

Terms & Conditions

- Commercial Overdraft
- Everyday Business Overdraft
- Just In Case Business Overdraft

Effective 17 January 2024



Great Southern
Bank

Information about the Customer Owned Banking Code of Practice

The relevant provisions of the Customer Owned Banking Code of Practice apply to these Terms and Conditions.

The following Terms and Conditions are applicable to all Great Southern Bank Commercial Overdrafts, Everyday Business Overdrafts and Just in Case Business Overdrafts, replacing all previously issued Terms and Conditions.

In this document reference to Great Southern Bank includes Credit Union Australia Ltd or CUA where relevant.

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1. Definitions and interpretation

Unless the context otherwise requires, words have the following meaning:

“Annual Percentage Rate” means the interest rate as applicable to this Loan from time to time.

“ASIC Act” means the Australian Securities and Investments Commission Act 2001 (Cth).

“Business Day” means a day other than Saturday, Sunday or a public holiday that we are open for business in Brisbane.

“Borrower” means the Borrower/s named in the Loan, individually and collectively and their successors and assigns.

“Consumer contract” has the meaning given in section 12BF(3) of the ASIC Act.

“Credit Limit” means the maximum amount you may draw down under the Loan.

“Default Rate of Interest” means the default rate, if any, specified as such in the Schedule or any default rate we introduce under clause 11.

“Event of Default” means any one of the events referred to in these Terms and Conditions under the heading **“Events of Default”**.

“guarantor” means any person who at any time guarantees payment of the Loan.

“Insolvent” means your inability, in our reasonable opinion, to pay your debts as and when they become due and owing.

“Interest Charges” means interest charges calculated in accordance with the Offer and Loan Contract.

“Legitimate Interests” includes our legitimate business needs, prudential requirements and/or security requirements (including any reasonable response to material changes to our business or systems).

“Loan” means the facility made available to you under which we may make advances of money to you up to the Credit Limit and any other moneys owing, including interest, credit fees and charges and any other moneys which become due, owing and/or payable to us under these Terms and Conditions.

“Mortgaged Property” means any property the subject of a Security.

“mortgagor” means any person who provides a mortgage as security for the Loan or a guarantee of the Loan.

“month” means calendar month.

“PPSR” means the Personal Property Securities Register administered by the Australian Financial Security Authority (AFSA).

“Security” means any mortgage, guarantee, or other security agreement specified in the Schedule as security for the Loan or any guarantee of the Loan.

“Small business” has the meaning given in section 12BC(2) of the ASIC Act.

“Small business customer” means customers who operate a small business within the meaning of the Customer Owned Banking Code of Practice or enter into a Loan Contract which amounts to a small business contract within the meaning of section 12BF(4) of the ASIC Act.

“Trustee” means the trustee/s of the Borrower named in the Trust Deed individually and collectively.

“Trust Deed” means the trust deed appointing the trustee of the Borrower.

“Unpaid Daily Balance” means the balance of the Loan owing at the end of the day.

“we”, “us”, and “Great Southern Bank” each refer to Credit Union Australia Limited trading as Great Southern Bank, its successors and assigns.

“you” or “your” means each Borrower.

A reference to a person includes a corporation whether incorporated or not.

Singular includes the plural and vice versa.

Words importing one gender include all other genders.

If there is any inconsistency between any Security and the Loan Contract, the Loan Contract shall prevail to the extent of such inconsistency.

A reference to any government department or other body includes any other body empowered to perform the relevant duties.

A reference to any law includes any ordinance, regulation, rule or by-law made under or pursuant to such law and all variations, amendments, consolidations or substitutions of that law from time to time.

A reference to a Clause or Schedule is a reference to a clause or schedule of these Terms and Conditions.

Headings are for convenience only and do not affect the interpretation of these Terms and Conditions.

Other parts of speech and grammatical forms of a word or phrase defined in these Terms and Conditions have a corresponding meaning.

A reference to a party to these terms and conditions includes that party's executors, administrators, successors and permitted assigns.

2. Loan

Subject to these terms and conditions:

- (a) we agree to make available to you credit up to the Credit Limit; and
- (b) you agree not to exceed the Credit Limit; and
- (c) we may reduce the Credit Limit to the balance of the Loan at any time. We do not have to notify you beforehand, but we must notify you as soon as practicable afterwards.

