

Personal Loans

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Important notice

You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with term *loans* and *line of credit/overdraft products*. **You must read it in conjunction with our Customer Terms, the Product Disclosure Sheet and any other documents forming our banking agreement.** To the extent of any inconsistency between these terms and our Customer Terms, these terms prevail and if there is any inconsistency between the *approval* and any other part of our banking agreement, then the terms in the *approval* prevail. These terms do not apply to any existing personal instalment loan, personal revolving loan or line of credit/overdraft products you have with us to the extent that they are subject to separate terms and conditions.

Key words

The meaning of key words printed *like this* and other words used in our banking agreement is explained in our Customer Terms. Some additional key words which apply to the *products* referred to in these terms are explained at the end of these terms.

How to contact us

To find out information (such as current fees and interest rates or if you need us to explain features or terms) in connection with our *products*, you should contact us at one of our branches, by calling our Client Care Centre at 2658000 or by visiting our website sc.com/bn.

Part A - Term loans

1 Choosing the product that is right for you

You should contact us (see contact details under “How to contact us” at the front of these terms) to discuss how we may be able to structure your *loan* to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any loan product.

2 The loan

We must provide the loan

- 2.1 If we issue an *approval*, we agree to provide a loan up to the *limit* and for the term specified in the *approval*. The *limit* or term may be different to the *limit* or term you asked for in your *application*.

Purpose

- 2.2 You must use the *loan* only for the purpose set out in the *application* (including the repayment of any amount you owe another financial institution) or as otherwise approved by us.

How we provide the loan

- 2.3 Unless you and we agree otherwise, we provide the *loan* by depositing it into the *nominated account*.

Right to prepay if limit less than requested

- 2.4 If the *limit* or the term of the *loan* is different to the *limit* or the term you requested in your *application*, you may prepay the *loan* in full. If you do so within 14 days from the date of the *approval*, no prepayment fee is payable.

Top up loan

- 2.5 If you ask, we may agree to provide a top up loan by way of single drawdown up to the maximum principal repaid on terms we notify.
- 2.6 Fees and charges that apply to the *loan* may be deducted from the *loan* before depositing it into the *nominated account*.

3 Interest, fees and charges

Interest

- 3.1 You must pay interest on the *loan* monthly in arrears at the rate set out in the *approval* or otherwise in our banking agreement or any other rate we determine.
- 3.2 Unless otherwise specified in our banking agreement, interest accrues periodically and is calculated on the basis of a 365 day year (a 366 day year in the case of a leap year).
- 3.3 Interest is charged to your *account* on the last day of each month.

- 3.4 Interest is payable on the dates set out in the *approval* or elsewhere in our banking agreement.

- 3.5 Any overdue payment incurs interest at the *default rate* (which is higher than the usual interest rate) set out in the *tariff booklet* or elsewhere in our banking agreement (see “Interest, fees and charges” in the Customer Terms).

- 3.6 If we vary the interest rate we give you two months’ notice of the effective date of the revised interest rate.

Fees and charges

- 3.7 The fees and charges for the *loan* are set out in the *tariff booklet* or such other document as we may notify you.
- 3.8 In addition to charging interest at the *default rate*, we may charge a late payment fee for any overdue payment as set out in the *tariff booklet* or elsewhere in our banking agreement. Please contact us for further details.

4 Repayment

Repayment by instalments

- 4.1 You must repay the *loan* in instalments. We notify you the amount of the instalment in your *facility letter*.
- 4.2 Any *balance owing* for the *loan* (after payment of all instalments) must be repaid on the final payment date we notify you.
- 4.3 The instalments are payable even if you do not withdraw any of the *loan* funds we deposit in the *nominated account*.
- 4.4 If we vary the interest rate on the *loan*, we may vary the instalment amount and the number of instalments.

Methods of repayment

- 4.5 We advise you of the manner in which you must repay the instalments. For example, we may ask you to nominate an account for repayment by direct debit and give us documents to facilitate direct debit from the *nominated account*.
- 4.6 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.

Payment in full if we ask

- 4.7 Despite any other term of our banking agreement, at any time we may demand payment of the *loan* in full, together with all accrued but unpaid interest, fees and *costs* in connection with the *loan*. If we do so, you must pay us immediately.

