



**Great
Southern
Bank**

Business Finance Terms and Conditions

Effective 15 February 2024

Need help? Contact Us

How to contact us

You can contact us via the Business App.

Financial hardship

If you are experiencing difficulty making loan repayments, contact us via the Business App. Once we understand your situation, we can let you know how we can assist.

ABOUT YOUR LOAN

1. About these terms and conditions

- 1.1 These Business Finance Terms & Conditions set out terms which apply to the business finance products that you have with us. These Business Finance Terms & Conditions set out terms which apply to the Business+ Loan and/or Business+ Overdraft that you have with us, referred to in this document as the business loan or overdraft facility.
- 1.2 This document must be read together with your Loan Offer. The Loan Offer, Business Banking Terms and Conditions and these terms and conditions together comprise your **Loan Agreement**.
- 1.3 For information about the Business App and the accounts that you nominate to:
- (a) receive funds advanced to you under your business loan or to make repayments to your Loan Account for your business loan; and/or
 - (b) link to your overdraft facility,
- please refer to the Business Banking Terms and Conditions.
- 1.4 Capitalised words have a special meaning. These words are defined at the end of this document or in your Loan Offer.

2. Customer Owned Banking Code of Practice

We'll comply with the requirements of the Customer Owned Banking Code of Practice (the Code) where those requirements apply to your dealings with us. The Code changes from time to time. If you would like to know more about your rights under the Code, contact us via the Business App or visit www.customerownedbanking.asn.au.

3. When there is a binding legal contract between you and us

IMPORTANT: Until the Loan Date (the date we first advance funds to you in the form of a business loan or the date we link an overdraft facility to your nominated transaction account), we have the right to change the terms of your Loan Agreement or to withdraw our offer to lend altogether.

There is no binding legal contract between us until the Loan Date or such earlier date as we decide. This means that until the Loan Date:

- (a) you're not bound to go ahead; and
- (b) we have the right to change the terms of your Loan Agreement or to withdraw the Loan Offer altogether and decline to advance funds to you or make funds available to you under an overdraft if anything occurs that we reasonably believe makes proceeding with the loan undesirable to us. We're not obliged to advance funds until all relevant conditions are fulfilled to our satisfaction. You may be liable for costs even if we decide not to proceed.

4. Representations and warranties

4.1 You represent and warrant that the following is true and correct at the date you sign the Loan Offer:

- (a) you have fully disclosed to us in writing all facts material for disclosure in the context of the Loan Agreement.
- (b) all information provided by you and any Guarantor to us is true, correct and complete to the best of the knowledge, information and belief of you and the Guarantor, having acted prudently when providing or reviewing it.
- (c) you and any Guarantor have full legal capacity to own your or their assets and to carry on your business as it is now being conducted and to enter into and comply with your or their obligations under the Loan Agreement.
- (d) if you or a Guarantor is a company, each company is duly incorporated under the laws of its place of incorporation and has the power and authority to enter into the Loan Agreement.

4.2 If you're entering into the Loan Agreement in your capacity as a trustee, you represent and warrant that the following is true and correct at the date you sign the Loan Offer:

- (a) all the powers and discretions given by the deed establishing the trust are capable of being validly exercised by you as trustee. These powers and discretions have not been varied or revoked, and the trust is a valid and subsisting trust.
- (b) you're the sole trustee of the trust and have full and unfettered power under the terms of the deed establishing the trust to enter into the Loan Agreement on behalf of the trust.
- (c) the Loan Agreement is being entered into as part of the due and proper administration of the trust and for the benefit of the beneficiaries of the trust.
- (d) your right of indemnity out of, or lien over, trust assets has priority over the rights of the beneficiaries to the trust assets. No other indemnity out of, or lien over, trust assets exists or will be created which takes priority over this right.

5. What we can do with your Loan Account for your business loan or your overdraft facility

5.1 We will debit your Loan Account for your business loan or reduce the available funds under your overdraft facility with any amounts due by you under your Loan Agreement, such as interest, fees and charges, any other deductions contemplated under the Loan Agreement, and any amounts lent to you or at your request. Further details on fees and charges are available in Schedule 1 and your Loan Offer.

5.2 The total Amount of Credit will be deposited to your nominated Business+ Account and/or an amount of funds equal to your Overdraft Limit will be made available to you in the Business+ Account linked to your overdraft facility on the Loan Date. The nominated bank account must be a Business+ Account with us in your name.

6. Payments you must make and interest, fees and charges you will incur

6.1 You must make all payments that are payable under your Loan Agreement by the relevant due dates.

6.2 Under your Loan Agreement:

- (a) you must make regular repayments with respect to your business loan of:
 - (i) principal and interest charges; and
 - (ii) fees and other charges and any interest accrued on fees and charges that are payable;
- (b) you will incur the following fees and charges for your overdraft facility:
 - (i) interest charges; and
 - (ii) fees and charges and any interest accrued on fees and charges that are payable.
- (c) You will also have to make payments to bring your overdraft facility within the approved Overdraft Limit, where you have exceeded your Overdraft Limit.
- (d) In addition, on the Final Repayment Date, you must pay us the Amount Owing. Further details on fees and charges are available in Schedule 1.

