

PREMIUM HOME PACKAGE TERMS AND CONDITIONS



BankVic

PREMIUM HOME PACKAGE

Premium Home Package offers Police Financial Services Limited ABN 33 087651661 AFSL 240293 Australian Credit Licence 240293 (BankVic) members savings and benefits. Available to homeowners, the Premium Home Package (PHP) gives you discounts on your home insurance premiums, higher interest rates on term deposits as well as other savings benefits. The more products you have with us, the more you save.

IMPORTANT INFORMATION – THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED PREMIUM HOME PACKAGE

If you wish to take up the Premium Home Package, you must advise us, meet the mandatory account criteria, pay the Annual Fee and accept the terms and conditions.

If you wish to take up the Premium Home Package benefits, you must advise us that you are eligible for the Package benefits applying to the product or service and request that they be applied.

Premium Home Package benefits cannot be taken in conjunction with, or in addition to other special offers, negotiated rates or discounts offered by BankVic.

It is essential that all loans and other products under the Premium Home Package must be held in the same name or names as the Eligible Loan Account/s, unless otherwise agreed by BankVic.

Loan and credit card applications are subject to our normal credit approval criteria.

We reserve the right to review, amend or withdraw the Package and its benefit components at any time, including the annual Package fee.

The information in this Conditions of Use is current as at 18 January 2017.

The Premium Home Package terms and conditions are detailed below.

These terms and conditions should be read in conjunction with the terms and conditions of the eligible products or services you acquire and our General Information, Terms and Conditions. These terms and conditions do not replace or vary any other terms and conditions that apply to your accounts or services that form part of this Package. If the terms and conditions applying to any account or service forming part of this package are inconsistent with these terms and conditions, then these terms and conditions will prevail.

1. DEFINED TERMS

Annual fee: the annual Premium Home Package fee.

Annual Payment Date: means each anniversary of the first business day of the month following the day upon which your initial annual Premium Home Package fee was paid.

Eligible credit card Account: BankVic Visa Gold credit card

account for which you are the account holder;

Eligible Insurance Product: Home Building (excluding Vital, Fundamental and Landlord policies), Home Contents and Valuables and Motor Car insurance policies taken out through BankVic for which you are the policy holder.

Eligible Loan Account: any of the BankVic account/s :

- Standard Variable Rate Home Loan
- Line of Credit Home Loan
- Fixed Rate Home Loan and
- Interest only Home Loan;

Note: effective from 12 June 2012, an investment loan is no longer be an Eligible Loan Account. This applies to new Package applicants only.

Existing Premium Home Package members with an existing investment loan will continue to receive their PHP benefits, as available under these terms and conditions.

Eligible Product or Service: eligible credit card Account, Eligible Loan Account, Eligible Savings Account, Financial Planning initial financial planning consultation, Financial Planning initial personal risk assessment, Eligible Insurance Product;

Eligible Savings Account: BankVic Transaction Account for which you are the account holder;

Mandatory Accounts: eligible Loan Account plus either a BankVic Visa credit card account for which you are the account holder and is operated only for your personal use or an Eligible Savings Account

Nominated Transaction Account: an eligible Savings Account or Eligible credit card Account;

Package: Premium Home Package

Premium Home Package benefit: any benefit or discount described in clause 11 of these terms and conditions.

Total Home Lending Balance: the sum of the account balance of home loan accounts and the approved credit limit of Line of Credit account/s that you, as the borrower, have with us.

Transaction Account: an At Call savings account.

We /Customer Owned Bank / BankVic: Police Financial Services Limited ABN 33 087 651 661 AFSL 240293 Australian Credit Licence 240293 and any successor at law and any other grammatical form of the word 'we' has a corresponding meaning;

You / Your: the member, borrower or any person authorised to act on behalf of the member and any other grammatical form of the word has a corresponding meaning.

2. MANDATORY CRITERIA

To qualify for the Premium Home Package and receive the Package's benefits you must meet the following mandatory criteria:

- Be a BankVic Member;

AND

- Be a borrower or joint borrower of at least one of the following Mandatory Accounts:

- Standard Variable Rate Home Loan;
- Line Of Credit Home Loan;
- Fixed Rate Home Loan;
- Interest Only Home Loan;

AND

- Be the accountholder or joint accountholder of an Eligible Savings Account or the accountholder of an Eligible credit card Account.

