

## Personal Loan

# Terms and Conditions

Effective from 15 August 2023

**This document does not contain all the pre-contractual information required by law to be given to you.**

**The Personal Loan Contract Schedule incorporates these Personal Loan Terms and Conditions dated 15 August 2023. It is important you read the Personal Loan Contract Schedule and these Personal Loan Terms and Conditions together as both of these documents make up your loan contract.**

**You must perform all of the terms specified in the Personal Loan Contract Schedule and these Personal Loan Terms and Conditions.**

**If there is any conflict between these Personal Loan Terms and Conditions and the Personal Loan Contract Schedule, the terms of the Personal Loan Contract Schedule prevail. If there is any conflict between any provisions of any security or guarantee and the Personal Loan Contract Schedule and these Personal Loan Terms and Conditions, the terms of the Personal Loan Contract Schedule and these Personal Loan Terms and Conditions prevail.**

IMB Ltd trading as IMB Bank  
ABN 92 087 651 974 | Australian Credit Licence Number 237 391

## About this contract

This *contract* consists of two documents:

- the Personal Loan Contract Schedule;
- these Personal Loan Terms and Conditions.

They should be read together. It is important that you read and fully understand these terms and conditions as they set out your rights and responsibilities when you have a personal loan. We recommend that you keep this document handy for future reference.

The meaning of words printed *like this* and some other key words is explained in condition 13 of these terms and conditions.

The “Member Guide to Transaction Banking – Product Disclosure Statement” applies where you use a payment facility to make a repayment to your loan account.

If there is anything you do not understand, please ask either the staff at your local IMB Branch or IMB DIRECT on 133 IMB (133 462).

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### Information Statement

## 1 What we lend and when

- 11 We agree to lend you the *amount of credit* at the time you request it. Except to the extent that the *schedule* indicates that the *amount of credit* is to be paid to others, we pay the money to you or as directed by you or your agents. You authorise us to use the *amount of credit* to make these payments.

We can debit amounts we lend you to your *loan account* (so that you pay interest charges on the amount) from the day we lend you the amount (if we pay you the amount by posting a cheque, this is the day we post the cheque).

- 12 However, we only have to lend if:  
(a) we have received:

- all *securities* and related documents which we have requested (such as title documents and acknowledgements); and
- evidence of any insurance we require; and
- any report or valuation we require; and
- if we ask for them, a certificate of independent advice from a solicitor and a certificate of financial advice from a financial adviser for each *security provider*; and
- any other document or information we reasonably require,

which are satisfactory to us (acting reasonably); and

- (b) you have paid all fees and charges the *schedule* indicates are payable by you (unless we tell you that the fee or charge is not yet payable); and
- (c) neither you nor a *security provider's* financial circumstances have significantly changed since the *disclosure date* (as determined by us acting reasonably); and
- (d) no *security* has been withdrawn or is otherwise ineffective; and
- (e) neither you nor a *security provider* is an undischarged bankrupt; and
- (f) neither you nor a *security provider* is in default under this *contract* or a *security*.

- 13 Our obligation to lend you the *amount of credit* terminates if you do not borrow it within 14 days of the date you sign the *schedule* (or any longer period we consent to).
- 14 Unless we agree, you may only borrow the *amount of credit* at one time (in other words, you may not borrow it progressively).
- 15 We can keep any fees and charges you have paid us even if we do not have to lend the *amount of credit*, if you do not ask us to lend the *amount of credit* or if this *contract* is terminated, except for fees and charges in respect of any of our costs we no longer have to pay.

## 2 Interest rate (the *annual percentage rate*)

- 21 The *annual percentage rate* which applies is fixed. This rate remains fixed even if other interest rates drop.
- 22 The *annual percentage rate* is the *annual percentage rate* indicated in the financial information table in the *schedule*.

## 3 Interest charges

- 31 Interest charges for each day are calculated at the daily percentage rate on the *balance owing on your loan account* for the end of that day. (The daily percentage rate is the *annual percentage rate* for that day divided by 365.) Interest charges accrue daily from and including the *settlement date*. They are first debited to the *loan account* on the last day of the month in which the *settlement date* occurs.

After that, interest charges are debited on the last day of each following month. Also, for a period shorter than a month (such as if you repay the loan early), we add the interest charges to the *balance owing on your loan account* at the end of the period.

## 4 What you must pay and when

### What you must pay

- 41 You must repay us all amounts you borrow from us and you must pay us interest charges, our fees and charges, government charges and any enforcement expenses and costs.

### Repayments

The repayments set out in the *schedule* are examples which assume that payments will be made on time, that the *annual percentage rate* and fees and charges will not change after the *disclosure date* and that the *settlement date is the disclosure date*.