3. Repayments

- (a) The total outstanding balance of the Loan is repayable to us on demand.
- (b) You must also pay us immediately the amount required to reduce the balance of the Loan to the Credit Limit. This occurs if you exceed the Credit Limit;
- (c) You may repay all or any part of the Loan at any time;
- (d) If we do not receive value for a cheque, payment order or direct credit, or if an error is made, we may:
 - (i) reverse any credit;
 - (ii) charge you interest; and
 - (iii) exercise any right or remedy under these Terms and Conditions

as if the repayment or error had never been made;

- (e) If you are liable to us under 2 or more loans and do not tell us in writing to which account we are to credit any repayment, we may credit the repayment to this loan or any of the other loan as we choose;
- (f) We may apply any payment to enforcement expenses, default interest, credit fees and charges, interest or principal as we choose;
- (g) We may, in order to protect our Legitimate Interests, vary:
 - (i) how the outstanding balance of the Loan and any further amounts which become payable are to be repaid, for example, by requiring:
 - A. principal and interest repayments; or
 - B. interest only payments,over a specified term instead of the Loan being repayable on demand;
 - (ii) the amount, method of calculation, frequency or time of any principal and interest repayments or interest only payments.

- (h) If a variation we make increases your repayment obligations, except where such change occurs during any interest only period, we will give you written notice at least 30 days before the variation takes effect;
- (i) If a variation we make does not increase your obligations, we will notify you in your next statement of account of the variation.

4. Interest charges

We will calculate interest and debit it to the Loan on the last day of each calendar month by applying daily a daily percentage rate to the Unpaid Daily Balance at the end of the day of that month. The daily percentage rate is the Annual Percentage Rate divided by the number of days in that calendar year.

We may vary how we calculate interest or how often we debit interest. If the variation increases your obligations, we must give you written notice at least 30 days before the increase takes effect.

We will debit interest as follows:

- (a) calendar monthly - on the last day of each calendar month; and
- (b) on the day you pay the balance of the Loan.

5. Calculating Default Interest charges

This clause only applies if a Default Rate of Interest is applicable if we vary these Terms and Conditions under clause 9 by introducing a Default Rate.

If you do not make a repayment when due, you must pay us default interest as well as interest.

We will calculate default interest daily by multiplying the overdue amount by the daily default percentage rate. The daily default percentage rate is the Default Rate of Interest divided by the number of days in that calendar year.

We will debit default interest on the same day as we debit interest under clause 4.

6. Variation of Annual Percentage Rate

We may vary the Annual Percentage Rate. However, we do not have this right whenever the Annual Percentage Rate is fixed.

If we increase the Annual Percentage Rate and/or any applicable margin, we will notify you of the variation no later than the day it takes effect, by:

- (a) sending you notification in your next statement of account; or
- (b) giving you written notice.

If any other variation under this clause changes the manner in which interest is calculated or applied, and increases your obligations, then we will give you written notice at least 30 days before the change takes effect.

If a variation under this clause does not increase your obligations, we will send you notification in your next statement of account.

You can also find out what the current Annual Percentage Rate is by phoning us on 133 282.

7. Loan fees and charges

Details of current credit fees and charges are available on Business Lending Schedule of Fees available on Great Southern Bank's website www.greatsouthernbank.com.au.

8. Variation of credit fees and charges

We may (where it is necessary in order to protect our Legitimate Interests):

- (a) vary the amount of any credit fee or charge;
- (b) add a new credit fee or charge;
- (c) vary the method of calculating any credit fee or charge; or
- (d) vary the time or frequency of payment for any credit fee or charge.

If the variation increases your obligations, we must notify you at least 30 days before the change takes effect by:

- (a) sending you notification in your next statement of account; or
- (b) giving you written notice.

If the variation does not increase your obligations, we will send you notification in your next statement of account.

Notwithstanding the above, government fees are set by a third party and may change without notice. The amount of government fees will be subject to the government scale of fees at the time the amount is payable.

9. Other variations

- (a) We may (where it is necessary in order to protect our Legitimate Interests) vary Terms and Conditions as follows:
 - (i) add a Default Rate of Interest to calculate default interest charges you must pay under clause 5; or
 - (ii) to increase or decrease the Default Rate of Interest; or
 - (iii) to change any other term or condition that applies; or
 - (iv) to change the loan product type.

- (b) If any of the changes we make under this clause increases your obligations, except where an applicable code or law provides or allows otherwise, we must give you written notice at least 7 days before the increase takes effect. If the variation does not increase your obligations, we will send you notification in your next statement of account.