What happens if you do not pay

- 4.8 If you do not make an instalment on or before the relevant due date:
- the loan plus all accrued but unpaid interest plus any other sum due to us is immediately due and payable; and
 - we charge you a late payment fee as set out in the tariff booklet or elsewhere in our banking agreement.

Events of default

- 4.9 An event of default occurs where:
- you fail to perform and observe any of your obligations under the Banking Facility Letter in particular with regard to your repayment of the facilities and interest on the due dates as herein stated;
 - if in our opinion you have utilised the facilities unsatisfactorily or have utilised the facilities for any purpose other than that for which the facilities are granted;
 - any representation or warranty made by you pursuant to the Banking Facility Letter or if any statement delivered or made pursuant to it is incorrect when made;
 - if in our sole and absolute discretion it is decided that the continuation of the facilities would likely be detrimental to our own position or that the safety of any security given for the facilities is threatened or is in jeopardy;
 - a material adverse change occurs in your financial condition or business operation or changes occur in the financial and operating environment which in our opinion will adversely affect our interest or which may prejudice your ability to perform or discharge your obligations towards the repayment of the facilities;
 - you are subject to any legal process which in our opinion will adversely affect your ability to perform or discharge your obligations towards the repayment of the facilities; and
 - if it becomes unlawful or impossible for us to make, maintain or fund the facilities as contemplated in our Banking Facility Letter.
- 4.10 No further drawing may be made after the occurrence of any event of default and we shall be entitled at any time after the occurrence of an event of default, by notice in writing to you, to declare that facility and all interest and commitment commission occurred and all other sums payable, pursuant to our Banking Facility Letter have become immediately due and payable whereupon the same shall become immediately due and payable and you shall immediately pay the same to us.
- 4.11 In the event that the banking facilities shall be declared immediately due and payable as stated above you will reimburse us for all losses and expenses incurred by us in consequence of the event of default including all legal fees and expenses (on a solicitor-client basis) in enforcing its right through any process of law.

How we apply payments

- 4.12 Subject to law, we may use amounts we receive from any of your instalments to pay interest rather than to reduce the principal amount you owe us or to pay amounts you owe us in any order we choose.

5 Prepayment

- 5.1 You may prepay all (but not part) of the loan if when you prepay, you also pay all accrued but unpaid interest, fees and costs in connection with the loan (including any prepayment fees as set out in the tariff booklet).

6 Review, modification, cancellation

Our Customer Terms set out when you and we may end your use of any product and what you need to do if that happens. This includes immediate payment of the balance owing for the loan. This clause sets out additional circumstances in which you or we may cancel the loan.

Review

- 6.1 The facilities will be subject to our customary review. Notwithstanding this we may review the banking facilities at any time and may terminate the whole or part of the banking facilities immediately if any event of default (as defined above in 4.9) occurs to you.

Modification and indulgence

- 6.2 We may at any time in our absolute discretion and without affecting the terms and conditions of your facilities or of any security created for the facilities:
- determine, alter, vary, amalgamate, restructure, renew or substitute partly or wholly any of the banking facilities offered;
 - grant to you or to any other surety or guarantor any time or indulgence;
 - renew any bills, notes or other negotiable securities;
 - deal with exchange, release or modify or abstain from perfecting or enforcing any security or guarantees or rights it may now or at any time hereafter or from time to time have from or against you or any other persons;
 - vary, alter or amend the number and/or the amount of monthly installments and/or such modes of repayments to be paid by you to us.

Cancellation

- 6.3 You may cancel the loan by giving us reasonable notice in writing. However, we may charge you a cancellation fee (see the tariff booklet or contact our Client Care Centre).

Part B - Personal line of credit/overdraft

7 Choosing the product that is right for you

You should contact us to discuss how we may be able to structure your *line of credit/overdraft* to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any *line of credit/overdraft*.

8 Your limit

Limit

- 8.1 You may only draw on a *line of credit/overdraft* up to the *limit*. We may cancel or vary the *limit* at any time.

Exceeding the limit

- 8.2 Sometimes we may allow you to draw in excess of the limit. If we allow you to do so:
- this is not a waiver of our right to require your *line of credit/overdraft* to be maintained within the *limit*;
 - you must pay the excess immediately; and
 - a higher interest rate is payable on the excess until it is repaid (see clause 10).

