This fee is payable on the date of advance or when the change is requested.

17. HOW INTEREST IS CALCULATED DURING THE FIXED INTEREST RATE PERIOD WHERE INTEREST IS CHARGED IN ADVANCE

For each interest charge to be paid by the relevant Sub-account holders in advance in respect of a fixed interest rate period, ANZ determines the number of days to be covered by that interest charge (the “**interest cycle**”), the expected outstanding Sub-account balance at the end of each day of the interest cycle, and the daily interest rate that is derived from dividing the applicable fixed annual percentage rate by 365. ANZ then uses this information to calculate the amount of the interest in advance charge to be paid by the relevant Sub-account holders in advance in respect of that interest cycle.

When making this calculation, ANZ assumes that:

- (a) the outstanding Sub-account balance at the commencement of the interest cycle will be the same as the outstanding Sub-account balance at the time that it calculates the amount of the interest in advance charge (the “assumed Sub-account balance”);
- (b) the assumed Sub-account balance will remain outstanding throughout the interest cycle; and
- (c) the applicable fixed annual percentage rate will not change throughout the interest cycle.

The calculated interest in advance charge for a forthcoming interest cycle is the total of the estimated daily interest charges for each day in that interest cycle (the “interest in advance charge”).

The interest in advance charge for an interest cycle is debited to the Sub-account account with effect from the commencement of that interest cycle. The relevant Sub-account holders are required to pay that interest in advance charge to ANZ on (or with effect from) that date.

During each interest cycle, ANZ will calculate the interest charge applicable to the Sub-account account on a daily basis, based on the outstanding Sub-account balance at the end of each day in the interest cycle and the daily interest rate that is determined by dividing the applicable fixed annual percentage rate by 365. If the aggregate of these daily interest charges for the interest cycle is less than the amount of the interest

in advance charge that was debited to the Sub-account account at the commencement of the interest cycle, ANZ will refund the difference to the relevant Sub-account holders. If the aggregate of these daily interest charges for the interest cycle is greater than the amount of the interest in advance charge that was debited to the Sub-account account at the commencement of the interest cycle, the amount of the difference will be debited to the Sub-account account on (or with effect from) the first day following the end of the relevant interest cycle. The relevant Sub-account holders are required to pay that additional interest charge to ANZ on (or with effect from) that date.

To the extent that there is any inconsistency between this clause 17 and clause 6 of these Specific Conditions, this clause will prevail during a fixed rate period. In that context, the relevant Sub-account holders need to be aware that when interest is debited to the Sub-account account, it will be added to the unpaid balance of the Sub-account and, where it remains unpaid, will accrue interest in arrears at the same rate and in the same way as other parts of the principal.

18. REPAYING THE SUB-ACCOUNT EARLY OR CHANGING THE SUB-ACCOUNT RATE DURING A FIXED INTEREST RATE PERIOD

Warning: *Early repayment costs can be very large. Before making an early repayment during a fixed interest rate period, or requesting a change to a fixed interest rate, the relevant Sub-account holders should ask ANZ to give an estimate of the likely cost. The amount of any actual early repayment cost that becomes payable by the relevant Sub-account holders will be determined on the day that the early repayment event occurs.*

(In this clause, and in the following clause 19, there are terms used that have been given defined meanings. Those terms are in **bold type** and are usually explained at the end of clause 19.)

When an early repayment event occurs

If, before the end of a fixed interest rate period applicable to a Sub-account:

- the Sub-account holders make an early repayment of the whole of the unpaid balance of the Sub-account (or the relevant Sub-account holders are required to make such a payment);
- the Sub-account holders make an early repayment of some of the unpaid balance of the Sub-account; or

- on request, ANZ changes the current fixed interest rate to a new fixed interest rate, or to a variable interest rate,

an “**early repayment event**” will have occurred and the relevant Sub-account holders may be liable to pay an early repayment cost to ANZ.

Early repayment cost

As a consequence of an **early repayment event**, such as an **early repayment** by the relevant Sub-account holders, ANZ may incur additional costs or loss. Although the **early repayment event** which occurs under the relevant Sub-account contract is used in the calculations, the early repayment cost is not necessarily or directly linked to any actual cost or loss incurred by ANZ.

When ANZ will make an early repayment cost calculation

Where an early repayment event has occurred, ANZ will calculate the amount of any early repayment cost that is payable by the relevant Sub-account holders, unless:

- the amount of the **early repayment** (if any); or
- in the case of ANZ changing the current fixed interest rate at the relevant Sub-account holders request, the unpaid balance of the relevant Sub-account at the time of the **early repayment event**,

is less than the combined value of the **available tolerance amount** and **the next scheduled repayment amount** (if any), each as calculated immediately prior to the **early repayment event**.

The relevant Sub-account holders liability for early repayment costs

The relevant Sub-account holders will be liable to pay ANZ the amount of any early repayment cost that is calculated by ANZ to be payable by the relevant Sub-account holders in respect of an **early repayment event**. In calculating the amount of any early repayment cost that is payable by the relevant Sub-account holders, ANZ will use the calculation methodology described in clause 19.

Factors that may be relevant to the amount of any early repayment cost that is payable by the relevant Sub-account holders

The amount of any early repayment cost that may become payable by the relevant Sub-account holders will vary according to a number of factors, including:

- the size of the **early repayment** (if any);
- the remaining term of the current fixed interest period of the Sub-account;
- the amount of the unpaid Sub-account balance of the Sub-account at the time of the **early repayment event**; and
- the differences between the **original market rate** at the start of the fixed interest rate period and the **market rates at the date of the relevant early repayment event**.

The calculation of the early repayment cost that may be payable by the relevant Sub-account holders will not take into account the balance of any mortgage offset account that is linked to the Sub-account.

ANZ may recalculate the repayments following an early repayment event

When an **early repayment event** occurs, and where the relevant Sub-account holders are paying interest that has been calculated in advance, ANZ may recalculate and change the amount of the future repayments to take account of the **early repayment event**.

19. THE METHOD USED TO CALCULATE ANY EARLY REPAYMENT COST PAYABLE BY THE RELEVANT SUB-ACCOUNT HOLDERS

As an initial step in the calculation of any early repayment cost that is payable by the relevant Sub-account holders ANZ will calculate:

- the **total of present values of pre-event cash flows**; and
- the **total of present values of post-event cash flows**, in the manner described below.

ANZ will then use each of these totals when calculating the amount of any early repayment cost that is payable by the relevant Sub-account holders. It will do so in the manner described below.

Calculation of the total of present values of pre-event cash flows

ANZ's calculation of the **total of present values of pre-event cash flows** will be based on the following methodology.

Step 1: Based on the **pre-event balance**, and to the extent required for the particular Sub-account type, ANZ will determine for the period commencing on the date

of the **early repayment event** and concluding on the last day of the fixed interest rate period (both dates inclusive) (the “**calculation period**”):

- (i) the amount of each interest charge (calculated using the **contract rate**) that would have been debited in respect of the Sub-account (each an “**expected cash flow**”) and the days on which each of these **expected cash flows** would have been treated as debited;
- (ii) the amount of each repayment that would have become payable by the relevant Sub-account holders during the **calculation period** (each an “**expected cash flow**”) and the days on which each of these **expected cash flows** would have been treated as payable by the relevant Sub-account holders (or effectively recovered from the relevant Sub-account holders nominated account, if earlier);
- (iii) the amount of each other fee or charge that would have become due during the **calculation period** (each an “**expected cash flow**”) and the days on which each of these **expected cash flows** would have become due under the Sub-account;
- (iv) based on these **expected cash flows**, the expected unpaid balance of the Sub-account at the end of each **cash flow date** occurring during the **calculation period** and at the end of the **calculation period**.

Step 2: Using the **original market rate**, ANZ will separately estimate the amount of interest (the “**market interest**”) that would accrue in respect of successive periods of the **calculation period**.

- (i) For a **principal and interest Sub-account** each such successive period will conclude at the end of the day prior to a **cash flow date** and, in the case of the last successive period, will conclude at the end of the **calculation period**.
- (ii) For an **interest only Sub-account** each such successive period will conclude at the end of the day prior to a **cash flow date** that is a day on which:
 - (A) a fee or charge (other than an interest charge) would have become due in respect of the Sub-account; or

- (B) an interest charge would have been treated as debited in respect of the Sub-account, (but not at the end of any other day prior to a **cash flow date**) and, in the case of the last successive period, will conclude at the end of the **calculation period**.
- (iii) For a principal reducing Sub-account each successive period will conclude at the end of the day prior to a **cash flow date** that is a day on which:
 - (A) a fee or charge (other than an interest charge) would have been due in respect of the Sub-account; or
 - (B) a principal repayment would have been due to be credited to the unpaid balance of the Sub-account; or
 - (C) an interest charge would have been treated as debited in respect of the Sub-account; (but not at the end of any other day prior to a **cash flow date**) and, in the case of the last successive period, will conclude at the end of the **calculation period**.

For each period for which such **market interest** is calculated, ANZ will use the unpaid balance of the Sub-account that it expects to be outstanding at the relevant time (assuming that the **pre-event balance** was outstanding at the commencement of the **calculation period**).

Step 3: ANZ will then calculate:

- (i) the net aggregate of the present values of:
 - (A) in the case of a **principal and interest Sub-account**, the **expected cash flows** that ANZ would expect to debit or credit to the unpaid balance of the Sub-account for each **cash flow date** in respect of:
 - (I) the amount of each interest charge;
 - (II) the amount of each repayment; and
 - (III) the amount of each other fee or charge that would have become due during the **calculation period** and which is a fee or charge that ANZ does not expect to be paid by the relevant Sub-account holders

on that **cash flow date** (for example, from a separate nominated account); or

(B) in the case of an **interest only Sub-account**, each expected fee or charge (other than an interest charge) that would have been due to be debited in respect of the Sub-account on a **cash flow date** and which is a fee or charge that ANZ does not expect to be paid by the relevant Sub-account holders on that **cash flow date** (for example, from a separate nominated account); or

(C) in the case of a **principal reducing Sub-account**:

- (I) each expected fee or charge (other than an interest charge) that would have been due to be debited in respect of the Sub-account on a **cash flow date** and which is a fee or charge that ANZ does not expect to be paid by the relevant Sub-account holders on that **cash flow date** (for example, from a separate nominated account); and
- (II) each principal repayment that would have been due to be credited to the unpaid balance of the Sub-account on a **cash flow date**;

- (ii) the total of the present value of the **market interest** for each period during the **calculation period**, calculated in accordance with Step 2; and
- (iii) the present value of the expected unpaid Sub-account balance at the end of the **calculation period**.