- (c) If you are a small business customer we may, acting reasonably and to the extent reasonably necessary to protect our Legitimate Interest, vary these terms and conditions as follows:

- (i) add a Default Rate of Interest to calculate default interest charges you must pay under clause 5; or
- (ii) to increase or decrease the Default Rate of Interest; or
- (iii) to change any other term or condition that applies to these terms and conditions; or
- (iv) to change the loan product type under your Loan Contract.

- (d) We will tell you about these changes as soon as reasonably possible (which may be before or after the change is made) or, where the change is unfavourable to you, by providing you with 30 days written notice of the change. We may also give you a shorter notice period (or no notice) of an unfavourable change if it is reasonable for us to manage a material and immediate risk.

10. Annual reviews

- (a) Without limiting our rights under these Terms and Conditions, we may conduct annual reviews of your Loan, any Security and your financial position.
- (b) In order to assist us in conducting each such review, you agree to provide such information and documentation we reasonably request and to do so within 45 days of our request.
- (c) Without limiting our rights under these Terms and Conditions, we may use the findings of our review to determine whether to require repayment of the Loan or whether to change the Terms and Conditions including by:
 - (i) changing repayment obligations under clause 3,
 - (ii) changing interest charge obligations under clause 4;
 - (iii) introducing or changing default interest obligations under clause 5;
 - (iv) changing the annual percentage rate under clause 6;
 - (v) introducing or changing obligations in relation to credit fees or charges under clause 8; and
 - (vi) making any other change under clause 9.

- (d) We will tell you about these changes as soon as reasonably possible (which may be before or after the change is made) or, where the change is unfavourable to you, by providing you with 30 days written notice of the change. We may also give you a shorter notice period (or no notice) of an unfavourable change if it is reasonable for us to manage a material and immediate risk.

11. Events of Default

Each of the events listed below is an Event of Default under these Terms and Conditions:

- (a) you indicate that you are not ready, willing or able to perform your obligations under these Terms and Conditions;
- (b) you exceed the Credit Limit;
- (c) you or any mortgagor provide incorrect, misleading or untrue information to us which is material to our risk in providing the Loan; or
- (d) there is an event of default under any Security that corresponds with an event of default under these Terms and Conditions; or
- (e) you become insolvent; or
- (f) you die or become unable to manage your own affairs; or
- (g) in relation to a mortgage, a mortgagor fails to renew on terms that satisfy us any Mortgaged Property insurance that we require; or
- (h) you refuse or otherwise fail, without good cause, to provide the information or documentation we request in accordance with clause 10(b).
- (i) if these Terms and Conditions are not regarded as a consumer contract or small business contract, you:
 - (i) fail to comply with any other of the terms and conditions; or
 - (ii) breach any other term; or
 - (iii) in relation to a mortgage:
 - A. a mortgagor fails to comply with any of the terms and conditions of the mortgage or any insurance policy that we require in relation to the Mortgaged Property; or
 - B. a mortgagor breaches any term of the mortgage or any insurance policy in relation to the Mortgaged Property that we require; or
 - C. any mortgage that we require in relation to these Terms and Conditions is unenforceable according to its terms; or
 - D. an insurer terminates any Mortgaged Property insurance we require.

Except where you fail to make a payment to us when due, before we take any action available to us under this clause, we will make an assessment that the default is material, either by its nature or where we reasonably consider that the default has had, or is likely to have, a material impact on:

- (a) your ability or a guarantor's ability to meet financial obligations to us;
- (b) our credit or security risk (or our ability to assess these); or
- (c) our legal or reputational risk.

If an Event of Default occurs, we may send you a default notice. The notice will tell you:

- (a) what the default is; and
- (b) what you have to do to remedy the default; and
- (c) that you will have at least 30 days from the date of the notice to remedy the default.

If you do not comply with the default notice, you become liable to pay us the total outstanding balance immediately and we may enforce any Security.

If you are in default under clause 11(b) above, then we may apply a Default Rate or margin rate.

If you or the mortgagor or the guarantor fail to do anything that these Terms and Conditions, or any mortgage or any insurance policy requires you to do, we may:

- (a) do the thing as required;
- (b) do it in your name; and
- (c) do it at your expense and debit your Loan account for any reasonable expenses incurred.

In addition, if there is an Event of Default we may exercise any other powers conferred on us by law or these Terms and Conditions.

12. Enforcement expenses

We may charge you enforcement expenses we reasonably incur if an Event of Default occurs including all legal costs and all reasonable expenses incurred by the use of our staff and facilities. We may debit these to your Loan account.