- 42 You must pay us the repayment amounts we require. We calculate the repayment amounts so that, during the period they are payable:
- the *balance owing on your loan account* at the start of the period; and
  - all:
    - interest charges;
    - fees and other amounts we notify you as being included in the repayment amount; which accrue or become payable during the period,

are repaid during the period.

Under this method, the part of each repayment which repays the *balance owing on your loan account* at the start of the period gradually increases throughout the period but repayments are equal as long as:

- the interest rate;
  - any fee or other amount we notify you as being included in the repayment amount;
- remain constant. However, the last repayment may be different as it equals the *total amount owing* on the last day of the *loan term*.
- 43 If:
- you prepay an amount; or

- amounts are debited or credited to your *loan account* that have not been taken into account in our calculation of your repayment amount,

we can reflect this by changing your repayment amount or the *loan term* in accordance with condition 12.17. If we change your repayment amount or your *loan term*, we notify you in writing as described in 12.18. We will not increase your *loan term* for the reasons given above without your consent (but we may increase your *loan term* for other reasons without your consent in accordance with condition 12.17).

- 4.4 You can also ask us in writing to change your repayment amount. **We don't have to agree** (however, in making this decision we must act reasonably) but, if we do, we notify you in writing of your new repayment amount and any changes to the *loan term* that result from it.

### When and how you pay

- 4.5 You must pay your first repayment on the day specified in the *schedule*. Following repayments are then due at monthly intervals – for example, if the first repayment is due on the 15th October, each later repayment is due on the 15th of every month.
- 4.6 If the *settlement date* occurs on the 29th, 30th or 31st of the month, then you must pay repayments on the 28th day of each month.
- 4.7 If a repayment would otherwise be due on a day which is not a *business day*, you must pay on the preceding *business day*.
- 4.8 You must pay us the *total amount owing* on the date the final repayment is due or, if you default, on the date it becomes due for payment under condition 7.
- 4.9 Where you authorise repayments to be made automatically to your *loan account*, and you wish to make any change to or stop this periodical payment, you must advise us in writing at least five (5) *business days* before the repayment is due. We will continue to make periodical payments unless:
- the authority is cancelled by you in writing to us;
  - there are insufficient cleared funds at the source of the payment when the payment is to be made;
  - you have been declared bankrupt;
  - we are advised of your death;
  - a Court Order has been made prohibiting such payment; or

- we decide that such payment should not be made for any other reason (acting reasonably), in which case we will notify you in writing of our decision within three (3) *business days*.

- 4.10 If you are in financial difficulty at any time you should promptly inform us of this.

## 5 Prepayments

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- 5.1 You may prepay any part of the *total amount owing* at any time.
- 5.2 Once you prepay an amount you may not borrow it again.

## 6 Declarations

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- 6.1 You declare that:
- (a) you are not an undischarged bankrupt or *insolvent* and have neither assigned your estate nor entered into any arrangement or composition for the benefit of creditors; and
  - (b) unless indicated otherwise in the *schedule*, neither you nor a *security provider* enter this *contract* or a *security* as a trustee; and
  - (c) you are not in default under any arrangement (including an agreement) which could have a material adverse effect on your ability to perform your obligations under this *contract* or a *security* to which you are a party.
- 6.2 You must tell us if anything has happened which prevents you repeating all the declarations in condition 6.1 before you ask us at any time to lend you any of the *amount of credit*.

## 7 If you are in default

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### When are you in default?

- 7.1 You are in default if:
- (a) you do not pay on time all amounts due under this *contract*; or
  - (b) you do something you agree not to do, or don't do something you agree to do under this *contract* which we reasonably consider is materially adverse to our risk; or
  - (c) you give, or another *person* acting on your behalf gives, us incorrect or misleading information in connection with this *contract* or a *security* which we reasonably consider is materially adverse to our risk; or

- (d) we reasonably believe that you or another *person* acting on your behalf has made a misrepresentation in connection with this *contract* or a *security* which we reasonably consider is materially adverse to our risk; or
- (e) we reasonably believe that you or another *person* acting on your behalf has acted fraudulently in connection with this *contract* or a *security*; or
- (f) you are, or a *security provider* is, in default under a *security* or withdraws from it and we reasonably consider such default or withdrawal is materially adverse to our risk; or
- (g) you become, or a *security provider* becomes, *insolvent* or steps are taken to make you or the *security provider* so; or
- (h) we believe on reasonable grounds that you have removed or disposed of any *mortgaged property*, without our permission, or that you intend to do so; or
- (i) we believe on reasonable grounds that, as a result of your conduct or another *person* acting on your behalf, urgent action is necessary to protect any *mortgaged property*; or
- (j) you surrender to us *mortgaged property* and you do not ask us to return these *goods* within the time contemplated by the National Credit Code, and we reasonably consider that this is materially adverse to our risk.