In determining the present value of these amounts, ANZ will make the present value calculations using the **market rates at the date of the relevant early repayment event** as discount factors.

Step 4: ANZ will then calculate the total of all of the present values calculated under Step 3 (as the Sub-account type requires). The combined total of these present values will be the "**total of present values of pre-event cash flows**" for the relevant Sub-account.

Calculation of the total of present values of post-event cash flows

To calculate the **total of present values of post-event cash flows** relevant to the Sub-account, ANZ will follow the same methodology that it uses to calculate the **total of present values of pre-event cash flows**, except for the following differences:

- ANZ will use the **post-event balance** (rather than the **pre-event balance**) when making the required calculations or assumptions; and
- for Step 4, the combined total of the calculated present values will be the “**total of present values of post-event cash flows**” for the Sub-account.

Calculation of the amount of the early repayment cost

The relevant Sub-account holders early repayment cost, if any, will be the amount by which:

- the **total of present values of pre-event cash flows** for the Sub-account, as calculated by ANZ, exceeds
- the net aggregate of:
 - (a) the **total of present values of post-event cash flows** for the Sub-account, as calculated by ANZ; and
 - (b) the amount of the **early repayment** or the amount of the **deemed early repayment** less the combined total of the **available tolerance amount** and the **next scheduled repayment amount** (if any), calculating that total immediately prior to the **early repayment event**.

If the relevant Sub-account holders would like to see some examples of how we calculate **early repayment costs**, please contact us.

(ANZ does not pay an early repayment benefit where this calculation does not result in an early repayment cost that is payable by the relevant Sub-account holders.)

DEFINITIONS

In this clause and preceding clause 18, the following terms have the following meanings.

available tolerance amount means that part of the then current **tolerance amount** that exceeds the total of the **early repayments** that have already been made since that **tolerance amount** was set by ANZ.

cash flow date is a day identified in any one of the first three sub-clauses of Step 1.

contract rate means the fixed interest rate under which interest accrues under the Sub-account during the current fixed interest rate period.

deemed early repayment means, where ANZ changes the current fixed interest rate to a new fixed interest rate or to a variable interest rate at the relevant Sub-account holders request, the amount of the Sub-account unpaid Sub-account balance immediately prior to that **early repayment event**.

early repayment means early repayment of the whole, or some, of the unpaid balance of the Sub-account, before the end of the then current fixed interest rate period.

interest only Sub-account means a Sub-account under which the relevant Sub-account holders are required, during the fixed rate interest period, to make regular payments to cover interest charges applicable to the Sub-account, but under which the relevant Sub-account holders are not required to otherwise make principal repayments during that period.

market rates at the date of the relevant early repayment event means each interest rate that, at the time of the **early repayment event**, is current and has been set by ANZ and which, in the view of ANZ, best reflects the applicable wholesale market interest rate for each relevant period over which ANZ is required to calculate the present value of each of the relevant **expected cash flows**.

original market rate means a wholesale market interest rate that, at the time of the commencement of the current fixed rate interest period, was set by ANZ and which ANZ determined (at that time) was sufficiently reflective of the applicable external wholesale market rate that would be (or could have been) applicable in respect of the term of the then commencing fixed rate interest period under the Sub-account.

pre-event balance means the unpaid balance of the Sub-account immediately prior to the occurrence of the **early repayment event**, less the combined total of the Sub-account **available tolerance amount** and **the next scheduled repayment amount** (if any), each as measured immediately prior to the **early repayment event**.

post-event balance means the unpaid balance of the Sub-account immediately after the occurrence of the **early repayment**, or an assumed balance of zero where ANZ changes the current fixed interest rate to a new fixed interest rate or to a variable interest rate at the relevant Sub-account holders request.

principal and interest Sub-account means a Sub-account under which the relevant Sub-account holders are required, during the fixed rate interest period, to make regular payments of an agreed amount to cover accrued interest charges and a principal repayment.

principal reducing Sub-account means a Sub-account under which the relevant Sub-account holders are required, during the fixed rate interest period, to make:

- (a) regular principal repayments of an agreed amount; and
- (b) regular payments to cover interest charges that have accrued during the fixed rate interest period.

tolerance amount means the amount allowed to the relevant Sub-account holders by ANZ as a tolerance at the commencement of the current fixed interest rate period, and on each anniversary of that date while that fixed interest rate period continues. The tolerance amount is the lesser of \$5,000.00 and of 5% of the Sub-account balance at the start of the then current fixed interest rate period, except where the total fixed rate interest period is for less than a year. In that event, the tolerance amount is reduced proportionally.

The tolerance amount is reset at the start of each anniversary of the commencement of the current fixed rate interest period, and any **available tolerance amount** from the preceding period of 12 months is cancelled and is not carried forward.

the next scheduled repayment amount means:

- (a) where the relevant Sub-account holders are required to make regular principal and interest repayments under a **principal and interest Sub-account**, the amount of the next scheduled repayment (together with any

outstanding arrearages for a previous scheduled repayment) less the **early repayments** (if any) made since the last scheduled repayment became due; and

- (b) where the relevant Sub-account holders are required to make regular principal and interest payments under a **principal reducing Sub-account** the amount of the next scheduled principal repayment (together with any outstanding arrearages for a previous scheduled principal repayment) less the **early repayments** (if any) made since the last scheduled repayment became due,

(in each case as calculated on the date of the **early repayment event** and immediately prior to the occurrence of that **early repayment event**), and, in every other case, zero.

SPECIFIC CONDITIONS (B)

Clauses 1-8 relate only to ANZ Equity Manager Sub-accounts.

1. TERM

Each Sub-account term commences on the date that ANZ activates and makes available the credit limit for that Sub-account.

If a termination date has been nominated, it will be set out in the applicable Portfolio Schedule.

Review by ANZ

ANZ may review the Sub-account at any time to satisfy itself that the Sub-account will be repaid as agreed and that all of the terms and conditions of the Sub-account and any security are being met. If ANZ does review the Sub-account, the Sub-account holders must provide any information ANZ requests about their financial affairs.

Cancelling or reducing the credit limit

ANZ may reduce or cancel the credit limit on the Sub-account by giving 30 days notice in writing.

If the credit limit is reduced then the Sub-account must immediately repay enough money to ensure that the amount outstanding does not exceed the reduced credit limit and must still meet all of their obligations under this agreement for credit made available on the Sub-account.

If the credit limit is cancelled, the Sub-account holders must immediately repay the outstanding balance.

If ANZ reduces or cancels the credit limit, ANZ will write to the Portfolio Facility holders as soon as possible.

No further credit is available on the Sub-account after ANZ cancels the credit limit.

2. REPAYMENTS

The outstanding balance of the Sub-account is repayable upon the earlier of the expiry of the term of the Sub-account or the Portfolio Facility, or the termination of the Sub-account or the Portfolio Facility or upon demand.

3. DEPOSITING CHEQUES

When a cheque is deposited into a Sub-account, Sub-account holders cannot use or withdraw those funds until the cheque has been cleared. Generally, unless the Sub-account holders and ANZ have agreed otherwise, ANZ will allow the withdrawal of the funds three working days after the cheque was deposited. Any other credits, apart from cash, that are deposited to the Sub-account must also be cleared in the same way before a withdrawal can be made.

If for any reason ANZ allows a withdrawal of the funds before the cheque or other credit is cleared and it is later dishonoured, even if three working days has passed, ANZ will be entitled to:

- debit the Sub-account for the amount of the cheque or other credit; and
- if the debit to the Sub-account would result in the credit limit being exceeded, an Informal Overdraft facility may be provided to the Sub-account holder(s) in accordance with clause 4 of the Specific Conditions.

4. DRAWING FUNDS AND EXCEEDING YOUR CREDIT LIMIT

Sub-account holders may draw down funds from the Sub-account in the manner agreed to by ANZ.

- (a) From time to time, there may be a debit to your Equity Manager Sub-account which, if processed, would result in the outstanding balance exceeding the credit limit. The Informal Overdraft facility is a service provided by ANZ to give you a convenient way to meet these unplanned, short-term needs.
- (b) If a debit would result in the outstanding balance exceeding the credit limit and both the debit and the Sub-account holder(s) satisfy ANZ's credit criteria for the Informal Overdraft facility, ANZ will allow the debit to be processed using the Informal Overdraft facility, on the following terms:
 - interest will be charged on the Informal Overdraft amount at the ANZ Equity Manager Excess interest rate (refer to the Letter of Offer for details);
 - if the balance of the Informal Overdraft facility is more than \$50, an Overdrawn Fee will be charged. This fee will be charged on each business day that the

balance of the Informal Overdraft facility is more than \$50, up to a total of ten business days per calendar month;

- the Informal Overdraft amount, any interest on that amount and any Overdrawn Fees will be debited to the Equity Manager Sub-account; and
 - the Sub-account holder(s) must repay the Informal Overdraft amount and pay any accrued interest on that amount and any Overdrawn Fees within 30 days of the Informal Overdraft being debited to the Sub-account.
- (c) By processing a debit using the Informal Overdraft facility which results in the Sub-account holder's outstanding balance exceeding the credit limit, ANZ is not increasing the Sub-account holder's credit limit.
- (d) If a Sub-account holder(s) wants to avoid using the Informal Overdraft facility, Sub-account holder(s) should ask ANZ about ways in which they can monitor the balance of the facility.
- (e) The Informal Overdraft facility is only available if the Equity Manager Sub-account has a credit limit.

5. HOW INTEREST IS CALCULATED AND DEBITED

Interest is debited to a Sub-account each month, the actual debiting date for each interest period is based on the date the account was opened, unless a different date was agreed with ANZ or ANZ changed this date by giving you notice in accordance with these terms and conditions.

In addition, the following rules apply:

- when accrued interest is debited to the unpaid balance of an advance, it will be added to and become part of the unpaid balance of that advance with effect from the due date for payment of that accrued interest.
- if the usual due date for a payment to ANZ falls on the 29th, 30th or 31st of a month which does not contain such a date, the due date for that month will be the last day of that month.
- if, after applying these additional rules, a due date is not a business day, the accrued interest will be debited to the unpaid balance of the advance on the business day immediately preceding the due date.
- however, where the due date is not a business day and the immediately preceding business day is not in the same month

as the due date, the accrued interest for the relevant period will [in fact] be debited to the unpaid balance of the advance on the next business day following the due date (but will be treated for all relevant purposes as having been debited to the unpaid balance of the advance on the due date).

