

Auswide Bank's *Guide to* **MORTGAGE OFFSET ACCOUNT**

Issued by Auswide Bank Ltd ABN 40 087 652 060/Australian Financial Services
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AUSWIDE
— **BANK** —

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Visit your nearest branch
see our website for details

Small things. Big difference.

MORTGAGE OFFSET ACCOUNT

Terms and Conditions

Auswide Bank's Terms and Conditions contain important information for customers considering opening this account and utilising it's related banking services.

They consist of these documents:

- Guide to Mortgage Offset Account (this one)
- + Guide to Banking Services
- + Privacy Policy

You should read these documents together before making a decision to open an account with us, acquire any banking services or make any transactions.

This information has been designed to effectively help you:

- decide if this account and our banking services meet your needs
- compare all the features, terms, conditions, fees and charges of our accounts and banking services with those of others

In issuing these Terms and Conditions Auswide Bank ("we"/"our"/"us") hasn't taken into account your particular personal objectives, financial situation or needs, so it's possible that a facility may not suit you specifically.

Updating these Terms and Conditions

The information in these Terms and Conditions is current as at the effective date and may change from time to time. Where required by law or where we are participating in a Code of Conduct, we will notify you in advance of any changes in accordance with the requirements of that law or code.

You can also find out more about our current Terms and Conditions by:

- talking to one of our helpful consultants at any branch or phone **1300 138 831**
- looking online at www.auswidebank.com.au

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Small things. Big difference.

MORTGAGE OFFSET ACCOUNT

Product Summary

Features

- A 100% interest offset on call transaction account available only to Auswide Bank home loan borrowers ~
- Every dollar in your Mortgage Offset will be matched with a special benefit that is the same as the interest rate charged on your loan
- This reduces the interest charges on your loan therefore enabling you to pay off your home loan earlier
- Maximise your home loan interest savings by increasing the daily balance of your Mortgage Offset account
- Unlike interest income which is normally taxable, you do not have to pay tax on the mortgage offset benefit
- Telephone, internet and mobile banking (including smartphone app) access
- Visa Debit Card allows access to Australian and Overseas ATM's, EFTPOS and purchases by mail, phone or internet
- Branch and Bank@Post access
- Electronic payments, BPAY, direct crediting, cheque book etc
- Statement or passbook account options
- No minimum opening balance or balance to be retained

~ The Mortgage Offset must be opened in the same name(s) as your home loan account and is not available on lines-of-credit.

Interest

- funds in the Mortgage Offset do not attract interest
- the closing daily balance of your Mortgage Offset offsets 100% of the interest charged to the equivalent amount of the closing daily balance of the loan account
- this benefit is automatically taken into account when calculating monthly loan interest and any benefit applicable will be shown on your home loan statement
- no offset benefit is applicable to that part of the closing daily balance in the Mortgage Offset which is greater than the closing daily balance of the home loan

Product Risks

- the percentage of offset interest benefits available to borrowers is determined by Auswide Bank and may be affected by government taxation legislation and policies in relation to these types of benefits. Should this offset interest percentage change at any time in the future you will be given prior notice in writing
- offset benefits will vary according to each borrower's financial situation
- offset benefits do not negate a borrower's responsibility to meet loan payments
- this type of account may not suit the particular objectives, financial situation or needs that are unique to you
- risks may apply to the use of Banking services available on this account. These risks and how you can minimise them are contained in the Auswide Bank 'Guide to Banking Services'

Conditions For Use of Our Banking Services

For terms and conditions on banking services used in conjunction with your Mortgage Offset account refer to the "Guide to Banking Services".

Features At-a-glance

entity use	Home borrowers
passbook account option	✓
statement account option	✓
account service fee	✓
cleared funds on-call	✓
interest payment structure	n/a
interest calculated	n/a
interest paid	n/a
minimum opening balance	NIL
minimum balance to be retained	NIL
branch access	✓
cheque book	✓
Bank cheques	✓
telephone banking	✓
internet and mobile banking (including BPAY® View)	✓
Visa Debit Card (access ATM's, EFTPOS, Bank@POST etc)	✓~
BPAY to pay bills	✓
direct credits (wages, pension, rent, dividends etc)	✓
direct debits (to other financial institutions and organisations)	✓
internal transfer (to other Auswide Bank accounts)	✓
external payment (to another financial institution)	✓
RTGS "same day" payment to an external bank account	✓
transfer to an overseas bank account	✓
auto-sweep facility	✓
sub-accounts	✓
account labels (eg. 'savings')	✓

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~ Visa Debit Card allows access to Australian and overseas ATM's and EFTPOS, Bank@Post and purchases by mail, phone or internet.

MORTGAGE OFFSET ACCOUNT

Fees and Charges

Administrative Fees

Account service fee ▲ 📄 Ⓟ to levy costs we incur in providing your account and its services	\$10/month
Dormant account fee ▼ 📄 Ⓟ when you haven't initiated any withdrawals or deposits for over 2 years your account is classified dormant and this fee will then be levied at 6 monthly intervals from the date that your account is classified dormant	\$20/occasion