6.3 Payments of amounts due under your Loan Agreement are to be made by any reasonable method we accept which includes:

- (a) scheduled repayments to your Loan Account for your business loan - you must authorise us through the Business App to debit a nominated Business+ Account with us and you must keep that account open for the scheduled payments to happen. You authorise us to apply any amount debited from that bank account to any amounts due under your Loan Agreement. If a debit fails, we may make reasonable further attempts to debit your account until the debit is successful (for the avoidance of doubt, scheduled payments can't be used to pay amounts due on an overdraft facility); or
- (b) manual payments to your Loan Account for your business loan or to your Business+ Account linked to your overdraft facility - you can make manual payments from any bank account to your Loan Account or to your Business+ Account linked to your overdraft facility.

6.4 We can debit your:

- (a) Loan Account for your business loan as at the date fees or charges referred to in clause 6.2(a)(ii) are incurred by us or become payable by you, and either require you to pay the fee or charge immediately, collect it with your regular repayments, or require it to be repaid by one or more repayments; and
- (b) Business+ Account linked to your overdraft facility as at the date fees or charges referred to in clause 6.2(b)(ii) are incurred by us or become payable by you, and if the fee or charge

causes you to exceed your Overdraft Limit, require you to pay the fee or charge immediately.

- 6.5 Payments will be credited to your Loan Account or overdraft facility only when they are received by us. All payments must be made in full when they are due, without setting off or deducting any amounts you believe we owe you, and without counterclaiming any amounts from us (this means that you cannot reduce your payment to us by an amount that you believe we owe you).
- 6.6 For your business loan, you may make fortnightly or monthly repayments of the amount specified by us.
- 6.7 The amount of each payment may include any applicable taxes or charges relating to the payment method in addition to your repayment amount.
- 6.8 For your business loan:
- (a) if any repayment is due on a day:
 - (i) that is not a Business Day, the repayment will be due on or before the next Business Day;
 - (ii) that is the 29th, 30th or 31st of a month with no such date, the repayment will be due on or before the last calendar day of that month (if that last calendar day is not a Business Day, then the repayment date will move in accordance with clause 6.8(a)(iii)); or
 - (iii) that is the 29th, 30th or 31st of a month which is not a Business Day, the repayment will be due on or before the next Business Day, which may fall in the following month.
 - (b) The repayment amount due on the new Business Day described in clause 6.8 (a)(i) or (iii) above will include interest charged to your Loan Account for that repayment period and additional interest accrued on the Amount Owing between when interest was last charged to your Loan Account and the new Business Day.
- 6.9 If any payment to us is dishonoured, the payment will be treated as not having been made. Interest will accrue on the unpaid daily balance until payment is received by us.
- 6.10 Where you are an individual, the Amount Owing must be repaid within 180 days from the date you are deceased unless other arrangements are made for the continuation of the loan in accordance with our reasonable requirements. We will discuss this with your executor or beneficiaries and seek to agree to a mutually acceptable solution.
- 6.11 If you're required by law to deduct any amount from a payment due to us, you must make an additional payment so that the amount we receive is not reduced unless we can receive a credit or rebate for that amount.

7. How your payments are charged to your loan or overdraft facility

- 7.1 We can apply any payment or other credit to any part of the Amount Owing in any order we determine.
- 7.2 If you have more than one business loan or overdraft facility with us, and you make a payment without telling us in writing how the payment is to be applied, we can apply it to any one or more of the business loans or overdraft facilities in any way we think fit.
- 7.3 If your business loan is in arrears or your overdraft facility exceeds the Overdraft Limit and you have one or more other accounts with us with funds available to be drawn, you authorise us to debit an amount from one or more of those accounts to pay some or all of your loan arrears or the amount by which you exceed your Overdraft Limit. We are not obliged to do this.
- 7.4 If you make a manual payment to your Loan Account, you won't be able to withdraw any part of that payment. Limitations apply to how that payment will be applied to the Amounts Owing under your Loan Agreement.

IMPORTANT: If you make a manual payment to your Loan Account you will not be able to withdraw any part of that payment and limitations apply to how that payment will be applied to the Amounts Owing under the Loan Agreement.

- 7.5 Where the manual payment into a Loan Account is made within the five days before a repayment is due (known as the 'repayment window'), the manual payment will be applied to that repayment first and if the manual payment:
- (a) is less than the repayment amount due, you'll need to pay that shortfall manually or, if you've authorised us to make scheduled repayments from your nominated Business+ Account, the shortfall amount will be debited from this account on the repayment due date (the shortfall amount will be the difference between the manual payment you made and the amount remaining due for repayment).
 - (b) exceeds the repayment amount due, no additional amount will be debited from your nominated Business+ Account as a scheduled repayment for that repayment due date. Any remaining amount (that was not applied to the repayment on the due date) will be applied to the Amount Owing on the Final Repayment Date and each repayment date before the Final Repayment Date where there are amounts owing. Your Final Repayment Date may be earlier because of this manual payment.
- 7.6 Where the manual payment of a business loan is outside a repayment window and you want to apply it to a future repayment, you'll need to ask us via the chat function in the Business App. We can decide how this manual payment will be applied to your Loan Account.