- when accrued interest is debited to the unpaid balance of the advance after the due date, daily interest charges in respect of the due date and the days following the due date will be calculated as if the accrued interest had been debited to the unpaid balance of the advance on the due date.
- each time that accrued interest is debited to the unpaid balance of the advance, the period covered by the accrued interest will include all days for which accrued interest has not been previously debited, up to and including the day prior to the due date (or the day prior to the day on which the accrued interest is debited, if earlier.)

6. METHOD OF REPAYMENTS

Generally, Sub-account holders have the following options for payments and repayments:

- by periodical payment from the nominated ANZ account;
- by deposit using a coupon booklet;
- by salary deduction (applicable to ANZ staff only), or
- by periodical payment from another financial institution.

If, at any time, there is a request to change the selected payment method, Sub-account holders can do so by notifying ANZ.

7. ADDITIONAL PAYMENTS

Additional or increased repayments can be made at any time without incurring any additional interest.

8. EXCESS INTEREST RATE

If ANZ allows a debit using the Informal Overdraft facility, the excess interest rate set out in the covering Letter of Offer will be charged on the Informal Overdraft. If any State or Territory law requires additional stamp duty to be paid as a result, that duty will be debited to the Sub-account.

ELECTRONIC BANKING CONDITIONS OF USE

ANZ warrants that it will comply with the requirements of the ePayments Code.

This section applies to payment, funds transfer and cash withdrawal transactions that are:

- (a) initiated using electronic equipment; and
- (b) not intended to be authenticated by comparing a manual signature with a specimen signature.

This section does not apply to transactions where (the Sub-account holder) signature may also be required.

Unless the account services are provided or referred to you by ANZ, ANZ does not authorise, promote or endorse the use of account services offered by third parties to access your ANZ accounts (including account aggregation services, such as may be provided by other financial institutions).

DEFINITIONS

For the purposes of these Electronic Banking Conditions of Use,

'Account' means a Sub-account under the Portfolio Facility.

'Account Holder' means a person in whose name a Sub-account under the Portfolio Facility is held whether solely or jointly with any other Portfolio Facility holder.

'Account Signatory' means a person who is authorised under an Account Authority from the Account Holder to transact on an Account Holder's account.

'Activation Code' means the 4- to 7-digit temporary activation number issued to activate the Mobile Banking service.

'Authorised Deposit-taking Institution' has the meaning given to that term in the Banking Act 1959 (Cth).

'Authorised user' or **'user'** for the purposes of ANZ Internet Banking means a person assigned a permission level in accordance with clauses under the heading "Access levels for ANZ Phone Banking, ANZ Internet Banking and Mobile Banking" below and for the purpose of Internet Banking for Business means a person assigned as access control level in accordance with clauses under the heading "Access Control

for ANZ Internet Banking for Business" below being an Administrator, Authoriser or Operator.

'ANZ Business Day' means any day from Monday to Friday on which ANZ is open for business in at least one of its branch locations in Australia.

'Banking Business Day':

- (a) Until 31 May 2018, means any day on which banks in Melbourne or Sydney are able to effect settlement through the Reserve Bank of Australia; and
- (b) From 1 June 2018, means any day from Monday to Friday that is not a national public holiday.

'BPAY® Payments' means the BPAY® Payments service provided by BPAY Pty Ltd (this definition will apply to your account from 1 June 2018).

'CRN' means the Customer Registration Number issued by ANZ.

'Extreme Carelessness' means a degree of carelessness that greatly exceeds what would normally be considered careless behaviour.

'Linked account' means a Sub account linked to Internet Banking.

'Misdirected Payment' means a payment made by a user using a PayID where funds are paid into the account of an unintended recipient because the PayID was not correctly created or maintained by the recipient's financial institution (this definition will apply to your account from 1 June 2018).

'Mistaken Internet Payment':

- Until 31 May 2018, means a payment made by a user through Pay Anyone where funds are paid into the account of an unintended recipient because the user enters or selects a BSB number and/or account number that does not belong to the named and/or intended recipient as a result of the user's error or the user being advised of the wrong BSB number and/or account number.
- From 1 June 2018 means a payment made by a user through Pay Anyone where:
 - if the payment is not processed through the New Payments Platform, funds are paid into the account of an unintended recipient because the user enters or selects a BSB number and/or account number that does not

belong to the named and/or intended recipient as a result of the user's error or the user being advised of the wrong BSB number and/or account number; or

- if the payment is processed through the New Payments Platform (including Osko®), a payment initiated by a user where the payment is directed to the wrong accounts as a result of the user's error.

This does not include payments made using BPAY® Payments.

'Mobile Banking':

- Until 31 May 2018, means any banking solution for your mobile device offered by ANZ that operates in a manner governed by this section
- From 1 June 2018, means any banking solution for your mobile device offered by ANZ.

'New Payments Platform' means the new payments platform operated by NPP Australia Limited (this definition will apply to your account from 1 June 2018).

'Osko®' means the Osko® payment service provided by BPAY Pty Ltd using the New Payments Platform (this definition will apply to your account from 1 June 2018).

'PIN' means personal identification number and includes an action number.

'Pay Anyone Processing Day' means any day from Monday to Friday that is not a public holiday in both Melbourne and Sydney (this definition will not apply to your account after 31 May 2018).

'Receiving Bank' means:

- Until 31 May 2018, an Authorised Deposit taking Institution which has subscribed to the ePayments Code and whose customer has received an internet payment; and
- From 1 June 2018, means an Authorised Deposit taking Institution which has subscribed to the ePayments Code or which receives payments processed through the New Payments Platform (including Osko®) and whose customer has received an internet payment.

'Securemail' means the electronic messaging system which enables communications to be sent to or from ANZ as part of ANZ Internet Banking.

'Security Device' means a physical device that generates random numbers which are used to authorise certain actions in ANZ Internet Banking for Business.

'Security Device Code' means a number generated by a Security Device or a substitute number provided by ANZ.

'Security Requirement' has the meaning given to that term in this section.

'Telecode' means the four to seven digit number issued to access ANZ Phone Banking.

'Transaction' means:

- Until 31 May 2018, a transaction to which the ePayments Code applies; and
- From 1 June 2018, a transaction to which the ePayments Code applies or which is processed through the New Payments Platform.

'Unintended recipient' means the recipient of funds as a result of a Mistaken Internet Payment.

TRANSACTION LIMITS

ANZ or another party such as a merchant may limit the amount of any electronic transaction the Account holders can make over certain periods (e.g. during any day or in a single transaction).

ANZ may change any electronic transaction limit or impose new transaction limits by giving the Account holders notice. The Account holders can find out current electronic transaction limits for the accounts by calling ANZ on the relevant enquiries number listed at the back of this booklet.

HOW THE ACCOUNT HOLDERS CAN USE ANZ INTERNET BANKING

The Account holders can use ANZ Internet Banking to make transactions on their linked accounts. The Account holders can also use ANZ Internet Banking to purchase and order a range of financial services and products. Details can be found out at www.anz.com

FEES AND CHARGES FOR MOBILE BANKING

Fees and charges may apply to Mobile Banking and customers will be advised of these at the time of applying for the service.

The Account holders may also incur charges from their mobile phone operator as a result of using Mobile Banking. Any such charges are solely their responsibility.

ACCESS TO AND USE OF PAY ANYONE AND INTERNATIONAL SERVICES

(a) Obtaining Pay Anyone

When applying for Pay Anyone for ANZ Internet Banking, the Account holders must request a Pay Anyone daily limit, which is subject to approval by ANZ. The options for the daily limits are set out www.anz.com when the Account holders apply. Restrictions apply depending on whether the Account holders are using Pay Anyone for personal or business purposes. When applying for Pay Anyone for Mobile Banking, their daily limit will be as advised to the Account holders by ANZ and may not be changed by the Account holders.

If the Account holders require their password for Pay Anyone for ANZ Internet Banking to be re-set or re-issued ANZ may reduce their current daily Pay Anyone limit for ANZ Internet Banking. The Account holders will need to re-apply if the Account holders wish to reinstate that limit. Please allow sufficient time for the change to be made before the Account holders attempt to use the higher daily transfer limit.

The Account holders can increase or decrease their daily transfer limit for ANZ Internet Banking by applying through ANZ Internet Banking.

(b) Obtaining International Services

The Account holders can apply for International Services after the Account holders have been granted Pay Anyone access. International Services are not available through Mobile Banking.

The total of all Pay Anyone and International Services transfers (converted into Australian dollars) on any day cannot exceed the Accounts Pay Anyone daily transaction limit.

ACCESS LEVELS FOR ANZ PHONE BANKING, ANZ INTERNET BANKING AND MOBILE BANKING

Access Levels:

- **'all transactions'** – Access every function within ANZ Phone Banking and ANZ Internet Banking for the account;

- **‘Transaction History Details only and BPAY®’** – includes BPAY® account balance information, transaction history details, ordering a cheque/deposit book but excludes transfers between accounts, increasing a credit card limit, redrawing on a home loan, direct loan payments, BPAY® View, ANZ Online Investing and ANZ Online Reporting;
- **‘Deposit and Transaction History Details only’** – includes transfers between accounts, transactions history details, account balance information and ordering a cheque/deposit book but excludes withdrawals from accounts, increasing credit card limit, redrawing on a home loan, direct loan payments, BPAY® View, ANZ Online Reporting, ANZ Online Investing and BPAY®;
- **‘Deposit only’** – includes transfers between accounts but excludes withdrawals from accounts, BPAY® increasing credit card limit, redrawing on a home loan, direct loan payments, BPAY® View, ANZ Online Reporting, ANZ Online Investing, account balance information, transaction history details and ordering a cheque/deposit book;
- **‘Transaction History Details only’** – includes enquiries on past transactions about the account but excludes all transactions on the account, transfers between accounts, increasing credit card limit, redrawing on a home loan, direct loan payments, BPAY® View, ANZ Online Reporting, ANZ Online Investing and BPAY®.

Only the Account holder or account signatories can select an access level. The account holder or account signatories may authorise another person (an ‘authorised user’) to operate the account and that person may have a different access level to the account holder.

