



Low Rate Visa Card Terms and Conditions

This document forms part of your credit contract and should be read with the Credit Card Contract Schedule which also forms part of your credit contract.

How to Contact Us

Please contact us and send us instructions by:

Mail: Australian Military Bank

PO Box H151 Australia Square NSW 1215

Phone: 1300 13 23 28

(Monday to Friday during business hours EST).

Fax: (02) 9240 4120

Email: service@australianmilitarybank.com.au

Website: australianmilitarybank.com.au

Or visit us at any of our branches, details of which can be found on our website.

Important Note: This document forms part of your credit contract and should be read with the Credit Card Contract Schedule which also forms part of your credit contract.

RELATED SERVICES – TERMS AND CONDITIONS

You may access our internet banking and telephone banking services for which Terms and Conditions has already been issued.

You should read our Privacy Brochure which sets out our Privacy Policies and Procedures.

Copies of all terms and conditions and our Fees and Charges and Privacy Brochure(s) are available from Australian Military Bank and on our website.

Important Numbers

VISA CARD HOTLINE

Australia wide toll free

1800 648 027

Sydney Metropolitan Area

(02) 9959 7480

AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (AFCA)

You may lodge a complaint with AFCA:

Mail: GPO Box 3 Melbourne VIC 3001

Toll-free number: 1800 931 678

Email: info@afca.org.au

Website: www.afca.org.au

Terms of the Low Rate Visa Credit Card Contract

1. DEFINITIONS AND INTERPRETATION

In your loan contract:

- 1.1 a reference to 'we', 'us' or 'our' means the Bank;
- 1.2 a reference to 'you' means each Borrower;
- 1.3 "Cash Advance" means any transaction treated by us as a Cash Advance, including transactions where you:
 - (a) draw cash from the account using an automatic teller machine or at a financial institution
 - (b) receive from a Merchant a cash substitute (including, but not limited to, using the account to purchase gambling chips or tokens, traveller's cheques or money orders, or to load value to a stored value card or facility)
 - (c) use the account to pay bills through a third party where the Merchant does not accept Credit Card payments
 - (d) use the account to pay bills over the counter at a financial institution
 - (e) transfer, or arrange for the transfer of, funds from the account to another account.

We, as the issuer of your Card, are only able to determine whether to treat a transaction you make with a Merchant on your account as a purchase or a Cash Advance, based on information (including the type of business conducted by the Merchant) provided by that financial institution in the course of processing the transaction. Accordingly, Credit Card transactions made with certain Merchants may be treated as Cash Advances, even though such transactions do not fall within any of the above transaction categories.

The most common types of Merchant outlet where this may occur are newsagencies and Merchants that sell lottery tickets or other gambling/gaming products.

- 1.4 words and phrases have the same meaning as in the Schedule;
- 1.5 words and phrases have the same meaning as in the National Credit Code;

- 1.6 headings are for convenience only and do not affect the interpretation of this agreement;
- 1.7 words importing the singular include the plural and vice versa;
- 1.8 words importing a gender include any gender;
- 1.9 other parts of speech and grammatical forms of a word or phrase defined in this loan contract have a corresponding meaning;
- 1.10 a reference to a Clause or Schedule is a reference to a clause or schedule of this loan contract;
- 1.11 a reference to this loan contract includes any Schedule; and
- 1.12 a reference to a party to this contract includes that party's successors and permitted assigns.

2. CREDIT LIMIT

- 2.1 We agree to make available to you credit up to the Credit Limit.
- 2.2 You agree not to exceed the Credit Limit.
- 2.3 We may reduce the Credit Limit to the balance of your account at any time. We do not have to notify you beforehand but we must notify you as soon as practicable afterwards.
- 2.4 This loan contract has a minimum Credit Limit of \$2,000.
- 2.5 Subject to clause 2.4, you may reduce the Credit Limit at any time. However, if you reduce the Credit Limit below the current outstanding balance of the account, you will not have any available credit until you pay down the outstanding balance to less than the new Credit Limit.

3. REPAYMENTS AND TERMINATION OF LOAN CONTRACT

- 3.1 You must make repayments as and when specified in the Schedule. However, this is subject to other terms of this loan contract, for example, if we increase the minimum repayment or if you are in default.
- 3.2 You must also pay us immediately the amount required to reduce the balance of the account to the Credit Limit. This occurs if your transactions, interest charges, credit fees and

charges or enforcement expenses exceed the Credit Limit but not when you reduce the Credit Limit under clause 2.5.