8. Interest

- 8.1 You must pay us interest on all amounts debited to your Loan Account or overdraft facility from the date the amount is debited. Interest debited to your Loan Account or overdraft facility forms part of the Amount Owning.
- 8.2 Interest charges are debited, for your:
 - (a) business loan, to your Loan Account:
 - (i) in arrears on your regular monthly or fortnightly repayment date (even if that day is not a Business Day) and on the Final Repayment Date; or
 - (ii) If your regular monthly or fortnightly repayment date is the 29th, 30th or 31st of a month with no such date, then interest will be charged to your Loan Account on the last calendar day of that month.
 - (b) overdraft facility, to your Business+ Account linked to that overdraft facility, monthly in arrears on the first day of the month after interest has been incurred and on the Final Repayment Date.
- 8.3 We will continue to debit interest to your Loan Account and/or your Business+ Account linked to an overdraft facility whenever the loan and/or overdraft facility is in default (see clause 14 for information on default interest) or we vary your Loan Agreement (including where we agree to increase your Amount of Credit or Overdraft Limit).
- 8.4 Interest charges are calculated daily by applying the interest rate to the current outstanding balance owing to us at the end of each day (referred to in the formula below as the “Daily closing balance”).
- 8.5 The interest rate charged each day is equal to the annual percentage rate (referred to in the formula below as the “interest rate”) applicable to the loan at the time divided by 365 or 366 in a leap year, using the following formula:

$$\text{Daily closing balance} \times \frac{\text{interest rate}}{\text{number of days in the year}}$$

- 8.6 Interest accrues daily from the day we first advance money to you under your business loan or you access the overdraft facility on the Business+ Account linked to that overdraft facility.
- 8.7 You can find out your current interest rate(s) by contacting us through the chat function in the Business App. We can change your interest rate(s) at any time with notice except during a fixed rate period.
- 8.8 If you become liable by a court order to pay any money due under your Loan Agreement, you must pay interest at the higher of the rate ordered by the court or the rate payable under your Loan Agreement.

9. Repaying your business loan early under your Loan Account

IMPORTANT: You may have to pay fees if you repay your fixed rate loan early (in whole or in part) or your loan is varied or terminated during a fixed rate period. These fees may include 'Early Payout Costs' which can be significant and an 'Early Repayment Fee'.

- 9.1 You may repay your fixed rate loan early (in whole or in part) or your loan may be varied or terminated during a fixed rate period. If you repay early, or your loan is varied or terminated, fees may be payable if specified in your Loan Offer, including an Early Repayment Fee and Early Payout Costs. We charge an Early Repayment Fee to cover our average reasonable administrative costs for your early repayment, variation or termination.
- 9.2 If you would like to repay your fixed rate loan early (in whole or in part) or vary or terminate your loan during a fixed rate period, you can contact us through the Business App and we will provide you with a payout figure and the number of days that payout figure is valid for. If you make any further repayments to your Loan Account after we have given you a payout figure, this may result in an overpayment of the Amount Owing. If there is an overpayment, you must contact us through the Business App and provide instructions about which account should be credited with the overpaid amount.
- 9.3 If you tell us that you propose to repay your business loan in full we may place a stop on all further debits to your Loan Account to enable us to provide you with a payout figure.

10. About fixed rate Early Payout Costs for a business loan

- 10.1 When we agree to lend money to you for a fixed rate period, we may enter into finance arrangements to enable us to give you that fixed rate. If the loan is repaid (in whole or in part), varied or terminated before the end of the fixed rate period, we may incur costs under those arrangements. We're likely to pass on these costs (referred to in this document as 'Early Payout Costs') to you.
- 10.2 The formula for working out our Early Payout Costs (EPC) is:

$$EPC = \max \left(0, \sum_{i=1}^n P_{i-1} \times (SW_1 - SW_2) \times v_{@SW_2}^i \right)$$

Where:

P_i = Principal outstanding as at payment period i determined using the borrower fixed rate FR

FR = Borrower fixed rate over the fixed rate period

SW_1 = Swap rate as on Loan Date over the duration of the fixed term

SW_2 = Swap rate as on the date the loan is repaid early (in whole or in part), varied or early terminated, over the remaining duration in the fixed term

$v_{@SW_2}$ = Discount factor using swap rate as on payout, i.e.. $(1/(1 + SW_2))$

n = Number of outstanding payments in the fixed rate period

- 10.3 Note that this formula describes how we calculate the Early Payout Costs in case the early repayment, variation or termination of the loan happens on a repayment date. However, if the early repayment, variation or termination occurs on a non-repayment date, we first calculate the EPC as on the prior repayment date and adjust this amount to reflect the loss on the date the loan repays early, varies or terminates.

Example

We lend \$200,000 to you at 9% per annum for a fixed rate period of three years. We enter finance arrangements to fund this loan at 8% per annum (the market rate). You decide to repay the loan early at the end of one year. The market rate has reduced to 5% per annum. The Early Payout Costs will be an assessment of the loss to us as the lender as a result of the early repayment.

Using the above figures, we could calculate the loss by multiplying the amount repaid early (\$200,000) by the difference in interest rates (3%) for the period starting from the date of repayment to the end of the fixed rate period (2 years) = $\$200,000 \times 3/100 \times 2 = \$12,000$. The amount you would have to pay will be slightly less than \$12,000 because we are receiving the money at the time of the early repayment rather than over the remaining fixed rate period.

This is an example only to assist your understanding of Early Payout Costs. We may use various funding techniques, but the underlying principle holds true. Early Payout Costs may be payable even if there is no matching borrowing by us.

IMPORTANT: You may incur costs if you repay your fixed rate loan early (in whole or in part) or your loan is varied or terminated during a fixed rate period (these fees may include 'Early Payout Costs'). Early Payout Costs could be substantial, particularly if market rates have reduced during the fixed rate period. Ask us for an estimate of Early Payout Costs before you arrange to repay early, vary or terminate your fixed rate loan early.

We'll be reasonable when calculating the Early Payout Costs that are payable by you and will charge no more than a reasonable estimate of our loss arising from the early repayment. You can contact us through the chat function of the Business App for more information about how we determine Early Payout Costs.