The account holder is responsible for the operation of the account by the authorised user within that user’s level of access. The account holder or account signatories may cancel or change any access level by sending a written request or Securemail to ANZ, or calling ANZ on the relevant number listed at the back of this booklet. ANZ may require written confirmation.

ANZ may take several days to process this change.

Authorised users, regardless of their level of access, cannot access ANZ Pay Anyone, ANZ Online Investing, ANZ International Services, increase a credit card limit, redraw an account or use Securemail to change any of the account holder’s account or other personal details. However, all

authorised users can use ANZ Internet Banking to change their own profile, access their own Securemail and select and change their own password and Mobile Banking to change their own password.

If the Account holders are an ANZ credit card account holder and nominate access to this account via ANZ Internet Banking, each additional cardholder will be an authorised user.

ACCESS CONTROL FOR ANZ INTERNET BANKING FOR BUSINESS

- (a) Provided the relevant Account holder has approved access, an Authorised User may link one or more Accounts to ANZ Internet Banking for Business. These Accounts may be for the same Account holder and/or for other related/unrelated Account holders.
- (b) Access control is subject to approval by ANZ and any requirements and restrictions set out in the Account authority. An Account holder may authorise another person to operate an Account and that person may be appointed as an Administrator, Authoriser or Operator. These Authorised Users will be able to perform basic functions as follows.

Function	Administrator	Authoriser	Operator
Approve transactions (e.g, Pay Anyone, International Services, BPAY [®] Payments, Direct Debits, transfers between Accounts)	✓	✓	✗
Setting up transactions (but not approving transactions)	✓	✓	✓
Account enquiries (e.g, balance and transaction details)	✓	✓	✓

Function Administrator Authoriser Operator	✓	✓	✓
Administrative functions for all Authorised Users	✓	✗	✗
Setting up and managing Operators	✓	✗	✗
Register for and manage Pay Anyone, International Services and BPAY® View Bills access	✓	✗	✗
<i>From 1 June 2018</i> Register and manage PayIDs	✓	✗	✗
Administrative functions for self	✓	✓	✗

A full list of functions each Authorised User can perform is located at www.anz.com

- (c) The Account holder is responsible for the operation of the Account by Authorised Users, including proper use and storage of an Authorised User's cards, Security Devices, CRNs, PINs, PayIDs and Security Device Codes. The Account holder is responsible for providing a copy of these Electronic Banking Conditions of Use to Authorised Users (if appropriate).
- (d) The Account Holder may cancel or change Administrator or Authoriser access by sending a written request to ANZ. ANZ may take several days to process this request. Administrators may cancel Operator access.
- (e) All Pay Anyone Payee details (saved in their Pay Anyone Payees List and Payroll Payment Employee List) as well as BPAY® Payments details saved by any Authorised User of their ANZ Internet Banking for Business facility will be viewed and available to all Authorised Users of their ANZ Internet Banking for Business facility. Therefore, to ensure access is controlled, the Account holders should

only save Payee and/or BPAY® Payments details relating to their business in ANZ Internet Banking for Business. Payee or BPAY® Payments details relating to personal, family or household affairs should not be saved in ANZ Internet Banking for Business.

PROCESSING INSTRUCTIONS – GENERAL

The Account holders authorises ANZ to act on the instructions the Account holders enter into electronic equipment. Any electronic transaction made by the Account holders cannot be cancelled, altered or changed by the Account holders unless allowed by the applicable terms and conditions or this section.

ANZ may delay acting on or may ask the Account holders for further information before acting on an instruction. Where ANZ has instructions for more than one payment from the account(s), ANZ will determine the order of priority in which payments are made.

The following paragraph applies to your account from 1 June 2018.

ANZ is not obliged to process a future dated or recurring transfer or Pay Anyone to a PayID that has changed since ANZ received your instructions. You must monitor your recurring and future transfers and Pay Anyone instructions and update the payee details if required.

If the Account holders make a cash withdrawal from an account by making an electronic transaction and there is a difference between the amount of cash received and the amount shown on the receipt, the Account holders must report this to ANZ and to the merchant (if applicable) as soon as possible. The Account holders can make their report to ANZ by calling ANZ on the number listed at the back of this booklet.

If the Account holders make a deposit of funds to an account by making an electronic transaction and there is a difference between the amount recorded as having been deposited and the amount ANZ receives, the Account holders will be notified of the difference as soon as possible and will be advised of the actual amount which has been credited to the account.

ANZ is not liable for the refusal of any merchant to accept an electronic transaction and, to the extent permitted by law, is not responsible for the goods and services supplied by a merchant.

ANZ may notify the Account holders of any electronic transactions (instructions for which are received through Mobile Banking) it is unable to process.

The Account holders accept that:

- not all electronic equipment from which cash can be withdrawn will always contain cash;
- any cash dispensed at electronic equipment is at their risk once it becomes visible or available for the Account holders to collect; and
- not all electronic equipment will allow the Account holders to make deposits; and
- future dated transfers are not available through Mobile Banking.

The following paragraph applies to your account until 31 May 2018, and will then be replaced by the paragraph below:

An immediate transfer, Pay Anyone or BPAY® Payment cannot be revoked or stopped once ANZ receives your instruction. Future dated transfer, Pay Anyone or BPAY® instructions can only be revoked or changed if instructions to delete the transaction are given to ANZ through ANZ Internet Banking before midnight Sydney time on the ANZ Business Day (or, for Pay Anyone, the Pay Anyone Processing Day) before the transaction is scheduled to occur. After this time, the instruction cannot be revoked.

The following paragraph replaces the paragraph above from 1 June 2018:

An immediate transfer, Pay Anyone, International Services, BPAY® Payment or Direct Debit transaction cannot be revoked or stopped once ANZ receives their instruction. You should ensure that all information you provide in relation to the payment is correct. Future dated transfer, Pay Anyone, International Services, BPAY® Payments or Direct Debit instructions can only be revoked or changed by you if instructions to delete the transaction are given to ANZ through ANZ Internet Banking or ANZ Internet Banking for Business before midnight Sydney time on the ANZ Business Day (or, for Pay Anyone, the Banking Business Day) before the transaction is scheduled to occur. After this time, the instruction cannot be revoked by you.

PROCESSING INSTRUCTIONS – ANZ PHONE BANKING, ANZ INTERNET BANKING, ANZ INTERNET BANKING FOR BUSINESS AND MOBILE BANKING

Any ANZ Phone Banking, ANZ Internet Banking, ANZ Internet Banking for Business and Mobile Banking transaction (other than a BPAY® Payment) will generally be processed to the account on the same day ANZ receives their instructions, if given before 10pm Melbourne time Monday to Friday (except national public holidays). Any transaction made after this time may be processed on the following ANZ Business Day.

Account information accessed using ANZ Phone Banking, ANZ Internet Banking, ANZ Internet Banking for Business and Mobile Banking will generally reflect the position of the account at that time, except for transactions not yet processed by ANZ (including uncleared cheques and unprocessed credit card transactions) or cleared cheques and direct debits processed by ANZ that day.

PROCESSING INSTRUCTIONS – PAY ANYONE AND INTERNATIONAL SERVICES AND DIRECT DEBITS

The following paragraph applies to your account until 31 May 2018. From 1 June 2018 the paragraph below titled "Processing instructions – Pay Anyone and International Services (from 1 June 2018)" will replace it.

ANZ will generally process Pay Anyone instructions:

- for immediate Pay Anyone transfers, on the day the instruction is given, if ANZ receives the instruction before 6pm Melbourne time on a Pay Anyone Processing Day;
- for immediate overseas transfers, on the day the instruction is given if ANZ receives the instruction before 6pm Melbourne time on a Pay Anyone Processing Day;
- for future dated transfers, on the relevant future day the Account holders select if it is a Pay Anyone Processing Day or if it is not, on the Pay Anyone Processing day after that day.

Instructions the Account holders give will be delivered to the payee's financial institution on the day that ANZ processes them except where:

- ANZ is not obliged to process their instructions;
- there is a technical failure; or

- there is a delay or error in accepting the instructions caused by the financial institution to which the transfer is to be made; or
- the instructions are for a transfer by way of an overseas draft or telegraphic draft.

Where their instruction is for a transfer by way of ANZ issuing an overseas draft:

- ANZ will send the draft by post to the delivery address notified by Account holders;
- the Account holders acknowledge that it is their responsibility to forward the draft to the intended recipient.

ANZ cannot control (and is not responsible for) when, or if, the payee's financial institution processes their instructions or the fees that financial institutions may charge to process their instructions.

Once ANZ processes their transfer instruction or Direct Debit, ANZ is reliant on the payee's financial institution to advise whether their instructions have been successfully processed. If the payee's financial institution advises that their transfer instruction has not been successful, it may take a number of weeks, depending on the financial institution, to reverse the relevant withdrawal from their linked account.

If the transfer is to be made from a credit card, it will be treated as a cash advance and interest and fees may apply

PROCESSING INSTRUCTIONS – PAY ANYONE AND INTERNATIONAL SERVICES AND DIRECT DEBITS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

ANZ will generally process Pay Anyone instructions:

- In near real time, or on the future date you have selected, if the Pay Anyone transfer can be made through the New Payments Platform or Osko®;
- if the Pay Anyone transfer cannot be made through the New Payments Platform or Osko®, in the following way:
 - If you do not ask us to make the transfer on a future date, on the day the instruction is given provided ANZ receives the instruction before 6pm Melbourne time on a Banking Business Day; and

- If you ask us to make the transfer on a future date, on that date provided it is a Banking Business Day (or if it is not, on the next Banking Business Day);
- for immediate overseas transfers, on the day the instruction is given provided ANZ receives the instruction before 6pm Melbourne time on a Banking Business Day;

Instructions the Account holders give will be delivered to the payee's financial institution on the day that ANZ processes them except where:

- ANZ is not obliged to process their instructions; or
- there is a technical failure; or
- there is a technical or payment infrastructure-related delay that is outside of ANZ's control; or
- There is a delay or error in accepting the instructions caused by the financial institution to which the transfer is to be made; or
- the instructions are for a transfer by way of an overseas draft or telegraphic draft.

Where their instruction is for a transfer by way of ANZ issuing an overseas draft:

- ANZ will send the draft by post to the delivery address notified by Account holders;
- the Account holders acknowledge that it is their responsibility to forward the draft to the intended recipient.