## What can happen then?

7.2 If you are in default, we may give you a notice stating that you are in default and give you a period of at least 30 days from the date of the notice to correct the default.

If you do not, or cannot, correct the default within the grace period given in the notice or required by law (or if you are in default again for a similar reason at the end of that period), then, at the end of that period (subject to any applicable laws) and without further notice to you, the *total amount owing* becomes immediately due for payment (to the extent it is not already due for payment).

We may then sue you for that amount, or enforce any *security*, or do both.

In addition, if you are in default due to you not paying on time all amounts due under this *contract*, then we may debit a *default fee* to your *loan account* (see conditions 7.5 - 7.8).

In enforcing any *security* contemplated by condition 10, we may do one or more of the following:

- (a) sue you for the *total amount owing*;
- (b) take possession of the *mortgaged property*;
- (c) remove personal possessions from the *mortgaged property* and either abandon them or store them without being liable to you. (If we abandon them, we will notify you at least one month before we do so. If we store them and you do not reclaim the possessions within one month after we notify you that we intend to sell them, we may dispose of them and use the proceeds towards paying the *total amount owing*);
- (d) do anything an owner of the *mortgaged property* could do, including selling or leasing the *mortgaged property* on terms we choose;
- (e) do anything else the law allows us to do as holder or grantee of the *security*;
- (f) enter any place we believe the *mortgaged property* is held, in order to do any of the above;
- (g) give valid discharges for purchase money or other consideration relating to the disposal of the *mortgaged property*;
- (h) execute any transfer or other document we consider useful in exercising our rights under the *security*;
- (i) appoint a receiver to do any of those things. Even if we take possession of the *mortgaged property*, we may allow you to take the *mortgaged property* back. If we do so, we are not to be taken as waiving any default under this *contract*, unless we expressly say so in writing.

7.3 In limited circumstances set down by law (such as if we are unable to locate you), we need not give the notice or wait until the end of any grace period given in a notice. Instead, if you are in default, the *total amount owing* becomes immediately due for payment without notice (or before the end of the period specified in any notice we have given you). We may then immediately sue you for that amount, or enforce any *security*, or do both.

7.4 If you are in default, we may use any money you have in another account with us towards repaying the *total amount owing* (this is known as “combining accounts”). We may combine accounts without giving you any notice but we will promptly tell you afterwards.

## Default fee

Under this *contract* we may charge default fees when you are in default because you do not pay on time all amounts due under this *contract*.

- 7.5 We may charge you a *default fee* when any amount is overdue.
- 7.6 A *default fee* is debited to your *loan account* after each repayment date whilst any amount is overdue. You are then liable for interest charges on the new *balance owing on your loan account*. Notice will be provided of each *default fee* debited to your *loan account*.
- 7.7 The *default fee* at the *disclosure date* is shown in the *schedule*.
- 7.8 Your obligation to pay on time all amounts due under this *contract* is not cancelled by the provisions of this condition.

## 8 Other costs and charges

Enforcement expenses may become payable under this *contract* or any mortgage or other *security* in the event of a breach.

- 8.1 You must pay us:
- (a) all fees and charges in the circumstances indicated in the *schedule* and any changed or new fees or charges notified to you under condition 12.18 and
  - (b) any government taxes and all additional government stamp and other duties and charges payable on receipts or withdrawals in connection with this *contract* or a *security*; and
  - (c) any reasonable expenses we reasonably incur in enforcing this *contract* or a *security* after you are in default (including enforcement costs we incur to enforce the loan, including from a third party, such as our processing costs, collection agency costs, solicitors costs, and court fees, and also in the case of a mortgage, enforcement expenses incurred in preserving and maintaining property such as by paying insurance, rates and taxes for the property).

We may keep any credit fees and charges shown in the *schedule* that have already been paid, except for fees and charges in respect of any of our costs we no longer have to pay.

- 8.2 You authorise us to debit any of these amounts to your *loan account*. We may do so on or after the date we pay them or the date they become

due or payable by you or us (whichever is earlier).

- 8.3 The credit fees and charges current at the *disclosure date* are shown in the *schedule*.

Information on current interest rates and fees and charges is available on our website or on request.