11. Changes we can make to your Loan Agreement

IMPORTANT: We can make changes to your Loan Agreement at any time (except interest rate changes during a fixed rate period). In making any changes, we will act reasonably.

11.1 Acting reasonably, we can change or vary any term of your Loan Agreement:

- (a) that deals with the pricing of your loan, such as your interest rate, repayments for a business loan, and fees and charges (but subject to any specific agreement such as a fixed rate period);
- (b) that deals with the day you make repayments or we debit interest to your Loan Account;
- (c) to accommodate a change in law or market practice;
- (d) to accommodate a change in technology or other ways of communicating;
- (e) to accommodate a change in payment methods; or
- (f) to make any other reasonable change.

11.2 If you're not satisfied with any change or variation to your Loan Agreement, you may repay your loan in accordance with clause 9.

11.3 The minimum notice period we will give you is as follows, however we may provide you with a shorter period of notice if applicable law requires an amendment to take effect more quickly:

Type of change	Notice period
New fees and charges	Not less than 30 days
Increases to existing fees and charges (except for interest rates)	Not less than 30 days
A change to how interest is calculated and charged to your account, which includes any changes to your regular repayments for your business loan	Not less than 30 days
Any other change to the rights and obligations set out in this document	Not less than 30 days

An increase to the interest rate applicable to your loan	Not later than the day the change takes effect
Any change required to mitigate a material and immediate risk to us or another party	No later than the date the change takes effect
Any change to the rights and obligations set out in this document that is favourable to you	No later than the date the change takes effect
Changes to, or introduction of a government charge	Reasonably promptly unless the government itself publicises the change
Notice of any other change to your Loan Agreement	As soon as reasonably practicable (which may be before or after the change takes effect).

11.4 We'll give you notice in writing of changes through the following electronic means:

- (a) the Business App;
- (b) your nominated email address in the Business App; and/or
- (c) our website.

OVERDRAFT FACILITY

This section only applies to overdraft facilities.

12. About your overdraft facility

12.1 We will arrange for an overdraft facility to be linked to your nominated Business+ Account opened with us via the Business App.

12.2 We'll debit any fees and charges due by you under your overdraft facility to your Business+ Account linked to your overdraft facility (including if you cancel the overdraft facility).

Further details on fees and charges are available in Schedule 1 and your Loan Offer.

IMPORTANT: We can change, suspend or cancel your overdraft facility at any time.

- 12.3 We may at any time convert the overdraft facility to a business loan under which you must make regular monthly principal and interest repayments which can be fortnightly or monthly. We will give you at least three months' notice if we convert the overdraft facility to a business loan and we will provide details of the applicable interest rate and repayment amount before repayments of the principal, interest, fees and charges commence. We will also open a new Loan Account via the Business App for you which will be debited with any amounts due by you under your business loan.
- 12.4 We may change, suspend or cancel the overdraft facility (including reduce your Overdraft Limit) at any time without your consent. We aren't liable for any loss suffered by you or anyone else as a result of us changing, suspending or cancelling the overdraft facility.
- 12.5 If we:
- (a) reduce your Overdraft Limit, you must repay any Amount Owing in excess of the new Overdraft Limit; or
 - (b) cancel the overdraft facility, you must repay the Amount Owing under your overdraft facility.
- 12.6 We'll try to give you adequate notice before we reduce your Overdraft Limit, but we reserve the right to act immediately. We'll give you at least three months' notice if we cancel the overdraft facility unless you have breached your Loan Agreement or an Event of Default has occurred.
- 12.7 We calculate the funds that are available to you on each day by deducting from your Overdraft Limit:
- (a) the Amount Owing under your overdraft facility;
 - (b) any withdrawal amounts or other pending payments on your overdraft facility for which we have received instructions, but which have not yet been debited from your account; and
 - (c) the amount of any payments that have been credited to your account for your overdraft facility but have not cleared yet (payments will be credited to your overdraft only when they are received by us).
- 12.8 We have the right to decline any transaction funded by your overdraft facility at our absolute discretion without giving you notice if we consider that taking such action is reasonably required. For example, we may take such action to:
- (a) manage the risk of fraud or other harm to you, us or a third party;
 - (b) comply with our regulatory and compliance obligations (including but not limited to our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth));
 - (c) prevent the use of the Business App or the Business+ Account in a manner that could adversely affect our integrity, stability or reputation or that of any third party;
 - (d) prevent a transaction that potentially breaches Australian law or sanctions from being processed; and

- (e) address an actual or potential breach of these Business Finance Terms & Conditions or law.
- 12.9 We aren't liable for any loss or damage you or any other person suffers where we take any action referred to in this clause.

13. Exceeding your Overdraft Limit

- 13.1 If you exceed your Overdraft Limit without our written consent, the amount by which you have exceeded the Overdraft Limit must be repaid immediately, and we may charge default interest on that amount until it is repaid bringing you back within your Overdraft Limit.
- 13.2 If a transaction would cause the balance of your overdraft facility to exceed your Overdraft Limit, we aren't required to process the transaction. If for some reason we allow the balance of your overdraft facility to exceed your Overdraft Limit, it doesn't mean we are increasing your Overdraft Limit.
- 13.3 If we agree to you exceeding your Overdraft Limit, this will be treated as an Unarranged Limit on your Business+ Account in accordance with the Business Banking Terms and Conditions, which requires you to repay the amount by which you have exceeded your Overdraft Limit and any fees and interest charges immediately.
- 13.4 If we agree to you exceeding your Overdraft Limit, we may require that payments made to your Business+ Account linked to your overdraft facility be first applied to the excess amount and any fees and interest charged on that amount.
- 13.5 Once you have repaid any amount exceeding your Overdraft Limit and applicable fees and interest charges, your debt in the amount of the Unarranged Limit will be repaid.