Please note that Discount variable interest rate home loans during the loan's contracted discount period, car and personal loans do not qualify as Mandatory Accounts.

The Package Benefits are not available in conjunction with any other special offer or package.

BankVic is not obliged to provide you with any Package Benefit unless:

- you have accepted these terms and conditions
- you pay the Package's Annual Fee or any other applicable fees and charges that may be applied to the Package, where notice of which has been given to you;
- you maintain a Mandatory Account; and
- we have approved your application for the Package.

3. COMMENCEMENT

The Premium Home Package will commence and benefits apply from the date

- your new home loan is approved by us; or
- your request to convert to the Premium Home Package is approved.

Where the Premium Home Package Member

- holds an existing fixed term deposit, interest rate benefits cannot commence until the term deposit is rolled over, i.e. a new term (deposit) commences;
- has an existing Eligible Insurance Product the benefit will only apply to an additional or new Eligible Insurance Product taken out before loan funding;
- if the borrower on a fixed interest rate home loan, interest rate discounts cannot commence until the a new fixed interest rate period commences.

With the exception of insurance discount benefits, which are not available on policy renewals after the first 12 months, benefits are available for the life of the package provided that:

- you are not in default in any of your home loans;
- you have paid the Annual Fee and any other applicable fees and charges; and
- you maintain the Mandatory Accounts.

BankVic may at its sole discretion vary or remove any or all of the benefits provided that we give to you written notice of such withdrawal or variation which shall not take effect until the next Annual Payment Date.

4. ACCEPTANCE

You accept these terms and conditions by indicating and signing the Home Loan Application Form or Premium Home Package Application Form or variation notice if you have an existing Eligible Loan Account.

5. ANNUAL PREMIUM HOME PACKAGE FEE

In order to be eligible for the Premium Home Package, you must pay the Annual Fee.

The Annual Fee is as disclosed in our Acceptance Advice to you and in our Fees and Charges booklet, a copy of which has been provided to you.

The Annual Fee will be debited from your Nominated Transaction Account:

- Upon settlement of your Eligible Loan Account; or
- On approval of your application for the Premium Home Package if you have an existing Eligible Loan Account; and
- Upon acceptance of these terms and conditions.

The Annual Fee will then be drawn from your Nominated Transaction Account each year on the Annual Payment Date.

If on settlement of a new Eligible Loan Account the Annual Fee is not paid all benefits shall cease.

The Annual Fee paid is not refundable in full nor on a pro rata basis.

6. GOVERNMENT FEES, TAXES AND CHARGES

We reserve the right to pass on any government taxes, duties fees and charges that are imposed on these terms and conditions by government or any regulatory authority. We are irrevocably authorised to debit your nominated transaction account with those fees, charges, duties or taxes.

7. CANCELLATION OF PREMIUM HOME PACKAGE

We may cancel the Premium Home Package by giving you written notice if any of the following events occur:

- you do not hold all the Eligible Accounts;
- you are in default under any loan agreement or credit card agreement which you have with us;
- you fail to pay the Premium Home Package Annual Fee, or any other amount payable under these terms and conditions, when due.

You may cancel your Premium Home Package by informing us in writing or by contacting Service & Sales on 13 63 73.

When cancelling your Premium Home Package you must give BankVic at least seven (7) days notice for the cancellation to take effect.

Once the Premium Home Package is cancelled you will no longer be eligible for any future benefits associated with the Package.

The annual Package fee paid will not be refundable. we also have the right to withdraw the Package from availability.

8. CHANGES TO TERMS AND CONDITIONS

BankVic may change these terms and conditions and introduce or vary fees and charges that apply to the Package from time to time. If changes are required, we will give you notice, as specified under the industry code of practice.

BankVic will notify you of any changes to the terms and conditions of the Package through any of the following

- Notice on or sent with account statements;
- Notification by direct letter or other direct communication;
- Notification by electronic means;
- Announcement via our newsletter or website;
- Notices in branches; or
- Press advertisements.

