

NOTICE OF VARIATION TO YOUR CREDIT CARD TERMS AND CONDITIONS AND OTHER IMPORTANT INFORMATION, AND FINANCIAL TABLE

These changes form part of, and must be read in conjunction with your existing Credit Card Terms and Conditions and Other Important Information (including Financial Table). These changes are effective on 1 June 2020.

It is important that you read this notice carefully and retain it for your records.

Interpretation of this Notice

1. If a section or sub section is not specifically mentioned in this document it remains unchanged.
2. Section numbers as listed in this notice relate directly to the section numbers in your terms and conditions.



Changes to your Credit Card Terms and Conditions and Other Important Information

- Section 5 – Special promotions

Fixed payment options

The way we offer fixed payment options has now changed. As such, the content under the heading “fixed payment options” has been deleted and replaced with the following paragraphs:

Current wording	Replacement wording
<p><i>A fixed payment option is a special promotion with the following additional terms and conditions:</i></p> <ul style="list-style-type: none">— <i>your available credit will be reduced by the amount attributable to the fixed payment option;</i>— <i>an establishment fee or early termination fee may apply;</i>— <i>while it continues, the fixed payment option may have a different APR than the standard APR that would have otherwise applied to the fixed payment option amount, or to the rest of your account. The APR(s) otherwise applicable to your account will continue to apply to all other transactions and other amounts debited to your account;</i>	<p>Introduction</p> <ul style="list-style-type: none">• <i>Your fixed payment option (also called an FPO or instalment plan) is a plan under which a particular balance is paid off in instalments.</i>• <i>You can make a new transaction or convert part of your outstanding balance including a retail purchase or cash advance to be an FPO only where we agree to this as part of a special promotion. We may not agree to allow the whole of your available credit to be applied to an FPO.</i>• <i>A fee may apply for setting up the FPO (we may call this an FPO fee or other names). If this fee applies, it Drops Out of the FPO (instead it forms part of your retail purchase balance).</i>

Current wording	Replacement wording
<ul style="list-style-type: none"> — during each statement period you will be required to pay a monthly instalment, which will include principal and interest charges payable in connection with the fixed payment option and will be part of the minimum payment due. If you fail to pay the monthly instalment (this requires you to pay the minimum payment due plus any overdue amount) by the payment due date then: <ul style="list-style-type: none"> — that monthly instalment will, from the day after the payment due date, be charged interest at the applicable standard APR; and — we may cancel any fixed payment option, in which case, any outstanding balance of the fixed payment option will revert to the applicable standard APR; — you cannot transfer any part of the outstanding balance of your account to the fixed payment option except as part of a special promotion; 	<ul style="list-style-type: none"> • When you apply for, or agree to, the FPO you agree that you will be given details of and must agree to these changes: <ul style="list-style-type: none"> — the fee (if any) that will apply to set up an FPO; — the APR for the FPO (FPO APR) (which is likely to be different to the APR that would have applied to the balance if it had not been converted to an FPO, and may be zero); and — the length of the term, which is the number of months in which you pay the instalments. • We charge interest on the FPO from when the FPO is set up until it is cancelled or repaid in full, and it is generally charged to your account at the end of each cycle.

Current wording	Replacement wording
<ul style="list-style-type: none"> — if you make a payment which exceeds the minimum payment due plus any overdue amount, the excess amount will be applied to pay the balance of your account (excluding the outstanding balance of the fixed payment option). We may (but are not obliged to) apply any further excess to pay the balance of your fixed payment option; and — if you have a rewards program attached to your account, the fixed payment option does not earn rewards points. 	<p>How an FPO usually works</p> <ul style="list-style-type: none"> • During the cycle in which the FPO is set up, you will be charged an initial interest charge on the main FPO balance calculated using the daily FPO rate and the daily calculation method. The initial interest charge becomes part of the minimum payment due on the statement we send at the end of the cycle. • Each statement after that will show an instalment due in the next cycle. There will be an instalment for each month of the term (e.g. 24 instalments for a 24-month term): <ul style="list-style-type: none"> — the instalments are calculated so that if each (approximately equal) instalment is paid on its payment due date, the main FPO balance and any interest in relation to it will be reduced to zero on payment of the last instalment; — each instalment includes a principal component plus interest charged on the main FPO balance for the previous cycle; and