DEFAULT

14. Default interest

- 14.1 If a default rate of interest is specified in your Loan Offer, acting reasonably, we may change the default rate of interest at any time without your consent. You will be notified of any changes in the default rate in the same way any variations to the interest rate are notified to you.
- 14.2 If any amount due by you is not paid on the due date, we may charge default interest on the overdue amount until the overdue amount plus the default interest on that amount is paid. You may also be liable for any default fees outlined in your Loan Offer (as varied from time to time).
- 14.3 Default interest may also be payable on the following amounts until paid:
- (a) the whole of the Amount Owing if that amount becomes due for any reason; and
 - (b) any amount owing because you have exceeded the Overdraft Limit of your overdraft facility.
- 14.4 Default interest rates are calculated, accrue, are debited and are payable in the same way as ordinary interest.

15. Consequences of a breach of any term

If:

- (a) you breach any term of your Loan Agreement or any Other Agreement;
- (b) an Event of Default occurs; or
- (c) any guarantee is terminated or is of reduced force and effect,

then:

- (d) we won't be obliged to lend you any more money; and
- (e) we may rectify the breach or Event of Default by performing your obligations under your Loan Agreement or any Other Agreement; and
- (f) any costs incurred in performing our obligations will be debited to your Loan Account or the Business+ Account linked to your overdraft facility.

IMPORTANT: The events that may cause you to default under your business loan or overdraft facility are listed below. You may default under your business loan or overdraft facility even if you have made all your payments. If you don't make any payment by the due date, you must pay default interest on the overdue amount until it's paid.

16. Events of Default

Each of the following is an Event of Default:

- (a) you don't pay any money due to us under your Loan Agreement or any Other Agreement by the due date for payment.
- (b) we become aware that you have defaulted on obligations to another party where the amount exceeds \$50,000 to any person other than us by the due date for payment.
- (c) an Insolvency Event occurs with respect to you or a Guarantor.
- (d) you or a Guarantor no longer has legal capacity.
- (e) enforcement proceedings are taken against you or a Guarantor, or your or their assets, by another creditor, and we reasonably consider it is likely to have a material impact on your ability to meet your or their financial obligations to us.
- (f) early repayment is required under any Other Agreement, or default based action is taken against you or a Guarantor by us under any Other Agreement, in each case due to a non-monetary Event of Default of the kind described in this clause 16.
- (g) we reasonably believe that you haven't complied with the law or any requirement of any competent regulatory authority or government agency where we believe that such non-

compliance is likely to have a material impact on your ability to meet your financial obligations to us or a material adverse effect on your assets or any business you conduct.

- (h) it becomes unlawful for you or us to continue with your Loan Agreement or any Other Agreement.
- (i) you or a Guarantor gives us information, or makes a representation or warranty to us, that is materially incorrect or misleading (including by omission) and is such that we would not have provided the business loan or overdraft facility, or we would only have provided the business loan or overdraft facility on different terms, if we had known the correct information.
- (j) you use the business loan or overdraft facility for a purpose not approved by us.
- (k) you use the business loan or overdraft facility for an illegal or improper purpose, or to finance an illegal or improper activity.
- (l) your assets are dealt with, or attempted to be dealt with, in breach of the terms of your Loan Agreement or any Other Agreement without our prior written consent (which won't be unreasonably withheld), and we reasonably believe that the action is likely to have a material impact on your ability to meet your financial obligations to us.
- (m) you or a Guarantor doesn't give us the required financial information required by us in connection with your business loan or overdraft facility.
- (n) you or a Guarantor does not maintain a licence or permit necessary to conduct any business related to the Loan Account or overdraft facility and conducted by you or a Guarantor.
- (o) you or a Guarantor doesn't maintain insurance required by us in connection with your business loan or overdraft facility.
- (p) legal or beneficial ownership, or management control, of you or a Guarantor, or your or their business, changes without our prior written consent, which will not be unreasonably withheld.
- (q) without our prior written consent (which won't be unreasonably withheld), the status, capacity or composition of you or a Guarantor changes, including:
 - (i) you or a Guarantor stops all or a material part of your or their business, or disposes of all or a material part of your or their assets; or
 - (ii) if you or a Guarantor are an individual, you or a Guarantor is sentenced to jail for longer than 12 months.
- (r) any other event specified to be an Event of Default for the purposes of your Loan Agreement occurs.

17. Notification of an Event of Default

Without limiting our rights under your Loan Agreement in any way, you must promptly notify us in writing if any Event of Default occurs.

18. What we can do if an Event of Default occurs

18.1 Subject to clauses 19 and 20, at any time after an Event of Default occurs, we can take any of the following actions:

- (a) demand and require immediate payment of any Amount Owing under your Loan Agreement.
- (b) call up the business loan and require payment of the Amount Owing.
- (c) exercise any right or power granted by law or your Loan Agreement.

19. When we will act on a non-monetary Event of Default

19.1 We'll only act on a non-monetary Event of Default if the event by its nature is material, or we reasonably consider that the event has had, or is likely to have, a material impact on:

- (a) the ability of you or a Guarantor to meet your or their financial obligations to us (or our ability to assess this); or
- (b) our legal or reputational risk where an event in clause 16(g), 16(h), 16(i) or 16(j) occurs.