- 3.3 If we do not receive value for a cheque or direct credit, we may:
- (a) reverse the credit; and
 - (b) charge you interest or default interest; and
 - (c) exercise any right or remedy under this contract; as if the repayment had never been made.
- 3.4 If you are liable to us under 2 or more loan contracts and do not tell us to which account we are to credit any repayment, we may credit the repayment to this loan contract or any of the other loan contracts as we choose.
- 3.5 We will apply your payments to the closing balance in the latest statement and to amounts included in that balance that attract a higher annual percentage rate first.
- 3.6 If your payment exceeds the closing balance of the account, we will apply the payment in excess of the closing balance to amounts occurring after the date of the latest statement that attract a higher interest rate first.
- 3.7 You must make all payments due under this loan contract, without any deduction, set-off, counterclaim or condition.
- 3.8 For the purpose of this clause, a reversal or refund of charges to the account is not a payment to the account.
- 3.9 You have the right under the National Credit Code to pay the outstanding balance of this loan contract at any time, which only restores the available credit up to your Credit Limit. If you want to terminate this loan contract, and any credit card used in connection with this loan contract, you may do so by telling us when paying the outstanding balance of the loan account. You will also need to return the credit card to us or destroy it at our direction.

4. CALCULATING INTEREST CHARGES

- 4.1 We will calculate interest daily by:
- (a) first subtracting any interest free purchases or fees from the unpaid daily balance of the account at the end of the day

- (b) then multiplying the remaining amount by the Annual Percentage Rate as noted in the Schedule.

Interest Free Period for Purchases and Fees

- 4.2 We will not charge you interest on purchases in these circumstances:
- (a) from the start of your continuing credit contract until the due date for the first statement cycle;
 - (b) from the due date of a statement cycle to the due date of the next statement cycle, providing the closing balance of the first-mentioned statement cycle is paid in full by the first-mentioned due date; or
 - (c) from the date you pay the outstanding balance (including any balance transfers) of the continuing credit contract to the due date of the next statement.

However, we will charge you interest on unpaid purchases from the day after a due date where you have not paid the closing balance in full.

By way of explanation, the closing balance of a statement cycle is the outstanding balance of the continuing credit contract as at the closing date of a statement cycle.

Debiting Interest

- 4.3 We will debit interest on the closing balance of each statement period. We will also debit interest on the day we close your credit account.

No Interest Free Period for Cash Advances

- 4.4 There is no interest free period for cash advances. Cash advances incur interest in accordance with clause 4.3 from the effective date the transaction is posted to your account until the date the transaction is paid in full.

5. CALCULATING DEFAULT INTEREST CHARGES

- 5.1 This Clause only applies if a Default Rate of Interest is specified in the Schedule.
- 5.2 If you do not make a repayment when due, you must pay us default interest as well as interest.
- 5.3 We will calculate default interest daily by multiplying the overdue amount by the daily default percentage rate.

The daily default percentage rate is the Default Rate of Interest divided by 365.

- 5.4 We will debit default interest on the last day of each statement period and we may debit default interest on the day you pay the balance of the loan.

6. CREDIT FEES AND CHARGES

- 6.1 We may debit the Credit Fees and Charges specified in the Schedule to your account.

7. VARIATION OF ANNUAL PERCENTAGE RATE

- 7.1 We may vary the Annual Percentage Rate at any time.
- 7.2 If the variation increases your obligations, we must notify you on or before the day the increase takes effect by:
- publishing a notice in a newspaper and sending you notification in your next statement of account; or
 - giving you written notice.

8. VARIATION OF INTEREST CALCULATIONS

- 8.1 We may vary how we calculate interest or how often we debit interest.
- 8.2 If the variation increases your obligations, we must give you written notice at least 20 days before the increase takes effect.

9. VARIATION OF CREDIT FEES & CHARGES

- 9.1 We may:
- vary the amount of any Credit Fee or Charge;
 - add a new credit fee or charge (which is a Credit Fee or Charge);
 - vary the method of calculating any Credit Fee or Charge; or
 - vary the time or frequency of payment for any Credit Fee or Charge.
- 9.2 If the variation increases your obligations, we must notify you 20 days before the change takes effect by:
- publishing a notice in a newspaper and sending you

notification in your next statement of account; or

- giving you written notice.

