

Terms and conditions for fixed rates (effective 1 July 2008)

Customer copy – please keep for your reference

It is important that you read the following terms and conditions before making your decision.

Whilst the loan is subject to a fixed rate of interest, you may from time to time make payments in excess of your normal monthly repayment without penalty providing additional payments do not exceed \$10,000 per annum.

However, if you wish to terminate the fixed rate period prior to the expiry date you may incur break costs.

If the loan is provided on a fixed rate basis (the interest rate is not variable) and if the principal sum or any part of it in excess of \$10,000 is repaid prior to the expiry of the fixed rate period for any reason (including demand for repayments after default), you must pay to the Lender any applicable break costs.

Where a fixed rate applies, even if interest rates fall, the interest rate on the loan will not change during the fixed rate period. In deciding to borrow on a fixed rate basis, you should rely on your own view as to the future movement of interest rates.

If interest rates fall during the fixed period and the loan is repaid, break costs could be substantial. The amount of break costs payable by you is the amount determined by the Lender as being its cost and loss as a result of the principal sum or any part of it being repaid early. The Lenders calculation of this amount is final and binding on you. In calculating this amount, reference need not be had to an average cost of money (because different parts of money may be allocated to different purposes).

If you have any questions or do not understand when break costs are payable or how much you may have to pay, please contact us prior to signing and returning the fixed rate request form.

At the end of the fixed rate period your loan will automatically revert to the standard variable rate applicable at the time.