## 9 Transactions

- 9.1 Acting reasonably, we may assign any date we consider appropriate to a debit or credit to the *loan account* (except that, in the case of a debit, the date must not be earlier than the date on which the relevant transaction occurs). However, we credit payments to the *loan account* as soon as practicable after we receive them. This is not necessarily the same day that you pay.
- 9.2 We may subsequently adjust debits and credits to the *loan account*, and the *balance owing on your loan account*, so as to accurately reflect the legal obligations of you and us (for example, because of an error or because a cheque is dishonoured). If we do this, we may make consequential changes (including to interest charges).
- 9.3 Money received is to be used towards paying the *total amount owing*, in any order we choose, unless we are obliged to pay the money to anyone with a prior claim. However, if money received represents proceeds of an insurance claim, we may decide in our reasonable discretion to use it to replace the goods or carry out other work on them.
- 9.4 We must pay any money remaining after the *total amount owing* is paid either to you or to another *person* entitled to it (such as another *person* with a *security interest* over the goods). In particular, we may pay it to a *person* with a subsequent registered or unregistered *security interest* without incurring liability to you.

## 10 Security - mortgage

- 10.1 Conditions 10 and 11 apply if the *schedule* indicates we are to have a *security*.

By giving this *security* you undertake certain obligations. You also give us rights concerning you and the *goods* – for example, if you do not comply with your obligations, in certain circumstances we may take possession of the *goods*, sell them and sue you for any remaining money you owe us.

- 10.2 You declare that you own the *goods* (or are in the process of becoming the owner), that there are no existing or proposed *security interests* (other than this one) affecting the *goods* and that all the information you have given in connection with this *contract* (including this mortgage) is correct and not misleading.

### Legal mortgage

- 10.3 For the purpose of securing to us payment of the *total amount owing*, as beneficial owner you transfer the *goods* to us by way of legal mortgage. You may require us to release the *goods* from this mortgage when there is no *total amount owing*.
- 10.4 If you do not already legally own the *goods*, you must do everything necessary to become the legal owner as soon as possible after the date of this *contract*. You also agree that as soon as you own the *goods*, this mortgage takes effect immediately when the first of the following events happens:
- (a) you behave in a way which acknowledges this mortgage; or
  - (b) you use the *goods*; or
  - (c) the *goods* are delivered or invoiced to you; or
  - (d) you take possession of the *goods*; or
  - (e) you act as owner of the *goods*.

### Possession

- 10.5 Even though you have mortgaged the *goods* to us, you may keep possession of them subject to this mortgage.
- 10.6 See condition 11 for other provisions that also apply to this mortgage.

## 11 Security – general

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### Looking after *mortgaged property* and other obligations

- 11.1 This condition 11 applies if the *schedule* indicates we are to have a *security*. You must:
- (a) keep the *mortgaged property* in good condition and correct any defect promptly; and
  - (b) not do anything that is likely to materially lower the market value of the *mortgaged property*; and
  - (c) tell us if the *mortgaged property* is stolen, lost, seriously damaged or materially defective; and

- pay on time all money payable to any *person* in connection with the *mortgaged property* (including registration fees); and
- (d) keep any motor vehicle which is part of the *mortgaged property* registered; and
- (e) comply with all laws and requirements of authorities and your other obligations in connection with the *mortgaged property*; and
- (f) deliver the *mortgaged property* to us if we are entitled to take possession of it; and
- (g) ensure that you are not in default under this *contract*.

### Insurance

- 11.2 You must maintain the following insurance over the *goods* that are part of the *mortgaged property*:
- (a) if the *goods* are a vehicle – insurance over the vehicle against fire and other usual risks and compulsory third party insurance. You must also provide evidence satisfactory to us acting reasonably of current insurance cover whenever we ask for it; and
  - (b) in any other case – insurance against fire, theft, accident and any other risk we reasonably require in connection with the *goods*.
- You must ensure that the insurance cover is not reduced or cancelled and must notify us if it is or could be. Each policy you take out must note our interest as mortgagee.

### Insurance claims

- 11.3 You must do your best to ensure that proceeds from an insurance claim, are:
- (a) used to replace or repair the *mortgaged property*; or
  - (b) paid to us.

### Dealing with the *goods*

- 11.4 You must get our written consent before you:
- (a) sell or part with possession of the *mortgaged property*; or
  - (b) create another *security interest* over the *mortgaged property* or allow one to arise (including a lien for repairs or storage); or
  - (c) change the usual location of the *mortgaged property*; or
  - (d) alter any identifying marks (such as a serial number); or
  - (e) deal in any other way with the *mortgaged property*, any mortgage you grant us or any interest in them.

## Administrative matters

- 11.5 We may register any mortgage you grant us.
- 11.6 You must promptly do anything we reasonably ask (such as signing and producing documents, supplying information and getting documents completed and signed):
- (a) to provide more effective security over the *goods* for the payment of the *total amount owing*; or
  - (b) to enable us to register any mortgage you grant us with the agreed priority (and, if required, to renew the registration); or
  - (c) to enable us to exercise our rights in connection with the *mortgaged property* (including the right to take possession of them); or
  - (d) to enable us to register the power of attorney in this *contract* or a similar power; or
  - (e) enable us (including our agents) to inspect the *mortgaged property*; or
  - (f) to show whether you are complying with any mortgage you grant us.
- 11.7 You must pay for anything that you must do under this *contract*.