Any enforcement expense includes an expense for doing any of the following under these Terms and Conditions, or any guarantee, or any mortgage:

- (a) enforcing any right we have under these Terms and Conditions, or any guarantee, or any mortgage;
- (b) attempting to enforce any right;
- (c) performing any of your obligations;
- (d) protecting any right;
- (e) waiving any right;
- (f) contemplating the enforcement of any right;

- (g) sending an arrears letter or default notice before commencing enforcement proceedings; and
- (h) returning any payment as a consequence of the dishonour of a cheque given to us for a payment in relation to these Terms and Conditions.

13. Giving any guarantor information

If the loan includes a guarantor, you consent to us giving information about you and these Terms and Conditions to any guarantor.

14. Governing law and jurisdiction

These Terms and Conditions are governed by the law of the State or Territory where you resided as at the date you accepted our original Offer and Loan Contract. You agree to submit to the jurisdiction of the courts of that State or Territory.

15. Change of address

You must notify us in writing within 7 days of any change in your residential address.

16. Reading down and severance

- (a) If apart from the operation of this clause, the application of a mandatory law or code applicable to these Terms and Conditions would apply to a particular provision so that it would make that provision void, unenforceable or in breach of the applicable law or code, then the relevant provision will be:
 - (i) read down; and
 - (ii) construed as if it were varied so we are not required or permitted to apply or rely on that provision in a manner or to an extent that is inconsistent with that law or code.
- (b) Sub-clause (a) prevails over any other provision in these Terms and Conditions.
- (c) If, despite this clause, any provision is void, unenforceable or remains in breach of a law or code referred to in sub-clause (a), then that provision will be treated as ineffective and severed to the extent only that the provision is void, unenforceable or in breach but without invalidating the other parts of these Terms and Conditions.

17. Obligations of Joint Borrowers

If there is more than one Borrower, the obligations under these Terms and Conditions bind each Borrower jointly and severally meaning each Borrower is liable to us for the balance of the Loan account both separately and together.

18. Assignment

We may assign or novate any of our rights and obligations under these Terms and Conditions, any mortgage and/or any guarantee. We do not need your further consent to do so. Such an assignment or novation will not impact any rights you have under these Terms and Conditions, any mortgage or any guarantee. You also consent to us providing information about (including copies of) these Terms and Conditions, any mortgage and/or any guarantee to any party who may be interested in taking an interest in, or an assignment of, such arrangements (including, but not limited to, for the purposes of securitisation).

19. Waiver

A waiver of any of our rights under these Terms and Conditions does not occur unless we give it to you in writing.

20. Variation of agreement

A variation of these Terms and Conditions by agreement is not effective unless we have confirmed it in writing to you.

21. Requisition on registration

In relation to a mortgage over any security, you must comply with any requisition we receive in connection with the registration instruments prior to your mortgage to us and in connection with your mortgage to us.

22. Mortgaged Property Acknowledgement

If any security, these Terms and Conditions is an agreement covered by the mortgage to be granted to us over the Mortgaged Property.

23. Valuation

If any security, at any time that we reasonably consider appropriate, we may arrange for a new valuation of the Mortgaged Property. In this event, you will be liable to pay to us any valuation cost incurred.

Any valuation of a Mortgaged Property is obtained by us for our purposes only and is not available to you or a mortgagor unless we require you to pay for it.

Should you hold any concerns regarding the value of a Mortgaged Property, we recommend that you seek an independent valuation of the property to determine the local market value. We make no representation in relation to the commercial viability or value of the Mortgaged Property or any property being purchased.

You, a guarantor or any party associated with this loan must advise us of any concerns, details, information that they may be aware of in respect to environmental issues or factors affecting the Mortgaged Property.

24. Notices

You agree that we may serve any notice required or permitted to be given by or pursuant to these Terms and Conditions or any mortgage referred to in these Terms and Conditions or by law, by delivering the same personally or by prepaid mail addressed to your last known place of residence or in some other lawful way we agree with you and you agree that any such notice or demand shall be deemed to have been received by you when it would have been delivered in the ordinary course of post or would, if delivered in some other lawfully agreed way, ordinarily be received by you in the usual course. Any such notice can be signed by any officer of us.

25. Account security

To the fullest extent permitted by law, Great Southern Bank may:

- (a) combine, consolidate or merge the Loan with or against; or
- (b) set-off the Loan with or against; or
- (c) freeze;
 - any of the following items:
 - (i) all or any part of any account or deposit of funds; or
 - (i) other arrangements under which Great Southern Bank may be indebted to you or any mortgagor or guarantor.