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

10. VARIATION OF REPAYMENTS

- 10.1 We may vary:
- the amount, frequency or time of repayments; or
 - the method of calculating repayments; or
 - the method of calculating the minimum repayment.
- 10.2 If any of these variations increases your obligations, we must give you written notice at least 20 days before the increase takes effect.
- 10.3 If a variation does not increase your obligations, we will notify you in your next statement of account.

11. OTHER VARIATIONS

- 11.1 We may vary your loan contract:
- when the Schedule does not state a Default Rate of Interest - to add a Default Rate of Interest to calculate Default Interest Charges under clause 5; or
 - to increase or decrease the Default Rate of Interest specified in the Schedule.
- 11.2 If any of these variations increases your obligations, we must give you written notice at least 20 days before the increase takes effect.
- 11.3 If the variation does not increase your obligations, we will send you notification in your next statement of account.

12. DEFAULT

- 12.1 You are in default under your loan contract if:
- you exceed the Credit Limit;
 - you do not make a repayment in full by the date it is due;
 - you become a bankrupt;
 - you seek to make an arrangement or composition with your creditors under a law dealing with bankruptcy; or
 - you are required to be a member and you cease to be a member.

- 12.2 If you are in default, we may send you a default notice. The notice will tell you:
- what the default is;
 - what you have to do to remedy the default;
 - that you will have at least 30 days from the date of the notice to remedy the default; and
 - about your options and what can happen if the default is not remedied.

12.3 If you do not comply with the default notice, you become liable to pay us the balance of the loan immediately.

12.4 If you fail to do anything that your loan contract or any insurance policy requires you to do, we may:

- do the thing as required;
- do it in your name; and
- do it at your expense and debit your account for the expense.

13. ENFORCEMENT EXPENSES

13.1 If you are in default under this loan contract, we may charge you enforcement expenses we reasonably incur. We may debit these to your loan account.

13.2 An enforcement expense includes an expense for doing any of the following under this loan contract, any guarantee or any mortgage:

- enforcing any right we have;
- attempting to enforce any right;
- performing any of your obligations in accordance with clause 12.4;
- protecting any right;
- waiving any right;
- contemplating the enforcement of any right;
- sending an arrears letter or default notice before commencing enforcement proceedings.

13.3 An enforcement expense also includes any expense we have to pay on the dishonour of a cheque or any other payment instrument given to us for a payment in relation to this loan contract.

14. MISCELLANEOUS MATTERS

14.1 Taxes and expenses

- We may debit your account for any government
- tax or stamp duty payable in connection with this
- credit contract.

14.2 Payment on a Business Day

- If you must make a payment or do any other thing on or by a day that is not a business day, you must make the payment or do the other thing by the business day immediately before.

14.3 Joint Borrowers - Obligations are Separate and Together

- If there is more than one Borrower, each of you is liable to us separately for the whole balance of the loan as well as together.

14.4 Assignment

- You agree that we may assign our rights under this loan contract without further consent from you, if we choose to do so. If our rights under this loan contract are assigned to another person, or pass by law to another person, you will have (and may exercise) the same rights in respect of the loan contract against the assignee as you have against us.

14.5 Information is correct

- You represent and warrant that all information, representations and documents that you, or any person acting on your behalf, gave us about your loan application are true and correct.

14.6 Waiver

- A waiver of any of our rights under this loan contract does not occur unless we give it to you in writing.

14.7 Severability

- If any part of this loan contract is invalid, unenforceable or in breach of the National Credit Code, it is not included in this loan contract. The remainder of this loan contract continues in full force and effect.

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If you have any complaints about your credit contract, or want more information, contact us on 1300 13 23 28. You must attempt to resolve your complaint with us before contacting our external dispute resolution scheme. If you have a complaint which remains unresolved after speaking to us, you can contact our external dispute resolution scheme or get legal advice.

External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Australian Financial Complaints Authority (AFCA) and you may lodge a complaint with AFCA by contacting 1800 931 678, by emailing info@afca.org.au, by visiting www.afca.org.au or by writing to GPO Box 3, Melbourne VIC 3001.

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

Contact Us

1300 13 23 28

PO Box H151 Australia Square NSW 1215

Australia wide branch network

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