## Power of attorney

- 11.8 You appoint us, each of our authorised officers, each of our employees and each receiver we appoint under a mortgage you grant us, separately as your attorney. If we ask (acting reasonably and in good faith), you must formally approve anything they do under this power. You may not revoke these appointments.
- 11.9 If you are in default or we have served a notice stating that you are in default, each attorney may (acting reasonably and in good faith):
- (a) do anything which you can do as owner of the *mortgaged property* (including selling or leasing or otherwise dealing with the *mortgaged property* and starting, conducting and defending legal proceedings in your name); and
  - (b) delegate their powers (including this power) and revoke a delegation; and
  - (c) exercise their powers even if this involves a conflict of duty or they have a personal interest in doing so.

## 12 General matters

General descriptive information disclosing how accounts operate is available from any Branch.

### Statements

- 12.1 We give you a statement for your *loan account* at least every three months. You must inform us if you change your residential or postal address.

### How we may exercise our rights

- 12.2 We may exercise a right or remedy, or not exercise a right or remedy or delay our exercise of a right or remedy, or give or refuse our consent, in any way we consider reasonable and appropriate including by imposing conditions.
- 12.3 If we do not exercise a right or remedy fully or at a given time, we can still exercise it later so long as appropriate notice has been provided and the default remains outstanding.
- 12.4 Our rights and remedies under this *contract* or a *security* are in addition to other rights and remedies provided by law independently of it.
- 12.5 Our rights and remedies under this *contract* may be exercised by any of our directors, any of our employees or any other *person* we authorise.
- 12.6 If any term of this *contract* is regulated by legislation relating to unfair contract terms and we are advantaged by that term, we may only exercise our rights under that term to the extent (if any) reasonably necessary to protect our legitimate interests, unless the term would not cause a significant imbalance in the parties' rights and obligations under this *contract* or it would not cause detriment (financial or otherwise) to you if we applied the term or relied on it. Words used in this clause have the same meanings as under the applicable legislation.

### Our certificates

- 12.7 We may give you a certificate about an amount payable in connection with this *contract*. The certificate can be used as evidence of the amount unless you dispute that the certificate is correct, including in any court or tribunal proceeding. In giving any certificate we will act reasonably. You should check the details in any certificate we give you under this condition

12.7 and if you believe there are errors or you have any other concerns, you should contact us as soon as possible.

### Assignment

12.8 We may assign or otherwise deal with our rights under this *contract* or a *security* in any way we consider appropriate. You agree that we may disclose any information or documents we consider desirable to help us exercise this right. You also agree that we may disclose information or documents at any time to a *person* to whom we assign our rights under this *contract*.

Your rights under this *contract* are personal to you and may not be assigned without our written consent.

### Valuations

12.9 Any valuation or report we obtain is for our benefit, not yours. You may not rely on it.

### Blanks

12.10 You agree that we, acting reasonably and in good faith, may fill in any blanks in any document related to this *contract* (such as an acknowledgment).

### Notices, other communications and serving documents

12.11 Notices, certificates, consents, approvals and other communications in connection with this *contract* must be in writing or in any other form permitted by it.

12.12 Communications from us may be signed by any of our employees. If you are a company, communications from you must be signed by a director.

12.13 Communications for us may be:

- (a) given personally to one of our employees at:
  - any of our Branches; or
  - our registered office; or
- (b) sent by prepaid post or electronically (such as by fax or email) to any of those places; or
- (c) given by any other means permitted by law.

12.14 Subject to any applicable law, communications for you may be:

- (a) given to you personally or left at:
  - (if you are an individual) your residential or business address last known to us; or
  - (if you are a body corporate) your registered office by leaving it with one of your officers; or

- (b) sent by post to your postal or residential or business address last known to us; or
- (c) sent by fax to your residential or business fax number last known to us; or
- (d) sent by email to an email address you have given us; or
- (e) given by any other means permitted by law.

12.15 Subject to any applicable law, communications take effect from the time they are received unless a later time is specified in them.

If they are sent by post to your last known residential or business address, they are taken to be received on the day they would be received in the ordinary course of post. If they are sent by a fax machine which produces a transmission report, they are taken to be received on the date the transmitting machine produces a report indicating the communication was sent to the recipient's fax number. If they are sent by email, they are taken to be received on the date shown in the sender's email system as the date that the email was sent. If they are given by newspaper advertisement, they are taken to be received on the date they are first published.