20. Notice of enforcement

20.1 If you're an individual or a small business, and an Event of Default occurs, we won't:

- (a) require you to repay the Amount Owing; or
- (b) take enforcement action against you,

unless:

- (c) we've given you written notice of the Event of Default that complies with the notice period in clause 20.2;
- (d) if the Event of Default is remediable, you have not remedied that Event of Default within the notice period specified in clause 20.2; and
- (e) no Event of Default of the same type has arisen during that period.

20.2 If you are a small business and an Event of Default occurs:

- (a) we don't have to give you any notice if the Event of Default is a non-monetary Event of Default under clauses 16(c), 16(e), 16(f), 16(g), 16(h) or 16(l);
- (b) we'll give you at least 30 days written notice if the Event of Default is a monetary Event of Default; and
- (c) we'll give you at least three months written notice if the Event of Default is a non-monetary Event of Default other than an Event of Default under clauses 16(c), 16(e), 16(f), 16(g), 16(h) or 16(l) that is remediable.

21. Our enforcement rights

- 21.1 We can take action even if we do not do so promptly after the Event of Default occurs. We do not lose any rights or forgive any Event of Default unless we do so in writing.
- 21.2 Our rights and remedies under your Loan Agreement may be exercised by any of our employees or any other person we authorise.
- 21.3 We aren't liable for any loss caused by the exercise, attempted exercise, failure to exercise, or delay in exercising any of our rights or remedies, except where such loss arises from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents or a receiver we appoint.

22. Enforcement expenses

IMPORTANT: If you default under your loan, enforcement expenses may be payable. This means that you may have to pay any of our collection expenses, and any other internal or external costs we incur because of your default.

- 22.1 Enforcement expenses may become payable under your Loan Agreement if you breach your Loan Agreement or if an Event of Default occurs. We may debit your Loan Account or overdraft facility with our enforcement expenses at any time after they are incurred, and we may then require you to pay these costs on demand (including by using any scheduled repayment authority you have given us), collect them with your regular repayments, or require them to be repaid by one or more repayments.
- 22.2 Enforcement expenses include collection expenses, expenses resulting from dishonour of a payment, and any internal or external costs we incur because you breach your Loan Agreement or an Event of Default occurs (including legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is higher).
- 22.3 You indemnify us from and against any expense, loss, loss of profit, damage or liability that we incur as a consequence of a breach of your Loan Agreement or an Event of Default occurring, except where such loss arises from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents or a receiver we appoint, or is otherwise recovered by us.

GENERAL PROVISIONS

23. Government charges and GST

- 23.1 You must pay us any government duties, taxes, and other charges on receipts, debits or withdrawals that apply to your loan. This includes (but isn't limited to):
- (a) stamp duty;
 - (b) income tax payable by you (if the Commissioner of Taxation requires us to deduct this from your Loan Account);
 - (c) withholding tax; and

- (d) goods and services tax (GST).

23.2 You must pay these duties, taxes and charges whether or not someone else is liable to pay them and whether or not the loan is made. We may debit these duties, taxes and charges to your Loan Account when they become payable. We don't need to tell you first.

23.3 If any payment to us is for a taxable supply for the purposes of GST or any similar tax, you must also pay to us an additional amount equal to the tax relating to that supply.

24. Disclosures to Guarantors

24.1 We may disclose the following documents to each Guarantor:

- (a) a copy of any notice, including correspondence, to us or to you;
- (b) any credit report received in relation to you;
- (c) any financial statements you have given us;
- (d) any notice of demand, or information regarding a dishonour, on any loan with us;
- (e) information on any excess or overdrawing;
- (f) a copy of your statement of account; and
- (g) any other information or document relating to you and your Loan Accounts with us.

24.2 Each Guarantor will automatically be granted read only access to all your information in the Business App. For more information, please see the Business Banking Terms and Conditions,

24.3 Providing financial statements

Within 14 days of our request, you must give us any information we reasonably require relating to your business, assets and finances. For example, if you're an individual, we may need a copy of your tax return or an assets and liabilities statement. For a company, we may need a balance sheet, a profit and loss statement, or both. We may require this information to be certified or audited.

25. Anti-money laundering and counter-terrorism financing

25.1 You mustn't use your loan for the purposes of money laundering or terrorism financing. You indemnify us from and against any loss that we incur because of your breach of this obligation, except where such loss arises from the mistake, error, fraud, negligence or wilful misconduct of us, our employees, our agents or a receiver we appoint, or is otherwise recovered by us.

25.2 The Amount Owing may become payable if we reasonably believe that continuing with your Loan Agreement would cause us to breach an applicable law or would represent an unacceptable level of risk for us because:

- (a) you don't give us information or documentation that we have requested for the purpose of our compliance with applicable laws (including any details necessary for us to verify

your identity in accordance with our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)); or

- (b) we reasonably believe that you present an unacceptable level of risk given our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)).

25.3 If any of the events in clause 25.2 occur, we will try to give you at least 90 day's notice to repay the Amount Owing.

25.4 We may delay, block, freeze or refuse a transaction from any of your accounts opened through the Business App (including any the Business+ Account linked to your overdraft facility) if we have reasonable grounds to believe that the transaction breaches Australian anti-money laundering and counter-terrorism financing laws, other laws or sanctions (or the law or sanctions of any other country). If transactions are delayed, blocked, frozen or refused, we aren't liable for any loss you suffer in connection with your Loan Account or overdraft facility.