25.1. Account security

Great Southern Bank may exercise these rights even though:

- (a) you are, or the mortgagor or the guarantor is, acting as trustee in holding the account, deposit of funds or other arrangements; or
- (a) the account, deposit of funds, or other arrangement has not matured in any manner.

If you are not a small business customer, Great Southern Bank is authorised to:

- (a) unilaterally vary the terms and conditions of any account, deposit of funds or other arrangements including acceleration of its maturity to satisfy our legitimate business interests;
- (b) debit, set off and charge any account with the whole or any part of the Loan; and
- (c) not take account of any credit balance of any account

despite any conditions to the contrary in respect of the account, deposit of funds or other arrangements.

25.2. Account security

You agree that:

- (a) Great Southern Bank may exercise these rights without notice to any person unless required to do so by mandatory operation of law; and
- (b) provisions of this clause shall not operate so as to affect or limit in any way any other rights, powers or remedies available to it, (including any rights to combine accounts or a lien or charge arising by operation of law or by custom).

If you are a small business customer, we may, acting reasonably and to the extent reasonably necessary to protect our Legitimate Interests:

- (a) unilaterally vary the terms and conditions of any account, deposit of funds or other arrangements including acceleration of its maturity; and
- (b) debit, set off and charge any account with the whole or any part of the Loan; and
- (c) not take account of any credit balance of any account;

despite any conditions to the contrary in respect of the account, deposit of funds or other arrangements.

We will tell you about these changes as soon as reasonably possible (which may be before or after the change is made) or, where the change is unfavourable to you, by providing you with 30 days written notice of the change. We may also give you a shorter notice period (or no notice) of an unfavourable change if it is reasonable for us to manage a material and immediate risk.

26. Adjustments

- (a) A debit or credit transaction made on the Loan is effective on the date determined by Great Southern Bank.
- (b) Great Southern Bank may adjust or reverse any transactions on the Loan to correct an error or otherwise accurately reflect the status of the Loan (for example, Great Southern Bank may reverse a credit to the Loan where a cheque has been dishonoured).

27. Where the Borrowers is a Trustee

Individuals as trustee, or a Company as trustee, warrant:

- (a) for individuals as trustee that these Terms and Conditions are binding on them personally and in their capacity as trustee;
- (b) that these Terms and Conditions are binding on the company and the company as trustee;
- (c) full particulars of the terms of the trust, including an accurate and up-to-date copy of the trust deed, have been given to us;

- (d) the trustee has the power under the trust deed to enter into and perform the obligations under our Terms and Conditions and any Security;
- (e) all transactions including our Terms and Conditions are or will be entered into as part of the proper administration of the trust and are or will be for the benefit of the beneficiaries or unit holders (where applicable);
- (f) the trustee will perform and observe all of their duties as trustee and that they are not in default under the trust deed; and
- (g) the trustee has the right to be fully indemnified from the assets of the Trust.

27.1. Unless agreed to in writing by us:

- (a) the trust deed will not be altered;
- (b) the borrower cannot retire as trustee;
- (c) the trustee will not distribute, resettle, transfer, or assign the capital of the trust; and
- (d) the trustee will not change the financial position of the Trust.

28. Where the Borrower is a Company

If the Borrower is a company, the Borrower must not change:

- (a) the ownership of shares;
- (b) the directors;
- (c) the capital and major assets of the company;
- (d) the memorandum and articles of association;
- (e) the number of issued shares,

unless we agree in writing.

We may also register a General Security Agreement over all company assets on PPSR.

29. Where the Borrower is a Partnership





If the Borrower is a Partnership:

- (a) each partner as a separate, independent, principal and personal obligation must pay the Loan to us whether or not we may recover any sum from the partnership assets;
- (b) and the partnership is dissolved:
 - (i) the Borrower must immediately give written notice of that event to us;
 - (ii) each partner must act in relation to the administration of the partnership assets in the manner (if any) directed by us;
- (c) a retiring partner is not discharged from any liability to us as a result of an agreement between the then existing partners; and
- (d) the obligations of a retiring partner to us under any relevant document are not affected by anything which might otherwise affect them at law or in equity.



Great Southern
Bank

How to contact us

-  Call Great Southern Bank on **133 282**
-  Visit **greatsouthernbank.com.au**
-  Through **online banking**
-  Drop into your local branch

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