BankVic is entitled to change the following:

- Package Benefits, including interest rate discounts, premium discounts;
- the amount, charging date, or calculation of any fee payable under these terms and conditions; and
- the eligibility criteria for the Premium Home Package and/or Package benefits.

We can introduce new fees or charges.

9. DISPUTES

BankVic has established an internal complaints handling procedure to resolve any disputes a member account holder may have with us.

BankVic also has access to an external and impartial system to enable a member to resolve any dispute that cannot be satisfactorily dealt with by our internal procedures. Details of this external system and our internal dispute resolution procedure are detailed in our Complaints and Dispute Resolution Guide, available on our website or on request.

10. PACKAGE BENEFITS

You will be eligible to receive a number of benefits as a Premium Home Package member as soon as we approve your application. These benefits are only available on products or services listed as Eligible Product or Service.

To receive the Package Benefit, you must ensure you advise us of your eligibility when you take up the Eligible Product or Service.

The terms and conditions or conditions of use and fees and charges applying to the product or service that becomes an Eligible Product or Service continue to apply to the product or service. Full details of each product or service's terms and conditions are available on request.

The Package Benefit may be an interest rate discount and/or waived costs on credit products, interest rate reward on wealth management products, discount on some insurance premiums and discount on Financial Planning initial consultation services.

10.1 HOME LOAN BENEFITS

DISCOUNT CRITERIA

The following interest rate discounts are available in the Premium Home Package.

0.25% up to \$249,999*

0.40% on Total Lending of \$250,000 up to \$749,999

and 0.50% on Total Lending of \$750,000 or more

Fixed Rate Loans

0.10% discount pa on fixed rate Loans**

* Existing PHP members with an existing investment loan linked to their Package will continue to receive the discount applicable for their Package.

From 12 June 2012 new investment loan borrowers no longer qualify for the Premium Home Package or its benefits and may wish to consider our WealthBuilder\$ product offering.

** The interest rate discount will apply only upon commencement of a new fixed interest rate period, i.e. new fixed interest rate loan or existing fixed interest rate where a new fixed interest rate period commences.

The discount applicable is dependent on the balance of your total liability at the time of your application for the Premium Home Package. Your total liability being the combined sum of all Eligible Loan Accounts.

The discount will be reassessed if

- you repay one Eligible Loan Account and replace with another Eligible Loan Account changing your total liability, or
- you acquire another Eligible Loan Account which increases your total liability.

The Premium Home Package discounts are not available on any other offer with BankVic.

Subject to our right to vary or withdraw benefits the Premium Home Package discounts will continue for the life of your Premium Home Package. Should your Package cease, your interest rates will return to the standard applicable rate for that loan product, with the exception of the Fixed Rate Home / Investment Loan where the discounted rate will continue until the end of the current contracted fixed period.

Discount or Honeymoon Variable interest rate Home Loan accounts are ineligible for any interest rate discount during the loan's contracted discount period. Car and Personal Loans are not Eligible Loan Accounts.

10.2 WAIVED FEES AND CHARGES

The following fees and charges are waived for Premium Home Package Members

ESTABLISHMENT FEE

An Establishment Fee is payable on all home loans approved by BankVic. As shown in the Fees and Charges booklet, this fee may vary depending on the security and type of loan (new loan or top-up). The Establishment Fee covers the preparation of your Line of Credit home or investment home loan and incorporates one valuation, Torrens title search (one), mortgage and other documentation preparation costs.

The Establishment Fee for any new home loan that is part of the Premium Home Package is waived.

SWITCHING FEE, WHERE APPLICABLE.

A Switching Fee is applied when we agree to your request to change the type of your interest rate. e.g. for home loans changing from:

- Standard Variable to Fixed
- Introductory Rate or Discount variable (reverting to Standard Variable) to Fixed
- Interest Only Variable to Interest Only Fixed
- During the fixed term of Introductory rate to either Standard Variable or Fixed

Important Note : Other fees and charges and break costs are applicable to fixed interest rate contracts and, as disclosed in the Offer and Loan Contracts, will continue to apply.

- Three standard property valuations are waived per year on each Package.

Standard property valuations are defined as those within the Metropolitan area and major regional centres and where the property value is under \$1million.