26. If your Loan Account has a credit balance

If you repay us more than the Amount Owing, we can place the excess funds into a suspense account, deposit it with a bank, or pay it to you. We may not pay you interest on that amount.

27. Governing law

Your Loan Agreement is governed by the laws of Queensland. You submit to the jurisdiction of the courts of the Australian state or territory whose laws apply to your Loan Agreement and the proper jurisdiction of any other court.

28. How we can deal with your Loan Agreement

IMPORTANT: We may disclose information about you to any third party involved in an actual or proposed assignment, novation or dealing by us, and that disclosure may be in a form that may enable that third party to identify you.

28.1 We can at any time assign, novate or otherwise deal with our rights and obligations under your Loan Agreement and any document or agreement entered into or provided under or in connection with your Loan Agreement. You must sign anything and do anything we reasonably require to enable any dealing with your Loan Agreement and any document or agreement entered into or provided under or in connection with your Loan Agreement. Any dealing with our rights does not change your obligations under your Loan Agreement in any way.

28.2 You may not assign, novate or otherwise deal with your rights or obligations under your Loan Agreement and any document or agreement entered into or provided under or in connection with your Loan Agreement.

28.3 We may disclose information about you or your Loan Agreement to any person involved in an actual or proposed assignment, novation or dealing by us with our rights under your Loan Agreement.

29. Applicable laws

To the extent that your Loan Agreement is regulated under consumer legislation or any other law, any provisions in your Loan Agreement that do not comply with that law have no effect, and to the extent necessary, your Loan Agreement is to be read so it does not impose obligations prohibited by that law.

30. Severability

If any provision of your Loan Agreement is illegal or becomes illegal at any time, the affected provision will cease to have effect, but the balance of your Loan Agreement will remain in full force and effect, and we may by notice vary your Loan Agreement so that the provision is no longer illegal.

31. If you're a trustee

31.1 If you're at any time a trustee of any trust, you're liable under your Loan Agreement in your own right and as trustee of the trust. We can recover against the trust's assets as well as against you.

31.2 You must not permit without our prior written consent (which will not be unreasonably withheld):

- (a) any resettlement, appointment or distribution of the trust's capital;
- (b) any retirement or replacement of the trustee, or any appointment of a new trustee, of the trust;
- (c) any change to the deed establishing the trust;
- (d) any breach of the provisions of the deed establishing the trust;
- (e) any termination of the trust, or any variation of the vesting date of the trust (the date beneficiaries' interests crystallise); or
- (f) if the trust is a unit trust, any transfer of, or dealing with, the units.

32. If you are a partnership

- (a) If the borrower is a partnership, each partner of the partnership is liable individually and liable jointly together with the other partners for the obligations and liabilities of the borrower.
- (b) Your Loan Agreement will continue to be in full force and effect and bind each person who is a partner despite any changes that may from time to time take place in the partnership, whether by the death, retirement, receivership, insolvency, administration or liquidation of any partner, or the admission of any new partner or otherwise, and even if the partnership no longer carries on business.

33. Changes to your contact details

You must notify us as soon as possible through the settings or chat function of the Business App of any changes to the details we hold for you (such as a change to a name, postal or electronic address or business name). You also need to tell us if you think there is any information that we should be aware

of about your ability to comply with your Loan Agreement. This ensures we can send you important information that relates to your Loan Agreement from time to time.

34. How we can give you notices or other documents in connection with your business loan or overdraft facility

34.1 Subject to any applicable laws, we may give you any notice, statement, demand, court document (including any collection notice, default notice, court originating process or other court document) or other document connected to your Loan Agreement or any mortgage given under your Loan Agreement by:

- (a) giving it to you personally;
- (b) leaving it at or posting it to your business address last known to us;
- (c) electronic means to your electronic address last known to us; or
- (d) any other means permitted by law.

34.2 Any notice, statement, demand, court document or other document given by us to you will be taken to have been served and to have been received by you:

- (a) if posted, when it would have been delivered in the ordinary course of post; and
- (b) if sent electronically, the earlier of:
 - (i) us receiving an automated message confirming delivery; or
 - (ii) 30 minutes after the time sent (as recorded in our systems) unless we receive an automated message that the message has not been delivered.

34.3 Any notice, statement, demand, court document or other document may be signed by any employee, solicitor or agent on our behalf.

35. If we're a trustee

If we're at any time a trustee or custodian of any trust, our liability is limited to the assets of that trust that are available to us to satisfy that liability.

36. Identification information

On request by us, you must give us with any information we need about you or anyone authorised to operate your Loan Account or overdraft facility and, if you are a company or trustee, information about beneficial owners of you.

37. If there is a trustee in bankruptcy or liquidator

If a trustee in bankruptcy or liquidator is appointed to you, they may ask us to refund a payment we've received in relation to your loan. To the extent we are obliged to or agree to make a refund, we may

treat the original payment as if it had not been made except for the purpose of calculating interest payable by you.

38. Third party systems

Our provision of services and finance is dependent on third party systems and financing. We won't be liable to you for any failure or delay in meeting our obligations to you when they're beyond our reasonable control, including:

- (a) any disruption to financial markets;
- (b) delays or failures in third party payment and settlement systems; and
- (c) any disruption of the internet, interference from third parties over the internet, or in relation to third party IT systems and infrastructure.

DEFINITIONS AND INTERPRETATION

39. Definitions

In your Loan Agreement, the following words are defined as follows.