ANZ cannot control (and is not responsible for) when, or if, the payee's financial institution processes their instructions or the fees that financial institutions may charge to process their instructions.

Once ANZ processes their transfer instruction or Direct Debit, ANZ is reliant on the payee's financial institution to advise whether their instructions have been successfully processed. If the payee's financial institution advises that their transfer instruction has not been successful, it may take a number of weeks, depending on the financial institution, to reverse the relevant withdrawal from their linked account.

If the transfer is to be made from a credit card, it will be treated as a cash advance and interest and fees may apply.

PROCESSING INSTRUCTIONS – BPAY® PAYMENTS

ANZ is a member of the BPAY® Scheme. This is an electronic payments scheme through which ANZ can be asked to make payments on their behalf to billers. ANZ will tell the Account holders if it ceases to be a member of the BPAY® Scheme. For the purposes of the BPAY® Scheme, ANZ may also be a biller.

The following sentence will apply to your account from 1 June 2018: This section applies only to BPAY® Payments and does not apply to payments processed using Osko®, which is another service provided by BPAY®.

The Account holders must comply with the terms and conditions for the account which the Account holders ask ANZ to debit a BPAY® Payment (to the extent that those terms are not inconsistent with or expressly overridden by these Electronic Banking Conditions of Use).

To make a BPAY® Payment the following information must be given to ANZ:

- their CRN and password and Security Device Code (if appropriate) or Telecode;
- the biller code from the bill;
- their customer reference number (e.g. the account number) with that biller;
- the amount the Account holders want to pay; and
- the account from which the Account holders want the payment to be made.

Once this information is provided, ANZ will treat their instructions as valid and will debit the relevant account. ANZ will not be obliged to effect a BPAY® Payment instruction if it is not made in accordance with these Electronic Banking Conditions of Use or if the information given is incomplete and/or inaccurate.

Limits apply to their use of BPAY® Payments on both a per transaction and daily limit (per CRN) basis.

Separate daily limits apply for BPAY® Tax Payments, independent of the general BPAY® Payments limits.

For more information on available limits see www.anz.com

Subject to the 'Processing Instructions' conditions set out above:

- any BPAY® Payment made by the Account holders will be processed on the day the Account holders tell ANZ to make

that BPAY® Payment, if ANZ receives their instructions before 6pm Sydney time on a Banking Business Day (ANZ's cut-off time);

- BPAY® Payment instructions received after 6pm Sydney time on a Banking Business Day, or on a day that is not a Banking Business Day, will be processed on the next Banking Business Day.

A delay may occur in processing a BPAY® Payment where:

- there is a public or bank holiday on the day after the Account holders tell ANZ to make a BPAY® Payment;
- the Account holders tell ANZ to make a BPAY® Payment after ANZ's cut-off time; or
- another participant in the BPAY® Scheme, such as another financial institution or a biller does not process a payment as soon as it receives details of the payment or does not otherwise comply with its obligations under the BPAY® Scheme.

While it is expected that any such delay will not continue for more than one Banking Business Day, it may continue for a longer period.

ANZ will attempt to ensure a BPAY® Payment is processed promptly by billers and other participants in the BPAY® Scheme.

The Account holders should check the account records carefully and tell ANZ as soon as possible if the Account holders become aware of:

- a BPAY® Payment which has been made from their linked account which was not authorised;
- the possibility that the Account holders have been fraudulently induced to make a BPAY® Payment; or
- any delay or mistake in processing of their BPAY® Payment.

If ANZ is advised by a biller that it cannot process their BPAY® Payment, ANZ will:

- advise the Account holders of this;
- credit the account with the amount of that BPAY® Payment; and
- tell the Account holders how ANZ can assist them, if possible, in making the payment as soon as possible.

A linked ANZ credit card account can only be used to make a BPAY® Payment if the biller accepts credit card payment. If the biller does not accept credit card payment but the Account holders want to pay from a credit card account, payment will be by way of a cash advance.

The Account holders are not authorised to give a biller code to any person in order to receive payments owing to them. Biller codes may only be used by authorised billers to receive payment of bills issued by that biller. The terms and conditions of use of BPAY® Payments will not apply to any use by the Account holders of biller codes in this way.

SHORT MESSAGE SERVICE (SMS)

The Account holders agree that, by registering for Mobile Banking, ANZ may send SMS' messages to their nominated mobile phone. ANZ is not liable for any loss or damage the Account holders suffer as a result of any person other than the Account holders accessing those SMS messages.

CARD VALIDITY

Any card issued for a Account remains ANZ's property at all times.

A card must be signed immediately by the person in whose name it has been issued and must only be used within the 'valid from' and 'until end' dates shown on the card. For security reasons the Account holders must, as soon as the card expires, destroy it by cutting it (including an embedded microchip on the card) diagonally in half.

SECURITY DEVICE VALIDITY

The Security Device remains ANZ's property at all times. The Security Device must be registered in the manner specified by ANZ. The Account holders must, and the Account holders must ensure that the authorised Administrators and Authorisers, return the Security Device to ANZ immediately if requested by ANZ, if the relevant Security Device is deregistered, if ANZ Internet Banking for Business access is cancelled, or if ANZ cancels their right to use the Security Device. The Account holders should post the Security Device to the address indicated on www.anz.com

LOST OR STOLEN CARDS, SECURITY DEVICE PASSWORD, PIN OR TELECODE

If the Account holders report that a card or Security Device has been lost or stolen the card or Security Device will be cancelled as soon as the report is made. The Account holders must not use the card or Security Device once the report is made. If the Account holders recover the lost or stolen card, the Account

holders must destroy the card by cutting it (including an embedded microchip on the card) diagonally in half and return it to an ANZ branch as soon as possible. If the Account holders recover the lost or stolen Security Device the Account holders must immediately return it to ANZ by porting it to the address indicated on www.anz.com.

The Account holders must make a report to ANZ (and the relevant third party, if a third party issued the username, password, PIN or card to them) immediately the Account holders become aware or suspect that their password, username, PIN, CRN, Telecode or Security Device Code is disclosed or used without their authority, or lost. The Account holders must not then continue to use their password, username, PIN, CRN, Telecode or Security Device Code.

ANZ will cancel it and arrange for the Account holders to select a new username, password, PIN or Telecode, or to be provided with a new CRN or Security Device Code.

The best way to make the report is to call ANZ on the telephone numbers listed at the back of this booklet. If ANZ's telephone reporting service is unavailable, the Account holders must report the loss, theft or misuse to any ANZ branch. The account terms and conditions outline how the Account holders can make a report if ANZ's telephone reporting service is unavailable or the Account holders are overseas.

CANCELLATION OF CARDS, SECURITY DEVICES OR ELECTRONIC ACCESS

ANZ may cancel any card, Security Device, CRN or electronic access:

- without prior notice if:
 - ANZ believes that use of the card, Security Device or electronic access may cause loss to the Account holders or to ANZ;
 - the account is an inactive account;
 - all the accounts which the card may access or the security device relates to have been closed;
 - the account has been overdrawn, or the Sub-account holders have exceeded their agreed credit limit, other than (if your account is an Equity Manager account) by use of the Informal Overdraft facility;

- If we become aware that you do not meet, or cease to meet, our eligibility criteria for the card, CRN, Security Device or electronic access;
- The account or your use of the account is otherwise out of order; or
- on giving the Account holders not less than three months written notice.

ANZ may also at any time suspend their right to participate in the ANZ BPAY® Scheme.

The Account holders may cancel a card at any time by sending ANZ a written request or by calling ANZ on the relevant number listed at the back of this booklet. ANZ may require written confirmation. The card must be cut diagonally in half (including an embedded microchip on the card) and returned to ANZ.

The Account holders or Account Signatories may cancel a Security Device at any time by advising ANZ on the number at the back of this booklet. The Security Device must then be immediately returned to ANZ by posting it to the address indicated on www.anz.com. ANZ may limit their access to certain functions (e.g, Pay Anyone) if the Account holders do not have a Security Device.

The Account holders can request ANZ to de-register the Account holders from ANZ Internet Banking or ANZ Internet Banking for Business at any time by Securemail or by calling the relevant number listed at the back of this booklet.

ANZ may cancel or limit their ANZ Internet Banking or ANZ Internet Banking for Business access, including removing access to some or all of the Accounts from the Account holder's CRN.

WITHDRAWAL OF ELECTRONIC ACCESS

ANZ may withdraw your electronic access to accounts (including by BPAY®) without prior notice if:

- electronic equipment malfunctions or is otherwise unavailable for use;
- a merchant refuses to accept their card;

** A day begins at 12.00.00am (Melbourne time) and ends at 11.59.59pm (Melbourne time) on the same day. If you are not in the same time zone as Melbourne, please check <http://www.australia.gov.au>*

- any one of the accounts is overdrawn or will become overdrawn (other than (if your account is an Equity Manager account) by use of the Informal Overdraft facility), or is otherwise considered out of order by ANZ;
- ANZ believes their access to accounts through electronic equipment may cause loss to the Account holders or to ANZ;
- ANZ believes that the quality or security of their electronic access process or ANZ's systems may have been compromised;
- all the accounts which the Account holders may access using ANZ Phone Banking, ANZ Internet Banking or ANZ Internet Banking for Business have been closed or are inactive or the account the Account holders have nominated for Mobile Banking fees and charges to be charged to is closed; or
- ANZ suspects the Account holders of being fraudulent or engaging in inappropriate behaviour; unless the withdrawal of access is prohibited by law.

ANZ may at any time change the types of accounts that may be operated, or the types of electronic transactions that may be made through particular electronic equipment.

PASSWORD, PIN AND TELECODE SECURITY

- (a) Users must keep their passwords, PINs, Telecodes, Security Devices and Security Device Codes secure. Failure to do so may increase your liability for any loss.

Warning: A user must not use their birth date or an alphabetical code which is a recognisable part of their name as a password, or select a Telecode which has sequential numbers, for example, '12345' or where all numbers are the same, for example, '11111'. If the user does, you may be liable for any loss suffered from an unauthorised transaction.