12.16 We may serve any document in a court action (including a writ of summons, other originating process or third or other party notice) on you by delivering it to your address in the schedule (or any changed address notified to us) or by leaving it there. This does not prevent any other method of service.

### Changes to this contract and waivers

12.17 You agree that we may, acting reasonably and to the extent reasonably necessary to protect our legitimate business interests, make any of the following changes to this *contract* at any time without your further consent:

- (a) change the amount and type of fees and charges and when they are payable (including by imposing new fees and charges or changing the method of calculation of a fee or charge); or
- (b) change the manner in which interest is calculated or applied under this *contract*, except that we cannot change the *annual percentage rate*; or
- (c) change the amount, method of calculation, number, frequency or time for payment of repayments, or period over which repayments are to be paid, except that we cannot increase the *loan term* for the reasons given in condition 4.3; or

(d) other changes which:

- we reasonably consider you will benefit from; or
- are administrative or minor, or correct a mistake or omission; or
- reflect changes to our business or systems; or
- are made for security reasons; or
- are required by or to comply with the law, or any decision, recommendation, regulatory guidance or standard of any court, tribunal, ombudsman service, regulator, or any other similar body; or
- are otherwise applied generally to a type of loan, or to loans with a particular feature, or to all customers like you (including taking into account your loan purpose) – this may include changes to reflect current industry or market products or conditions; or
- are not unfavourable to your rights or obligations under this *contract*.

If any law regulates that change, we may only change to the extent permitted by, and subject to, the requirements of that law. If you do not like a change, you can cancel this *contract* by repaying the *total amount owing* in full.

12.18 We will notify you when we:

- (a) change the amount or frequency of payment of a credit fee or charge or impose a new credit fee or charge. Where a change to the amount of a credit fee or charge or the imposition of a new credit fee or charge does not reduce your obligations or does not extend the time for payment, we will give you at least 20 days prior notice either by advertisement in a newspaper circulating in your State or Territory or in writing to you. If we notify you by advertisement, we will also provide you with such particulars of the change as are required by law before or when we provide your next statement of account after the change takes effect. Where a change of the amount or frequency of payment of a credit fee or charge or the imposition of a new credit fee or charge reduces your obligations or extends the time for payment, we will notify you before or when we provide your next statement of account after the change takes effect; or
- (b) change the amount or frequency or time of payment of a repayment. Where such a change does not reduce your obligations or does not extend the time for payment, we

will give at least 20 days prior written notice to you. Where such a change reduces your obligations or extends the time for payment, we will give you written notice no later than before or when we provide your next statement of account after the change takes effect; or

- (c) change the *contract* (other than in the ways set out in sub-conditions (a) and (b) above). We will do this either in writing to you or by advertisement in a newspaper circulating in your State or Territory or both. Where such a change does not reduce your obligations, we will give you at least 20 days prior written notice. Where such a change reduces your obligations, we will give you written notice no later than before or when we provide your next statement of account after the change takes effect.

12.19 A provision of this *contract* or a *security*, or a right created under it, may not be waived except in writing signed by the party or parties to be bound.

### Set-off

12.20 Except to the extent you have a right of set-off granted by law which we cannot exclude by agreement (such as under the National Credit Code), you must pay all amounts due under this *contract* in full without setting off amounts you believe we owe you and without counterclaiming amounts from us.

### National Credit Code

12.21 Conditions 12.22 and 12.23 apply to the extent that the National Credit Code applies to this *contract*.

12.22 If:

- (a) that Code would otherwise make a provision of this *contract* illegal, void or unenforceable; or
- (b) a provision of this *contract* would otherwise contravene a requirement of that Code or impose an obligation or liability which is prohibited by that Code,

this *contract* is to be read as if that provision were varied to the extent necessary to comply with that Code or, if necessary, omitted.

12.23 If that Code is inconsistent with this *contract*, that Code overrides this *contract* to the extent of the inconsistency.

## Inconsistent law

12.24 To the extent allowed by law and subject to conditions 12.22 and 12.23, this *contract* prevails to the extent it is inconsistent with any law.

## Applicable law

12.25 This *contract* is governed by the law in force where you reside when you enter into this *contract*. You and we submit to the non-exclusive jurisdiction of the courts of that place.

## Joint accounts

12.26 If there is more than one of you, and any of you can operate the *loan account* without the authorisation of one or more of you, we will comply with a request by any of you to change the *loan account* approval so that all joint *loan account* holders must approve any future borrowings, or to suspend the *loan account* so as to allow you and the other *loan account* holders to reach agreement about dispersal of the *loan account* funds. Any change to the *loan account* approval or any suspension of the *loan account* does not affect your obligation to make payments under this *contract*.