Annual review

- 8.3 We may continue providing to you the *line of credit/overdraft* subject to our review annually.

9 Using your line of credit/overdraft

We make funds available to you through the *account* for the *line of credit/overdraft* in accordance with our usual practice. This must be an *account* of a type we specify which must be maintained at all times for the purposes of our *line of credit/overdraft*. We may change this *account* at any time for any reason.

10 Interest, fees and charges

Interest

- 10.1 We charge interest on that part of the *balance owing* for the *line of credit/overdraft* which is within the *limit* at the rate set out in the *approval* or any other rate we determine.
- 10.2 Interest may be charged at different rates for different parts of the *balance owing* on a *line of credit/overdraft*.
- 10.3 Unless otherwise specified in our banking agreement, interest accrues on a daily basis and is calculated on the basis of a 365 day year (a 366 day year in the case of a leap year).
- 10.4 Interest is charged to your *account* on the last banking day of each month.

Minimum interest amount

- 10.5 If the interest payable is less than any minimum interest amount we specify, you must pay the minimum interest amount instead.

Default interest

- 10.6 If the *balance owing* exceeds the *limit* (with or without our *approval*), we charge interest on that excess at the *default rate* (which is higher than the usual interest rate)
- 10.7 We also charge interest at the *default rate* on any overdue amount (including if you do not pay the minimum monthly repayment when due).

When interest is payable

- 10.8 Interest is debited from the *account* for the *line of credit/overdraft* monthly in arrears or at any other times we determine.

Fees and charges

- 10.9 The fees and charges for your *line of credit/overdraft* are set out in the *tariff booklet* or elsewhere in our banking agreement.

11 When you must repay

We may ask you to repay all or part of the *balance owing* for the *line of credit/overdraft* at any time. If we do so, you must immediately pay the amount we demand.

12 Repayment

Minimum monthly repayment

- 12.1 On or before the due date set out in the statement we issue for a *line of credit/overdraft*, you must pay at least the minimum monthly repayment as set out in the statement. Alternatively, you may pay the *balance owing* for the *line of credit/overdraft* as set out in the statement.
- 12.2 Your liability to us remains even if, for any reason, you do not receive your periodic statement.

Calculation of minimum monthly repayment

- 12.3 We calculate the minimum monthly repayment in accordance with our usual practice. Please refer to our *approval* or contact us for further information.

Methods of repayment

- 12.4 We advise you of the manner in which you must repay any repayment on the *line of credit/overdraft*. For example, we may ask you to nominate an account for repayment by direct debit and give us documents to facilitate direct debit from the *nominated account*.
- 12.5 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.

Payment in full if we ask

12.6 Despite any other term of our banking agreement, at any time we may demand immediate payment of the *balance owing* for the *line of credit/overdraft*.

What happens if you do not pay

12.7 If we do not receive the minimum monthly repayment on or before the due date:

- you may not use the *line of credit/overdraft* until the minimum monthly repayment has been paid; and
- we may suspend your use of the *line of credit/overdraft*.

13 Right to reborrow

13.1 You may only reborrow an amount repaid if:

- the *balance owing* for the *line of credit/overdraft* does not exceed the *limit*; and
- you otherwise satisfy our usual conditions for permitting reborrowing.

Any amount you reborrow forms part of the *line of credit/overdraft*.

Part C - Meaning of words

14 Meaning of words

You also need to refer to our Customer Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Customer Terms, the definition in these terms applies for the purposes of *loans* and *lines of credit/overdrafts*.

default rate means the rate of interest per annum which applies to overdue payments or amounts owing in excess of a *limit* as set out in our banking agreement.

facility letter means for a *product*, any facility letter setting out conditions from us when granting you the facility.

limit means, for a personal *loan* or a *line of credit/overdraft*, the limit set out in the *approval* for the *product* (as we may vary at any time).

line of credit/overdraft means a personal line of credit we make available to you under Part B of these terms.

loan means the outstanding principal amount of each drawdown of a loan made under Part A of these terms. It includes a top up loan.

our banking agreement means the agreement between you and us formed when we accept an *application* from you, the terms of which include our Customer Terms and these terms.