- (a) **Amount of Credit** means the amount, if any, specified in your Loan Offer for your business loan (as varied from time to time) and deposited into your nominated Business+ Account on the Loan Date.
- (b) **Amount Owing** means the total amount outstanding from time to time in respect of your Loan Account and overdraft facility provided under your Loan Agreement, including all accrued interest, fees and charges (including, where applicable, those fees and charges that accrue on partial or total repayment and interest accrued on any fees and charges), enforcement expenses and includes any part of that amount. The Amount Owing will include any amount by which you have exceeded your Overdraft Limit.
- (c) **Business App** means the digital application that lets you access and communicate with us in respect of the financial and credit products and related services provided under the Loan Agreement.
- (d) **Business Day** means any day when we are open for business in any State or Territory of Australia (excluding weekends and national public holidays).
- (e) **Business+ Account** means the transaction account opened by you through the Business App in accordance with the *Business Banking Terms and Conditions* which you nominate as the account:
 - (i) to receive the deposit of funds from a Business+ Loan; and/or
 - (ii) that will be linked to your overdraft facility and debited with fees and interest charges in connection with that overdraft facility,

in accordance with a Loan Agreement.

- (f) **Overdraft Limit** means the amount outlined in your Loan Offer for your overdraft facility (as varied from time to time) which is linked to a nominated Business+ Account.
- (g) **Disclosure Date** means the date outlined in your Loan Offer.
- (h) **Early Payout Costs** means the costs described in clause 9 and 10.
- (i) **Event of Default** means any event described in clause 16.
- (j) **Final Repayment Date** means the first to occur of:
 - (i) the date when your loan term ends;
 - (ii) the date when the final repayment is due because of your default;
 - (iii) the date when you choose to repay the whole of the Amount Owing;
 - (iv) the date when your overdraft facility is cancelled by us;
 - (v) the date when the whole of the Amount Owing becomes payable for some other reason; and
 - (vi) another date that we agree with you.
- (k) **Guarantor** means any person who at any time guarantees to us the payment of all or any part of the Amount Owing, and includes any guarantor specified in your Loan Offer.
- (l) **Loan Account** means the account opened by you through the Business App which is debited with your Amount of Credit for your business loan on the Loan Date in accordance with the Loan Agreement.
- (m) **Loan Agreement** means the terms and conditions under which your loan is provided, which may be varied from time to time. It's comprised of the Loan Offer, Business Banking Terms and Conditions and these terms and conditions.
- (n) **Lender** means Great Southern Bank, a business name of Credit Union Australia Limited ABN 44 087 650 959. It includes any person who is its successor or assignee or any person who the Lender assigns any rights relating to the Loan Agreement, including its right to receive the payments under this Loan Agreement
- (o) **Loan Date** means the date we first advance funds to you in the form of a business loan or the date we link an overdraft facility to your nominated Business+ Account.
- (p) **Loan Offer** refers to the offer of a business loan or overdraft facility that incorporates these terms and conditions.
- (q) **Other Agreement** means any other agreement or arrangement under we provide financial accommodation to you or any Guarantor at any time.
- (r) **Unarranged Limit** has the meaning given to that term in the Business Banking Terms and Conditions.

40. Interpretation

In your Loan Agreement:

- (a) a reference to the singular includes the plural and vice versa;
- (b) a reference to a document includes any variation or replacement of it;
- (c) a reference to a person includes any other entity recognised by law;
- (d) a reference to a person or to a party to your Loan Agreement includes its successors and permitted assigns;
- (e) a monetary amount is in Australian dollars and all amounts payable under or in connection with this Loan Agreement are payable in Australian dollars;
- (f) headings are for ease of reference only and not to help interpretation;
- (g) the use of the words 'includes' or 'including' isn't to be taken as limiting the meaning of the words preceding it; and
- (h) use of examples is illustrative of the context only and does not limit the natural meaning of the terms of your Loan Agreement.

Schedule 1 – Lending Fees and Charges

Business+ Overdraft

Name	Amount
Interest	As set out in the relevant Business+ Overdraft Loan Offer.
Establishment Fee	A one-off fee payable for the establishment of your overdraft facility, as set out in the relevant Business+ Overdraft Loan Offer. This fee will be incurred by you on the Loan Date and reduce the funds available to be drawn under your Overdraft Limit on the Loan Date.
Facility Fee	A monthly fee, payable on the last Business Day of the month (this fee is payable even if you have not used your overdraft facility) as set out in the relevant Business+ Overdraft Loan Offer.
Default interest	As set out in the relevant Business+ Overdraft Loan Offer.

Business+ Loan

Name	Amount
Interest	As set out in the relevant Business+ Loan Loan Offer.
Establishment Fee	A one-off fee payable for the establishment of your Loan Account, as set out in the relevant Business+ Loan Loan Offer. On the Loan Date, this fee will be added to the Amount Owing and payment for this fee will be collected as part of your regular repayments.
Service Fee	A monthly fee payable whilst your Loan Account remains open, as set out in the relevant Business+ Loan Loan Offer.
Early Repayment Fee	A one-off fee payable if the whole or part of your fixed rate loan is repaid early or your Loan Agreement is varied or terminated during a fixed rate period, as set out in the relevant Business+ Loan Loan Offer. This fee will be added to the Amount Owing at the time of early repayment, variation or termination.
Early Payout Cost (EPC)	Not known as at the Disclosure Date. An EPC maybe payable if the whole or part of your fixed rate loan is repaid early or your Loan Agreement is varied or terminated during a fixed rate period. The formula for working out our Early Payout Costs (EPC) is set out in these Terms and Conditions.