- (b) A user must not:
- Voluntarily disclose any of their passwords, PINs, Security Device Codes or Telecodes to anyone, including a family member or friend;
 - Write or record passwords, PINs, Security Device Codes or Telecodes on a card, or keep a record of the passwords, PINs, Security Device Codes or Telecodes on anything carried with the card or liable to loss or theft at the same time as the card, unless the user makes a reasonable attempt to protect the security of the passwords, PINs, Security Device Codes or Telecodes;

- Keep a written record of all passwords, PINs, Security Device Codes or Telecodes required to perform transactions on one or more articles liable to be lost or stolen at the same time, without making a reasonable attempt to protect the security of the passwords, PINs, Security Device Codes or Telecodes;
- Select a numeric password, PIN or Telecode that represents your birth date, or an alphabetical password, PIN, Security Device Codes or Telecode that is a recognisable part of their name;
- Otherwise act with extreme carelessness in failing to protect the security of all passwords, PINs, Security Device Codes or Telecodes, (each a 'Security Requirement').

Warning: *Users should avoid accessing ANZ Phone Banking through telephone services which record numbers dialled – for example hotels which do this for billing purposes. In these situations users should obtain access to ANZ Phone Banking through an ANZ customer service operator.*

(c) To assist you, ANZ may publish security guidelines.

(d) *The following paragraph applies to your account from 1 June 2018.* To help protect the security of your account, ANZ may require you to comply with additional authentication requirements before processing a transaction (for example, by requiring you to enter a security code sent to your mobile before processing a withdrawal). ANZ will decide in its discretion which transactions require additional authentication. If you are unable to comply with an authentication request or if the system through which the authentication is done malfunctions or is unavailable for any reason, ANZ may not be able to process a transaction. In this instance, you can contact ANZ for assistance.

UNAUTHORISED TRANSACTIONS

The following terms apply to unauthorised transactions. The terms do not apply to:

- The ANZ Direct Debit Service. The terms relating to liability for Direct Debits are set out in the terms and conditions for ANZ Direct Debits;
- A transaction performed by a user or by anyone who performs a transaction with the knowledge and consent of a user.

(a) When ANZ is liable

ANZ will be liable for losses incurred by the Account Holder that:

- Are caused by the fraudulent or negligent conduct of ANZ's employees or agents or third parties involved in networking arrangements, or of merchants or their agents or employees;
- Are caused by a card, Security Device, Account number, password, PIN, Security Device Code or Telecode which is forged, faulty, expired or cancelled;
- Are caused by a transaction that requires the use of any card, Security Device, password, PIN, Security Device Code or Telecode that occurred before the user received or selected the card, Security Device, password, PIN, Security Device Code or Telecode (including a reissued card, Security Device, password, PIN, Security Device Code or Telecode);
- Are caused by an electronic transaction being incorrectly debited a second or subsequent time to the same Account;
- Are caused by an unauthorised transaction that occurs after you have notified ANZ that any card or Security Device has been misused, lost or stolen or that the security of a password, PIN, Security Device Code or Telecode has been breached;
- Arise from an unauthorised transaction that can be made using an Account number without a password, PIN, Security Device Code or Telecode or card or Security Device. Where a transaction made can be made using a card or Security Device, or a card or Security Device and an Account number, but does not require a password, PIN, Security Device Code or Telecode, you will be liable only if the user unreasonably delays reporting the loss or theft of the card;
- Arise from an unauthorised transaction if it is clear that a user has not contributed to the losses; or
- Occur while ANZ's process for reporting unauthorised transactions, loss, theft or misuse of a card or breach of a Security Requirement is unavailable, provided that a report is made within a reasonable time of the process again becoming generally available.

(b) When the Account holder is liable

- (i) If ANZ can prove on the balance of probability that a user contributed to the loss arising from an unauthorised transaction:
 - by failing to comply with 'Your Obligations' as detailed earlier in these Terms and Conditions or Conditions of Use;

- Through fraud; or

Subject to the terms of any account services provided or referred to you by ANZ, through breaching a Security Requirement, the Account Holder is liable in full for the actual losses that occur before ANZ is notified of the loss, theft or misuse of a card or Security Device or breach of a Security Requirement, but the Account Holder will not be liable for the portion of losses:

- Incurred on any one day that exceed any applicable daily transaction limit;
- Incurred in any period that exceed any applicable periodic transaction limit;
- That exceed the balance of the Account, including any pre-arranged credit; or
- Incurred on any Account that ANZ and the Account Holder had not agreed could be accessed using the card or Security Device or account number and/or password, PIN, Telecode or Security Device Code used to perform the transaction.

(ii) Where:

- More than one password, PIN, Security Device Code or Telecode is required to perform a transaction; and
- ANZ can prove that a user breached a Security Requirement for one or more (but not all) of the required passwords, PINs, Security Device Codes or Telecodes, the Account Holder will only be liable if ANZ can also prove on the balance of probability that the breach of the Security Requirement was more than 50% responsible for the losses, when assessed together with all the contributing causes.

The Account Holder is liable for losses arising from unauthorised transactions that occur because a user contributed to the losses by leaving a card in an ANZ ATM.

(iii) If ANZ can prove, on the balance of probability that a user contributed to the losses resulting from an unauthorised transaction by unreasonably delaying reporting the misuse, loss or theft of a card or Security Device or a breach of a Security Requirement, the Account Holder will be liable for the actual losses that occur between:

- The time when the user became aware of the security compromise, or in the case of a lost or stolen card or

Security Device, should reasonably have become aware;
and

- The time ANZ was notified of the security compromise, however, the Account Holder will not be liable for that portion of the losses:
 - Incurred on any one day that exceeds any applicable daily transaction limit;
 - Incurred in any period that exceeds any applicable periodic transaction limit;
 - That exceeds the balance of the Account, including any pre-arranged credit; or
 - Incurred on any Account that we and the Account Holder had not agreed could be accessed using the card or Security Device and/or password, PIN, Security Device Code or Telecode used to perform the transaction.
- (iv) If it is not clear whether a user has contributed to the loss caused by an unauthorised transaction and where a password, PIN, Security Device Code or Telecode was required to perform the unauthorised transaction, the Account Holder is liable for the least of:
- \$150 or a lower figure determined by ANZ;
 - The balance of the Account or Accounts (including any prearranged credit) from which ANZ and the Account Holder have agreed could be accessed using the card or Security Device and/or password, PIN, Security Device Code or Telecode; or
- The actual loss at the time ANZ is notified of the misuse, loss or theft of a card or Security Device or breach of a Security Requirement (but not that portion of the loss incurred on any one day* which is greater than the daily transaction limit or other periodic transaction limit (if any)).

ADDITIONAL PROTECTION

Visa – Zero Liability

Subject to the section headed 'Unauthorised Transactions' the Account holders will not be liable for unauthorised transactions on a Visa credit card.

If the Account holders notify us of an unauthorised transaction(s), within 5 business days ANZ will provide provisional credit to the Account holders to the value of the unauthorised transaction unless their prior account history is unsatisfactory or if the nature of transactions justifies a delay in crediting the account.

MasterCard – Zero Liability

Subject to the section headed 'Unauthorised Transactions' the Account holders will not be liable for unauthorised transactions on a MasterCard credit card.

EQUIPMENT MALFUNCTION

The Account holders should note that:

ANZ is responsible to the Account holder for any loss caused by the failure of a system or equipment to complete a transaction that was accepted in accordance with their instructions.

However, if the Account holders were aware or should reasonably have been aware that the system or equipment was unavailable for use or malfunctioning, ANZ's responsibility will be limited to correcting errors in the account and refunding any charges or fees imposed as a result.

The Account holders are responsible for the accuracy and completeness of the content that the Account holders enter into or upload to ANZ Internet Banking and ANZ Internet Banking for Business. ANZ is not responsible for any inaccuracy or incompleteness in the entering or uploading of information by Account holders. ANZ's records of the information and data that was uploaded will be determinative and final.

The Account holders are solely responsible for their own Personal Computer anti-virus and Personal Computer and mobile phone security measures, and those of any authorised user, to help prevent unauthorised access via ANZ Internet Banking, ANZ Internet Banking for Business or Mobile Banking to their transactions and linked accounts.

ACCESS TO OTHER SERVICES

The Account holders may use ANZ Internet Banking or ANZ Internet Banking for Business to access other ANZ services, such as the ANZ Direct Debit service. If there is any inconsistency between the terms and conditions set out in these Electronic Banking Conditions of Use and the Account holders' agreement for that other service, the terms of the agreement for that other service prevail when using ANZ Internet Banking or ANZ Internet Banking for Business to access or use that other service.

LIABILITY UNDER THE BPAY[®] SCHEME

(a) General

The Account holders should note that:

- if the Account holders advise ANZ that a BPAY[®] Payment made from a linked account is unauthorised, the Account holders should first give ANZ their written consent to obtain from the biller information about the account with that biller or the BPAY[®] Payment, (including their CRN) as ANZ reasonably requires to investigate the BPAY[®] Payment. This should be addressed to the biller who received the BPAY[®] Payment. If the Account holders do not do this, the biller may not be permitted by law to disclose to ANZ the information ANZ needs to investigate or rectify that BPAY[®] Payment;
- if the Account holders discover that the amount the Account holders instructed ANZ to pay was less than the amount the Account holders needed to pay, the Account holders can make another BPAY[®] Payment for the shortfall. If the Account holders cannot make another BPAY[®] Payment for the shortfall because the shortfall amount is less than the minimum amount the biller will accept, the Account holders can ask ANZ to arrange for a reversal of the initial payment. The Account holders can then make a second payment for the correct amount. If the Account holders discover that the amount the Account holders instructed ANZ to pay was more than the amount the Account holders needed to pay, the Account holders can ask ANZ to request a reversal of the initial payment from the biller on their behalf, and if this occurs, the Account holders can make a second payment for the correct amount.

(b) ANZ's liability

Where the Account holders use the account for personal purposes, if the Account holders are liable for an unauthorised or fraudulent payment under this 'Liability under the BPAY[®] Scheme' section or as a result of a BPAY[®] billing error and the ePayment Code applies, then the Account holders' liability is limited to the lesser of:

- (i) the amount of that unauthorised or fraudulent payment; or
- (ii) the limit (if any) of the Account holders' liability set out under 'Unauthorised transactions'.

If (ii) applies, ANZ will be liable to the Account holders for the difference between the amount for which the Account holders are liable and the amount of the unauthorised or fraudulent payment.

Where the Account holders use the account for business purposes, ANZ will not be liable to the Account holders under the BPAY[®] Scheme except in the circumstances set out in this clause.