12.27 If there is more than one of you:

- (a) any one of you may give us a written notice to terminate your liability under this *contract* if no credit has been provided or relied upon by any of you; and
- (b) if credit has been provided, any one of you may give us a written notice to terminate your liability for future credit. If we receive such a notice, we have the right to terminate any obligation to provide further credit to each other borrower under this *contract*.

## 13 Meaning of words

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13.1 the **amount of credit** is stated in the *schedule*.  
**annual percentage rate** means a per annum rate of interest.

**balance owing on your loan account** means, at any time, the difference between all amounts credited and all amounts debited to you under this *contract* at that time. When this amount is to be calculated for the end of a day, it includes all debits and credits assigned to that day.

**business day** means a day when we are open for normal business in New South Wales, other than a Saturday or Sunday.

**contract** means the contract (as varied from time to time) you make with us when you accept the offer set out in the *schedule*.

**costs** includes charges and expenses; and costs, charges and expenses in connection with legal and other advisers.

**default fee** means the default fee payable under condition 7.

the **disclosure date** is stated in the *schedule*.

**goods** mean each one or more of the following which the context allows:

- the goods described in “Security” in the *schedule*;
- replacements for and accessories and additions fitted to the goods at any time;
- your rights at any time in connection with the goods; and
- any proceeds of the goods.

**including** or **such as** when introducing an example, does not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

**insolvent** means being an *insolvent* under administration or *insolvent* or having a controller appointed (each as defined in the Corporations Act – such as being bankrupt), in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration, wound up, subject to any arrangement, assignment or composition, protected from creditors under any statute, dissolved (other than to carry out a reconstruction while solvent) or otherwise unable to pay debts when they fall due.

**loan account** means an account we establish in your name for recording all transactions in connection with this *contract*.

the **loan term** is stated in the *schedule*.

**mortgaged property** means the property mortgaged as contemplated by condition 10.

**person** includes an individual, a firm, a body corporate, an unincorporated association or an authority.

**schedule** means the document titled “Personal Loan Contract Schedule”.

**security** means each *security interest* described in the *schedule* under “Security” and any substitute or additional *security interest* given in connection with this *contract*. The property the subject of any mortgage of property described in the *schedule* under “Security” comprises all the mortgagor’s interest in the property and rights which may arise in connection with it; and rights

to set-off any money we owe the mortgagor against the amount secured by that mortgage. **security interest** means any mortgage, charge, lien, pledge, trust, power or other rights given as or in effect as security for the payment of money or performance of obligations. *Security interest* also includes a guarantee or an indemnity.

**security provider** means each person (other than you) who gives a *security*.

**settlement date** means the date we first lend you any of the principal part of the *amount of credit* (or, if earlier, the date we first debit any of it to your *loan account*).

**such as** see **including**.

**total amount owing** means, at any time, the *balance owing on your loan account* at that time, plus all accrued interest charges, default and enforcement charges and other amounts which you must pay under this *contract* but which have not been debited to your *loan account* at that time.

**we** means IMB Ltd and its successors and assigns.

**you** means the person or persons named in the *schedule* as "Borrower". If there are more than one, you means each of them separately and every two or more of them jointly. You includes your successors and assigns.

The singular includes the plural and vice versa. A reference to:

- a **document**, includes any variation or replacement of it;
- **law**, means common law, principles of equity, and laws made by parliament (and laws made by parliament include regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of them);
- any **thing**, includes the whole and each part of it.

## Information Statement

**If the borrower is a company, or if 50% or more of this loan is used for business or investment purposes (other than investment in residential property), the loan will not be regulated by the National Credit Code despite any statement that the National Credit Code applies to this loan.**

Some of the information in the Information Statement below will only apply to you if your loan is regulated by the National Credit 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. It does not state the terms and conditions of your contract.

If you have any concerns about your contract, contact your credit provider and, if you still have concerns, the AFCA scheme, or get legal advice.

### The contract

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

Your credit provider must give you a 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 your credit provider, you must be given a copy to keep.

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

If you want another copy of your contract write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence 1 year or less before your request; or
- otherwise within 30 days of your written request.

#### 3. Can I terminate the contract?

Yes. You can terminate the contract by writing to the credit provider so long as:

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

However, you will still have to pay any fees or charges incurred before you terminated the contract.

**4. Can I pay my credit contract out early?**

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

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

You can write to your credit provider at any time and ask for a statement of the pay out figure as at any date you specify. You can also ask for details of how the amount is made up. Your credit provider must give you the statement within 7 days after you give your request to the credit provider. You may be charged a fee for the statement.

**6. Will I pay less interest if I pay out my contract early?**

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits your credit provider to charge one) and other fees.