10.3 CREDIT CARD BENEFITS

Visa Gold credit card members pay an Annual Fee to partake in the Cash Back Rewards program and receive international travel insurance.

The Visa Gold credit card Annual Fee will be waived as long as you remain eligible to receive Premium Home Package benefits.

The Visa Gold credit card account must be held in the your name, that is as the borrower named on the Offer and Loan Contract of the Eligible Loan Account. If the Eligible Loan Account is in joint names, only one Visa Gold credit card account will be eligible for a Package Benefit.

Package Members who apply for a Visa Gold credit card must meet our usual credit approval criteria. All Visa Gold credit card accounts are in the name of one person only, with the option to have an additional cardholder.

BankVic reserves the right to vary or remove Credit Card Package Benefits.

10.4 INSURANCE BENEFITS

BankVic can assist members with insurance policies to suit their particular requirements – home building, home contents and valuables/or motor vehicle insurance, including comprehensive third party and/or third party fire and theft motor vehicle insurance.

We can help you find the coverage that best suits you.

As a Premium Home Package member you are entitled to receive a premium discount of up to 10% on all Eligible Insurance Products taken out up to the time of funding of your Premium Home Package loan. Should you cancel the Package within twelve months of funding, the discount will remain on the paid premium until the insurance renewal date. The discount only applies to the initial 12 months of the policy and is not available for renewals.

This Package benefit is available to any or all parties named on the Offer and Loan Contract of the Eligible Loan Account.

This offer is not available in conjunction with any other insurance package or promotional discount or offer available to you through BankVic. Discounts are calculated on the base premium excluding taxes and government charges.

Minimum premiums applicable.

10.5 WEALTH MANAGEMENT

We provide term deposit accounts where the term of lodgement is for three months to five years.

A minimum deposit of \$2,000 is required and interest is calculated daily and paid annually and/or on maturity. Terms and conditions for BankVic term deposits are documented within our General Information, Terms and Conditions booklet.

As a Premium Home Package Member you can receive a higher interest rate on a new term deposit or existing term deposit rolled over for a further term.

Term Deposits

0.10% additional interest pa on all term deposits.

This Package Benefit is available to any or all parties named, on the Offer and Loan Contract of the Eligible Loan Account, as a borrower.

This offer is not available in conjunction with any other BankVic package, promotional benefit or special offer.

Subject to our right to vary or withdraw benefits the term deposit Premium Home Package benefits will continue for the life of your Premium Home Package. Should your Package cease, your benefits will continue until the end of the current contracted fixed period of the term deposit.

10.6 FINANCIAL PLANNING

Our financial planning services give you an opportunity to meet one-on-one with an adviser who will help you prioritise your financial concerns and develop a strategy to meet your financial goals.

BankVic advisers provide advice on a range of investment and personal risk insurance options and products will only be recommended to you after consideration of their suitability to your specific objectives and current financial situation and needs.

Issues such as security, eligibility for government pensions or allowances, ease of management and flexibility of operation are discussed in depth.

After careful consideration, the result is a comprehensive financial plan (Statement of Advice) that focuses on your needs. The amount of time it takes to prepare your Statement of Advice will depend on the complexity of your situation and of the strategies and recommendations provided and as a result the cost of the Statement of Advice can also vary – you should refer to the Financial Services Guide for cost details.

To offset this cost, as a Premium Home Package Member you are eligible to receive a free initial consultation and personal risk assessment from Financial Planning. Additionally in subsequent years, whilst you remain a Premium Package Member, you are eligible for a free initial consultation for any other party to the loan or a nominated family member.

This offer is not available in conjunction with any other Financial Planning package or promotional discount or offer.

DISCLOSURE

Terms and conditions apply. Loans: Fees and charges apply. Information on terms & conditions, interest rates and fees

and charges are available upon application or request. Applications for credit are subject to our credit approval criteria. This advice has been prepared without taking account of your objectives, financial situation or needs. Before you make any decision to acquire any financial planning product you should obtain and consider the relevant Product Disclosure Statement (PDS) available from our website bankvic.com.au or by calling

13 63 73. Our financial planners are representatives of BankVic and members of the Financial Planning Association of Australia. Police Financial Services Limited ABN 33 087 651 661 AFSL 240293 Australian Credit Licence 240293.