BPAY[®] PAYMENTS

Except where a BPAY[®] Payment is an Unauthorised Payment, a Fraudulent Payment or a Mistaken Payment, BPAY[®] Payments are irrevocable. No refunds will be provided through the BPAY[®] Scheme where the Account holders have a dispute with the biller about any goods or services the Account holders may have agreed to acquire from the biller. Any dispute must be resolved with the biller.

UNAUTHORISED PAYMENTS

If a BPAY[®] Payment is made in accordance with a payment direction, which appeared to ANZ to be from the Account holders or on their behalf, but which the Account holders did not in fact authorise, ANZ will credit the account with the amount of that unauthorised payment. However, the Account holders must pay ANZ the amount of that payment if:

- (i) ANZ cannot recover the amount from the person who received it within 20 Banking Business Days of ANZ attempting to do so; and
- (ii) the payment was made as a result of a payment direction which did not comply with ANZ's prescribed security procedures.

FRAUDULENT PAYMENTS

If a BPAY® Payment is induced by the fraud of a person involved in the BPAY® Scheme, then that person should refund the Account holders the amount of the fraud-induced payment. However, if that person does not refund the Account holders that amount, the Account holders must bear the loss unless some other person involved in the BPAY® Scheme knew of the fraud or would have detected it with reasonable diligence, in which case that person must refund the Account holders the amount of the fraud-induced payment.

MISTAKEN BPAY® PAYMENTS

If the Account holders discover that a BPAY® Payment has been made to a person, or for an amount, which is not in accordance with their instructions (if any), and the account was debited for the amount of that payment, ANZ will credit that amount to the account. However, if the Account holders were responsible for a mistake resulting in that payment and ANZ cannot recover the amount of that payment from the person who received it within 20 Banking Business Days of ANZ attempting to do so, the Account holders must pay that amount to ANZ.

The Account holders acknowledge that the receipt by a biller of a mistaken or erroneous payment does not or will not, under any circumstances, constitute part or whole satisfaction of any underlying debt owed between the Account holders and that biller.

(c) Consequential loss

ANZ is not liable for any consequential loss or damage the Account holders suffer as a result of using the BPAY® Scheme, other than due to any loss or damage the Account holders suffer due to ANZ's negligence or in relation to any breach of a condition or warranty implied by law in contracts for the supply of goods and services and which may not be excluded, restricted or modified at all or only to a limited extent.

(d) Indemnity

To the extent permitted by law, the Account holders indemnify ANZ against any loss or damage ANZ may suffer due to any claim, demand or action of any kind brought against ANZ arising directly or indirectly because Account holders:

- (i) did not observe their obligations under;
- or

(ii) acted negligently or fraudulently in connection with, these Electronic Banking Conditions of Use.

MISTAKEN INTERNET PAYMENTS

A user may report a Mistaken Internet Payment at any ANZ branch or by phoning ANZ on 13 13 14.

Where a user reports a Mistaken Internet Payment, ANZ will investigate whether a Mistaken Internet Payment has occurred.

If ANZ is satisfied that a Mistaken Internet Payment has occurred, ANZ will send the Receiving Bank a request for return of the funds.

If ANZ is not satisfied that a Mistaken Internet Payment has occurred, ANZ will not take any further action.

ANZ will inform the user of the outcome of a reported Mistaken Internet Payment in writing within 30 business days of the report being made.

PROCESS WHERE FUNDS ARE AVAILABLE AND REPORT IS MADE WITHIN 10 BUSINESS DAYS

This paragraph will apply to your account until 31 May 2018. From 1 June 2018 the paragraph below titled "Process where funds are available and report is made within 10 business days (from 1 June 2018)" will replace it.

Where a user reports a mistaken internet payment within 10 business days of making the payment and:

- ANZ and the Receiving Bank are satisfied that a mistaken internet payment has occurred; and
- ANZ is advised by the Receiving Bank that there are sufficient credit funds available in the account of the unintended recipient to cover the payment,

the Receiving Bank must forward the funds to ANZ no later than 10 business days after receiving our request to return the funds.

PROCESS WHERE FUNDS ARE AVAILABLE AND REPORT IS MADE WITHIN 10 BUSINESS DAYS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

Where a user reports a Mistaken Internet Payment within 10 business days of making the payment and:

- ANZ and the Receiving Bank are satisfied that a Mistaken Internet Payment has occurred; and
- ANZ is advised by the Receiving Bank that there are sufficient credit funds available in the account of the unintended recipient to cover the payment,

the Receiving Bank must forward the funds to ANZ no later than 10 business days after receiving our request to return the funds, unless the payment was processed through the New Payments Platform or Osko®, in which case the Receiving Bank may return the funds.

PROCESS WHERE FUNDS ARE AVAILABLE AND REPORT IS MADE BETWEEN 10 BUSINESS DAYS AND 7 MONTHS

This paragraph will apply to your account until 31 May 2018. From 1 June 2018 the paragraph below titled "Process where funds are available and report is made between 10 business days and 7 months (from 1 June 2018)" will replace it.

Where a user reports a mistaken internet payment between 10 business days and 7 months after making the payment and:

- ANZ and the Receiving Bank are satisfied that a mistaken payment has occurred; and
- ANZ is advised by the Receiving Bank that there are sufficient credit funds available in the account of the unintended recipient to cover the payment; and
- the Receiving Bank prevents the unintended recipient from withdrawing the funds for 10 business days and during this period the unintended recipient does not establish that they are entitled to the funds,

the Receiving Bank must forward the funds to ANZ within 2 business days of the expiry of the 10 business day period referred to above.

PROCESS WHERE FUNDS ARE AVAILABLE AND REPORT IS MADE BETWEEN 10 BUSINESS DAYS AND 7 MONTHS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

Where a user reports a Mistaken Internet Payment between 10 business days and 7 months after making the payment and:

- ANZ and the Receiving Bank are satisfied that a Mistaken Internet Payment has occurred; and
- ANZ is advised by the Receiving Bank that there are sufficient credit funds available in the account of the unintended recipient to cover the payment; and
- the Receiving Bank prevents the unintended recipient from withdrawing the funds for 10 business days and during this period the unintended recipient does not establish that they are entitled to the funds,

the Receiving Bank may forward the funds to ANZ following the expiry of the 10 business day period referred to above.

Unless the payment was processed through the New Payments Platform or Osko®, the funds must be forwarded to ANZ within 2 business days of the expiry of this period.

PROCESS WHERE FUNDS ARE AVAILABLE AND REPORT IS MADE AFTER 7 MONTHS

This paragraph will apply to your account until 31 May 2018. From 1 June 2018 the paragraph below titled "Process where funds are available and report is made after 7 months (from 1 June 2018)" will replace it.

Where a user reports a mistaken internet payment more than 7 months after making the payment and:

- ANZ and the Receiving Bank are satisfied that a mistaken payment has occurred; and
- ANZ is advised by the Receiving Bank that there are sufficient credit funds available in the account of the unintended cover the payment; and
- the unintended recipient consents to return of the funds, the Receiving Bank must forward the funds to ANZ.

PROCESS WHERE FUNDS ARE AVAILABLE AND REPORT IS MADE AFTER 7 MONTHS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

Where a user reports a Mistaken Internet Payment more than 7 months after making the payment and:

- ANZ and the Receiving Bank are satisfied that a mistaken payment has occurred; and
- ANZ is advised by the Receiving Bank that there are sufficient credit funds available in the account of the unintended cover the payment; and
- the unintended recipient consents to return of the funds, the Receiving Bank must forward the funds to ANZ, unless the payment was processed through the New Payments Platform or Osko®, in which case the Receiving Bank may return the funds.

MISDIRECTED PAYMENTS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

A user may report a Misdirected Payment using ANZ Internet Banking. Where a user reports a Misdirected Payment, ANZ will investigate whether a Misdirected Payment has occurred. If ANZ is satisfied that a Misdirected Payment has occurred, ANZ will send the Receiving Bank a request for return of the funds.

PROCESS FOLLOWING RECOVERY OF FUNDS

This paragraph will apply to your account until 31 May 2018. From 1 June 2018 the paragraph below titled "Process following recovery of funds (from 1 June 2018)" will replace it.

If the Receiving Bank recovers the funds from the unintended recipient and forwards the funds to ANZ, we will return the funds to the account holder as soon as practicable.

If the Receiving Bank is unable to recover the funds from the unintended recipient, the account holder will be liable for losses arising from the mistaken internet payment.

PROCESS FOLLOWING RECOVERY OF FUNDS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

If the Receiving Bank recovers the funds from an unintended recipient and forwards the funds to ANZ, we will return the funds to the account holder as soon as practicable.

If the Receiving Bank is unable to recover the funds from the unintended recipient, the account holder will be liable for losses arising from the Mistaken Internet Payment or Misdirected Payment.

COMPLAINTS ABOUT MISTAKEN INTERNET PAYMENTS

This paragraph will apply to your account until 31 May 2018.

From 1 June 2018 the paragraph below titled "Complaints about mistaken internet payments and misdirected payments (from 1 June 2018)" will replace it.

A user who reports a Mistaken Internet Payment can complain to ANZ about how the report is dealt with.

ANZ will deal with the complaint in accordance with this booklet.

COMPLAINTS ABOUT MISTAKEN INTERNET PAYMENTS AND MISDIRECTED PAYMENTS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

A user who reports a Mistaken Internet Payment or Misdirected Payment can complain to ANZ about how the report is dealt with.

ANZ will deal with the complaint in accordance with this booklet.

UNINTENDED RECIPIENTS

This paragraph will apply to your account until 31 May 2018. From 1 June 2018 the paragraph below titled "Unintended recipients (from 1 June 2018)" will replace it.

If you receive a mistaken internet payment into your account and ANZ, as Receiving Bank is required to forward the funds to the payer's authorised deposit taking institution, you authorise ANZ to withdraw the funds from your account and return the funds to the payer's authorised deposit-taking institution.

UNINTENDED RECIPIENTS (FROM 1 JUNE 2018)

This paragraph will apply to your account from 1 June 2018.

If you receive a Mistaken Internet Payment or Misdirected Payment into your account and ANZ, as Receiving Bank is required to forward the funds to the payer's authorised deposit taking institution, you authorise ANZ to withdraw the funds from your account and return the funds to the payer's authorised deposit taking institution.