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

Yes, but only if your contract says so.

**8. Will I be told in advance if my credit provider is going to make a change in the contract?**

That depends on the type of change. For example:

- you get at least same day notice for a change to an annual percentage rate. That notice may be a written notice to you or a notice published in a newspaper.
- you get 20 days advance written notice for:
  - a change in the way in which interest is calculated; or
  - a change in credit fees and charges; or
  - any other changes by your credit provider, except where the change reduces what you have to pay or the change happens automatically under the contract.

**9. Is there anything I can do if I think that my contract is unjust?**

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement. If that is not successful, you may contact the AFCA scheme. The AFCA scheme is a free service established to provide you with an independent mechanism to resolve specific complaints. The AFCA scheme can be contacted at 1800 931 678 or in writing to GPO Box 3, Melbourne VIC 3001 (Australia).

Alternatively, you can go to court. You may wish to get legal advice, for example from your community legal centre or Legal Aid. You can also contact ASIC, the regulator, for information on 1300 300 630 or through ASIC's website at <http://www.asic.gov.au>.

## **Insurance**

**10. Do I have to take out insurance?**

Your credit provider can insist you take out or pay the cost of types of insurance specifically allowed by law. These are compulsory third party personal injury insurance, mortgage indemnity insurance or insurance over property covered by any mortgage. Otherwise, you can decide if you want to take out insurance or not. If you take out insurance, the credit provider can not insist that you use any particular insurance company.

**11. Will I get details of my insurance cover?**

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by your credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal.

Also, if you acquire an interest in any such insurance policy which is taken out by your credit provider then, within 14 days of that happening, your credit provider must ensure you have a written notice of the particulars of that insurance.

You can always ask the insurer for details of your insurance contract. If you ask in writing your insurer must give you a statement containing all the provisions of the contract.

**12. If the insurer does not accept my proposal, will I be told?**

Yes, if the insurance was to be financed by the credit contract. The insurer will inform you if the proposal is rejected.

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

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

**14. What happens if my credit contract ends before any insurance contract over mortgaged property?**

You can end the insurance contract and get a proportionate rebate of any premium from the insurer.

## Mortgages

**15. If my contract says I have to give a mortgage, what does this mean?**

A mortgage means that you give your credit provider certain rights over any property you mortgage. If you default under your contract, you can lose that property and you might still owe money to the credit provider.

**16. Should I get a copy of my mortgage?**

Yes. It can be part of your credit contract or, if it is a separate document, you will be given a copy of the mortgage within 14 days after your mortgage is entered into. However, you need not be given a copy if the credit provider has previously given you a copy of the mortgage document to keep.

**17. Is there anything that I am not allowed to do with the property I have mortgaged?**

The law says you cannot assign or dispose of the property unless you have your credit provider's or the court's permission. You must also look after the property. Read the mortgage document as well. It will usually have other terms and conditions about what you can or 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 the property?**

See the answers to questions 22 and 23. Otherwise you may:

- if the mortgaged property is goods, give the property back to your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if your credit provider gives permission first; OR
- give the property to someone who may then take over the repayments – but only if your credit provider gives permission first.

If your credit provider won't give permission, you can contact the AFCA scheme for help. If you have a guarantor, talk to the guarantor who may be able to help you.

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

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

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

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

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

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

Your credit provider can only do so if it has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the National Credit Code.

## General

**22. What do I do if I cannot make a repayment?**

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider to change your contract in a number of ways:

- to extend the term of the contract and reduce payments; or
- to extend the term of your contract and delay payments for a set time; or
- to delay payments for a set time.

**23. What if my credit provider and I cannot agree on a suitable arrangement?**

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

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

**24. Can my credit provider take action against me?**

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the credit provider's external dispute resolution scheme or ASIC, or get legal advice.

**25. Do I have any other rights and obligations?**

Yes. The law will give you other rights and obligations.

You should also **READ YOUR CONTRACT CAREFULLY.**

**IF YOU HAVE ANY COMPLAINTS ABOUT YOUR CREDIT CONTRACT, OR WANT MORE INFORMATION, CONTACT YOUR CREDIT PROVIDER. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH YOUR CREDIT PROVIDER BEFORE CONTACTING THE AFCA SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO YOUR CREDIT PROVIDER YOU CAN CONTACT THE AFCA SCHEME OR GET LEGAL ADVICE.**

**THE AFCA SCHEME IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. THE AFCA SCHEME CAN BE CONTACTED AT 1800 931 678 OR IN WRITING TO GPO BOX 3 MELBOURNE VIC 3001 (AUSTRALIA). PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.**

**IMB Ltd trading as IMB Bank**

ABN 92 087 651 974

Australian Credit Licence Number 237 391

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