Replacement wording

- *that interest will be calculated by multiplying the monthly average balance by the monthly FPO rate.*

Warning – having an FPO means us applying payments in a different order

- *You request, by applying for an FPO, that payments made to your account in a cycle will be first applied to FPOs up to the amount of any initial interest charge or instalment or related interest due or overdue in that period. Any additional payments will be applied to the balance of your account in accordance with your credit card or unsecured credit terms and conditions.*
- *This may mean you are liable to pay a higher amount or rate of interest than you would otherwise be under the National Consumer Credit Protection Act 2009.*

Replacement wording

- *You may cancel or change your request in relation to the application of payments to your FPO at a later time. However, if you do so, we will cancel your FPO.*

What happens if there are extra payments, an FPO is cancelled or payments aren't made on time?

Extra payments

- *If you make a payment which exceeds the minimum payment due plus any overdue amount:*
 - *the excess amount will be applied first to pay the balance of your account excluding any main FPO balance;*
 - *any further excess will be applied to pay the main FPO balance(s) (which results in an extra payment); and*
 - *where there are multiple FPOs, unless you otherwise direct, we will apply extra payments to FPOs in the order of FPO APR (first to the FPO(s) with a higher APR), and if more than one has the same FPO APR first to the FPO that is set up earlier.*

Replacement wording

- *When an extra payment is made in a cycle that does not fully repay the FPO:*
 - *some of the interest in that cycle may be charged on the day the extra payment is applied rather than at the end of the cycle, and that interest will Drop Out of the FPO; and*
 - *future instalments will be recalculated in the usual way.*

If you don't pay on time

- *If you fail to pay the minimum payment due and any overdue amount by their payment due date, we charge interest on any unpaid instalment or initial interest charge component (and any interest calculated on them) from the day after the payment due date. It will be calculated using the daily retail rate and the daily calculation method until they are repaid in full. We may also cancel the FPO.*

Replacement wording

Ending an FPO Early

- *If an FPO is cancelled or repaid in full Early, the interest on the main FPO balance in the cycle where that happens is calculated using the daily FPO rate and the daily calculation method up to the day before it is cancelled or repaid. The interest is charged on the day the FPO is cancelled or repaid, and will Drop Out of the FPO.*
- *If you or we cancel an FPO, starting that day any main FPO balance will revert to the underlying balance type and the APR and interest calculation that relates to it. For example, if the FPO would have been a cash advance, interest will be calculated at the APR for cash advances, from the day of cancellation. If the FPO would have been a retail purchase, interest will be calculated at the APR for retail purchase, from the day of cancellation.*

General

- *If you are eligible to earn rewards points, any rewards points will be earned prior to conversion to the FPO. The conversion itself will not earn rewards points unless we tell you otherwise.*
- *For any FPOs, this section 5 takes precedence over any other terms in the terms and conditions where there is a conflict.*
- *In this section 5:*
 - **cycle** *means the period from one cycle date to the next cycle date.*
 - **cycle date** *is the day in each month which generally coincides with the day on which your statement period is due to end. The cycle date remains the same in each month even if it falls on a non-business day. Where a corresponding day does not exist in a month (e.g. 31 September), the cycle date for that month will be the previous day (30 September).*

Replacement wording

- **daily calculation method** means calculating interest by multiplying the applicable daily percentage rate by the daily unpaid balance of its balance type (including related fees and interests) for each day of the relevant period and then adding those amounts together.
- **daily FPO rate** means the FPO APR divided by 365.
- **daily retail rate** means the APR applicable to your retail purchase balance divided by 365.
- **Drop Out** in relation to an FPO means an amount is added to the retail purchase balance, is subject to the interest at the daily retail rate (unless an interest free period applies) and no longer forms part of the FPO balance.
- An FPO is cancelled or repaid in full **Early** if this happens in a cycle before the one in which the final instalment amount would have been due.