PRECEDENCE OF TERMS

If there is any inconsistency between the terms and conditions set out in the Electronic Banking Conditions of Use and the account terms and conditions, the Account terms and conditions prevail.

For the avoidance of doubt, these Electronic Banking Conditions of Use apply when the Account holders access their personal accounts via ANZ Internet Banking for Business. However, their personal accounts will still be governed by the Electronic Banking Conditions of Use set out in the Terms and Conditions documents which apply to those personal accounts when the Account holders access their personal accounts via ANZ Internet Banking, ANZ Phone Banking or Mobile Banking.

PayID CONDITIONS (FROM 1 JUNE 2018)

These PayID conditions will apply to your account from 1 June 2018.

A PayID is a smart address used to receive payments through the New Payments Platform instead of using your account number and BSB. You may be able to create an optional PayID by linking your eligible ANZ account to an eligible PayID type (such as a mobile number, email address or ABN (if eligible)). A PayID linked to your ANZ account can be used by others to make payments to you through the New Payments Platform without having to enter your account number and BSB, where they are permitted to do so by their financial institution. You must have authority to use any PayID you create and to link it to your ANZ account, and we may require proof of this.

You or an Administrator of your account may be able to create, update, transfer or close a PayID for your eligible ANZ account

through Internet Banking, or in any other way we make available. We may rely on any instruction received from an Administrator.

Only one account can be linked to a specific PayID at a time, but you can create multiple PayIDs for each eligible account.

Your PayID must be associated with a name (**PayID Name**) which reasonably represents you. When you create a PayID, ANZ will generally use the account name of your linked account as your PayID Name. By creating a PayID, you agree that your PayID Name may be shown to anyone who looks up your PayID (for example, to make a payment to you).

You can generally transfer a specific PayID to another eligible account that you own (including an account with another financial institution). You will need to tell us that you want to transfer the PayID through Internet Banking or another facility we provide for this purpose. If you are transferring your PayID to another financial institution, they may also require you to take steps to complete the transfer. Once the PayID is linked to your new account, payments made to the PayID will be directed to that account.

We will complete a request to transfer or close a PayID within 24 hours. However, if you are transferring a PayID to another institution, you will also need to request that institution to link the PayID to your account with that institution and the other financial institution may take longer to process the request.

If you change the mobile number or email address you are using as your PayID, or no longer have authority to use that PayID or link it to that account, you must update or close your PayID. You must tell us if your PayID Name no longer reasonably represents the account holder's name. You must also tell us if any other PayID information changes or you are no longer authorised to use the account.

We monitor the use of PayIDs and confirm regularly that they remain correct. We may lock or close your PayID if:

- we become aware of suspicious activities relating to your PayID or your account, or we suspect that it has been used for fraudulent purposes, or
- you cannot verify that you continue to be authorised to use your PayID, or
- your PayID has not been used or validated for 3 years or more, or

- someone attempts to register the PayID for another account, we are unable to contact you, and your PayID has been inactive for 6 months or more, or
- you close your account or cease to be authorised to operate the account.

When your PayID is locked, it cannot be updated or used to receive payments, and you may be prevented from transferring it to another account. It may also be closed.

We may require you to re-confirm that you have authority to use a PayID at any time. If there is a dispute about who has authority to use any PayID you have created, we will contact you and may ask you for additional proof of your authority. If you are unable to provide that proof within the time limit we specify, your PayID may be closed or linked to an account held by another person.

If your PayID changes or is closed, you are responsible for informing those who make payments to you using the PayID. The PayID may be registered by another user if they can demonstrate they have the right to use it, and payments using this PayID will then be made to the other user's account.

When we may not allow you to create a PayID

We may not allow you to create a PayID if:

- your account is unable to receive payments through the New Payments Platform using a PayID, or
- you cannot verify that you have authority to use the PayID or the relevant account, or
- we become aware of suspicious activities relating to the account, or
- electronic equipment or systems malfunction or are otherwise unavailable for use, or we believe that their quality or security have been compromised, or
- we believe your access to PayID may cause loss to the account holder or to ANZ.

Who will receive your information and how is it used

By creating a PayID, you consent to us collecting and disclosing information about you (including your PayID, your PayID Name and your account number) to NPP Australia Limited, the operator of the PayID service, to enable you to receive payments using the PayID service and for related purposes. You also consent to NPP Australia Limited sharing this information with other financial institutions, BPAY Pty Ltd and their service

providers to allow the PayID service to operate (for example, for users of the PayID service to make payments to you or for other reasonable activities, such as tracing lost transactions, investigating fraud or where required by law).

When someone searches for your PayID or uses your PayID to make a payment to you, they may see your PayID Name (but not your other account details).

The collection, use and disclosure of information about you is also governed by the ANZ Privacy Policy available at anz.com.

CHANGES TO THE ELECTRONIC BANKING CONDITIONS OF USE

ANZ can change the Electronic Banking Conditions of Use at any time. ANZ will give you at least 30 days prior written notice of any changes which:

- impose or increase fees or charges for issuing or replacing a card, password, PIN or Telecode;
- impose or increase fees or charges for performing transactions; or
- increase your liability for losses relating to transactions; or
- change your daily transaction limit or other periodical transaction limit applying to the use of electronic equipment; or
- impose, remove or change your daily or other periodic limit on transactions, an account or electronic equipment (eg limits on the number or value of ATM withdrawals).

INFORMATION STATEMENT

This information statement is provided in accordance with the National Credit Code and only applies to you if your Facility is regulated by the Code.

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, Australia and New Zealand Banking Group Limited ABN 11 005 357 522 ("ANZ").

It does not state the terms and conditions of your contract

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

THE CONTRACT

1. HOW CAN I GET DETAILS OF MY PROPOSED CREDIT CONTRACT?

ANZ must give you a pre-contractual statement containing certain information about your contract. The pre-contractual 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 ANZ, you must be given a copy to keep.

Also, ANZ must give you a copy of the final contract within 14 days after it is made.

This rule does not, however, apply, if ANZ has previously given you a copy of the contract document to keep.

If you want another copy of your contract, write to ANZ and ask for one. ANZ may charge you a fee. ANZ 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 ANZ 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 ANZ 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 ANZ the amount required to pay out your credit contract on the day you wish to end your contract. There may be fees and charges applicable.

5. HOW CAN I FIND OUT THE PAY OUT FIGURE?

You can write to ANZ 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.

ANZ must give you the statement within 7 days after you give your request to ANZ.

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 ANZ to charge one) and other fees.

7. CAN MY CONTRACT BE CHANGED BY ANZ?

Yes, but only if your contract says so.

8. WILL I BE TOLD IN ADVANCE IF ANZ 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 ANZ;

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

If that is not successful, you may contact ANZ's external dispute resolution scheme, the Australian Financial Complaints Authority (AFCA). AFCA is a free service established to provide you with an independent mechanism to resolve specific complaints. AFCA can be contacted by phone on 1800 931 678, by email at info@afca.org.au, or by writing to: Australian Financial Complaints Authority (AFCA), 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?

ANZ 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, ANZ 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 mortgage property or consumer credit insurance and the premium is financed by ANZ. 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 ANZ then, within 14 days of that happening, ANZ 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?

ANZ 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 ANZ 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 ANZ.

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 ANZ 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 ANZ'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 ANZ, together with a letter saying you want ANZ to sell the property for you;
- sell the property, but only if ANZ gives you permission first; or
- give the property to someone who may take over the repayments, but only if ANZ gives permission first.

If ANZ won't give permission, you can contact AFCA, ANZ's 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 ANZ even after mortgaged property is sold.

19. CAN ANZ TAKE OR SELL THE MORTGAGED PROPERTY?

Yes, if you have not carried out all of your obligations under your contract or a guarantee you have provided.

20. IF ANZ WRITES ASKING ME WHERE THE MORTGAGED GOODS ARE, DO I HAVE TO SAY WHERE THEY ARE?

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

21. WHEN CAN ANZ OR ITS AGENT COME INTO A RESIDENCE TO TAKE POSSESSION OF MORTGAGED GOODS?

ANZ 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 ANZ immediately. Discuss the matter and see if you can come to some arrangement. You can ask ANZ to change your contract in a number of ways, for example:

- to extend the term of your contract and reduce payments;
- 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 ANZ AND I CANNOT AGREE ON A SUITABLE ARRANGEMENT?

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

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

24. CAN ANZ 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 ANZ's external dispute resolution scheme, AFCA, 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 ANZ. You must attempt to resolve your complaint with ANZ before contacting ANZ's external dispute resolution scheme. If you have a complaint which remains unresolved after speaking to ANZ you can contact ANZ's external dispute resolution scheme, the Australian Financial Complaints Authority (AFCA), or get legal advice.

AFCA is a free service established to provide you with an independent mechanism to resolve specific complaints. AFCA can be contacted by phone on 1800 931 678, by email at info@afca.org.au or by writing to: Australian Financial Complaints Authority (AFCA), GPO Box 3, Melbourne VIC 3001. Please keep this information statement. You may want some information from it at a later date.

POSTAL ADDRESSES

ANZ Mortgages

Locked Bag No. 9
Collins Street West Post Office
Melbourne, Victoria 8007

ANZ Cards

Locked Bag No. 10
Collins Street West Post Office
Melbourne, Victoria 8007

ANZ Personal Banking

Contact your nearest branch

ANZ Margin Lending

GPO Box 4338
Melbourne VIC 3001

V2 Plus Service Centre

GPO Box 4028 Sydney NSW 2001; or
Customer Enquiries

CUSTOMER ENQUIRIES

ANZ Mortgages

Home Loan Hotline 1800 035 500

(for enquiries about new Home Loans or Residential Investment Loans)

ANZ Mortgages Customer Service 13 25 99

(for enquiries about your existing Home Loans or Residential Investment Loans)

ANZ Cards

13 22 73

ANZ Personal Banking

13 13 14

ANZ Margin Lending

1800 639 330

ANZ Trustees (V2 PLUS Service Centre)

13 28 33

Lost or stolen cards, suspected unauthorised transactions or divulged passwords

1800 033 844; or

Melbourne (03) 9683 7047

(24 hours a day)

Lost, stolen or divulged passwords

For passwords used online, call 13 33 50

For all other passwords, call 1800 033 844

(24 hours a day)

Mobile Banking

1300 ANZ MOBI (1300 269 6624) or

<http://www.anz.com/personal/ways-bank/banking-mobile-devices>

www.anz.com

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