	Replacement wording
	<ul style="list-style-type: none"> – extra payment means an amount applied to an FPO during a cycle that reduces the main FPO balance. – monthly FPO rate means the FPO APR divided by 12. – monthly average balance means the average balance of the main FPO balance during a cycle. <p>main FPO balance means the remaining balance of the FPO on any day that is not included in an instalment or interest amount that is due or overdue in that cycle.</p>

- **Section 14 – Conditions for specific payments facilities**

We have included additional information in the first paragraph under the heading “Internet banking and telephone banking” on how to obtain a TPIN for telephone banking:

Current wording	Replacement wording
<p><i>We will provide you and additional cardholders with security codes to enable you to use telephone banking and internet banking. Cardholders will also need to enter the identifier/card number and any other codes we require.</i></p>	<p><i>We will provide you and additional cardholders with security codes to enable you to use telephone banking and internet banking. Cardholders will also need to enter the identifier/card number and any other codes we require. To set up a TPIN for telephone banking, please call us and follow the prompts.</i></p>

- **Section 16 General matters**

We have added a new clause below the first paragraph to provide additional information on accounts with a credit balance:

Credit balance

If your account has a credit balance (for example because you overpay an amount which is due to us or a refund is processed to your account), we will not pay interest on that credit balance. We may pay the credit balance to you by paying it into another account you hold with us or in some other way (unless it is unclaimed money).

- **Section 17 - Dictionary**

Definitions

balance transfer

We will no longer offer the cheque-to-self disbursement option for a balance transfer, and so the definition is amended as follows:

Current wording	Replacement wording
<i>balance transfer moving an outstanding balance from a credit card or other credit account with another lender to your account or requesting a cheque-to-self drawn on your account (a cheque-to-self is a cheque made out in your name that you can realise and use for any purpose).</i>	<i>balance transfer moving an outstanding balance from a credit card or other credit account with another lender to your account.</i>

security code

We have made an update to the definition of “security code”:

Current wording	Replacement wording
<i>security code means a cardholder’s PIN, online password for telephone banking, TPIN for telephone banking, or any other password or information used to access the account and which is known to the cardholder and is intended to be known only to the cardholder and which we require the cardholder to keep secret.</i>	<i>security code means a cardholder’s PIN, online password, TPIN for telephone banking, or any other password or information used to access the account and which is known to the cardholder and is intended to be known only to the cardholder and which we require the cardholder to keep secret.</i>

Update to your Financial Table

The Minimum Payment Due in your Financial Table is amended as per below:

Current wording	Replacement wording
<p><i>You must pay the Minimum Payment Due by the Payment Due Date each month. The Minimum Payment Due is (rounded up to the nearest dollar):</i></p> <p><i>(i) the Card Balance if it is less than \$30; or</i></p> <p><i>(ii) the greater of:</i></p> <p><i>(a) \$30; or</i></p> <p><i>(b) 2.00% of Card Balance; or</i></p> <p><i>(c) the sum of 1.00% of the Card Balance, Late Payment Fee (if any) and interest charged for that month,</i></p> <p><i>plus any Monthly Instalment for that month.</i></p>	<p><i>You must pay the Minimum Payment Due by the Payment Due Date each month. The Minimum Payment Due is (rounded up to the nearest dollar):</i></p> <p><i>(i) the Card Balance if it is less than \$30; or</i></p> <p><i>(ii) the greater of:</i></p> <p><i>(a) \$30; or</i></p> <p><i>(b) 2.00% of Card Balance; or</i></p> <p><i>(c) the sum of 1.00% of the Card Balance, Late Payment Fee (if any) and interest charged (excluding any interest included in amounts added back below as part of a Fixed Payment Option) for that month,</i></p> <p><i>plus any Instalment, initial interest charge, or related interest that is part of a Fixed Payment Option for that month.</i></p>

A reminder on how we charge International Transaction Fee on Cash Advances

We charge you an International Transaction Fee of 3.4%, debited to your Account on the Transaction Date, of which a service and assessment fee of up to 1% is payable by us to Visa, for any Retail Purchase or Cash Advance transaction in:

- Foreign currency once converted to Australian dollars; and/or
- Australian dollars (or any other currency), when either the merchant or its financial Institution/payment processor is located or registered overseas, including transactions that involve dynamic currency conversion (that is where a transaction denominated in a foreign currency is converted to local currency which is a service that is offered by certain ATMs and merchants). The process of conversion and the exchange rates applied will be determined by the relevant ATM, merchant or dynamic currency conversion service provider as the case may be. We do not determine whether a Card transaction will be converted into local currency by the merchant or ATM and you may have to check with the relevant merchant or ATM provider.

Note: It may not always be clear that the merchant or its financial institution/payment processor is located outside Australia.