Transaction Fees

BRANCH STAFF ASSISTED and CHEQUE BANKING	
Cash deposit ✕	FREE
Cash withdrawal ▲ withdraw cash over the counter at an Auswide Bank branch/agency	
Transfer to Another Auswide Bank Account ▲ transfer between two Auswide Bank accounts at an Auswide Bank branch/agency	
Balance enquiry when you request an account balance at an Auswide Bank branch/agency	
Cash or coin 'Special Order' ▼ 📄 Payable where a branch does not have sufficient cash or coins available and if Auswide Bank needs to arrange a special order and delivery from our supplier to accommodate a customer's request	As per quote from the Bank's cash supplier
Cash handling ▼ 📄 may apply if Auswide Bank is being utilised as a "cash clearing" house to levy the costs we incur in handling physical cash (eg. security)	0.5% of the total deposit amount (Auswide Bank will contact you prior to charging to discuss the application, amount and timing of any charge)
Cheque deposit processing ▲ charged per cheque deposited at an Auswide Bank branch or by mail	FREE
Cheque withdrawal using chequebook ▲ Ⓟ Ⓞ ▶ when you write a cheque and it is presented on your account	4/month FREE then \$1 each
'Bank' cheques ▲ available for one-off purchase by accountholders	\$12 / "bank" cheque
Cheque stop "payment" ▼ 📄 when Auswide Bank arranges at your request for the payment to be halted on a cheque you have drawn	\$7/notice on a personal cheque \$10/notice on "bank" cheque
Special clearance of a cheque ▼ when you request Auswide Bank to expediate clearing a cheque deposited	as advised by Auswide Bank bankers
Purchase - foreign currency ▼ a cheque made payable in a foreign currency	\$12.50/cheque
Deposit - foreign currency ▼ each time a foreign currency cheque/draft is deposited	as advised by applicable financial institution

- 📄 Where charged on specific account types, a separate fee applies to the primary and each sub-account.
- Ⓟ Upon your request this fee is waived if you also hold an eligible Auswide Bank mortgage or shareholder package.
- 📄 A waiver may be granted upon your request if the account is set up specifically for the purpose of holding the settlement sum of a Trust (eg. Discretionary Family Trust / Unit Trust). Auswide Bank may seek evidence of a Trust Deed.
- ✕ Unless the 'coin counting' or 'cash handling' fee applies. 📄 Excludes deposits by customers under 18 years of age.
- 📄 The scenario that would deem this fee applicable is where you regularly deposit cash to an Auswide Bank account and subsequently transfer all, or the substantial portion of, the account balance to another financial institution.
- ▶ Based on the date the cheque is debited from your account. Ⓞ BPAY & BPAY View™ registered to BPAY Pty Ltd ABN 69 079 137 518
- Ⓞ A dishonour fee applies when there are insufficient 'clear' funds in the account to be debited - refer page 4.
- 📄 After receiving your written request we will advise our requirements and confirm whether the cheque has been presented to your account. If the cheque has already been presented to your account we will be unable to proceed with your request.

These symbols let you know that the fee will be DEBITED FROM YOUR ACCOUNT at:

▼ the end of the calendar month ▲ the time it is incurred/when a particular service is used

Please note: if there are insufficient funds in your account at these times Auswide Bank will overdraw it until fees/charges are recovered from you.

ELECTRONIC PAYMENTS - INTERNAL (to and from Auswide Bank accounts)	
Internal transfer a pre-arranged one-off or regular automatic payment to another Auswide Bank account	FREE
Auto-sweep ▲ 📄 a pre-approved "sweep" to automatically transfer funds between nominated Auswide Bank accounts, should you not have sufficient "clear" funds in the account to be debited for a direct debit, external payment or cheque written	\$0.50/sweep
ELECTRONIC PAYMENTS - EXTERNAL (to and from Auswide Bank accounts and external bank)	
BPAY® pay your bills bearing this symbol at our branches or with phone/internet/mobile banking	FREE
Direct credit a payment to your account from another party's approved account at another financial institution (eg. wages from your employer)	
Direct debit ▲ Ⓟ Ⓞ payable if we process a direct debit to your account. This includes payments which you initiate electronically	\$0.50 each
Direct debit stop/cancel "payment" ▼ payable each time you request us to stop payment on a direct debit to your account	\$7/ per request
External payment ▲ Ⓟ Ⓞ payable if you request us to process an electronic payment to an account at another Australian bank or financial institution	\$0.60 each
RTGS 'same day' payment - outward ▼ high value time critical payment from your account to another financial institution on a real time basis for same day payment	\$20 each
RTGS 'same day' payment - inward ☐ to your account from another financial institution	FREE
Telegraphic transfer ▼ 📄 an electronic transmission of funds to a nominated account at an overseas bank	\$AU \$50 transfer OR foreign \$30 transfer
INTERNET and MOBILE BANKING	
BPAY®	FREE
External payment ▲ Ⓟ Ⓞ payable if you request us to process an electronic payment to an account at another Australian bank or financial institution	\$0.60 each
Internal transfer a one-off or regular transfer from one Auswide Bank account to another	FREE
Balance or transaction enquiry	
TELEPHONE BANKING	
BPAY®	
Internal transfer a one-off or regular transfer from one Auswide Bank account to another	FREE
Balance or transaction enquiry	

- 📄 When a sweep occurs the fee will be levied against the account's being swept from. If sweeps are required from more than one account to cover insufficient funds each account that is being swept from will attract the fee.
- ☐ The financial institution from which you are remitting funds may charge a fee.
- 📄 Many overseas banks will levy other processing charges that may vary between banks and countries which will result in the beneficiary receiving a lesser amount than transmitted.

MORTGAGE OFFSET ACCOUNT

Fees and Charges

Transaction Fees (continued)

CARD BANKING WITHIN AUSTRALIA - VISA DEBIT CARD	
EFTPOS ▲ P using your card to pay for purchases and make withdrawals at retail outlets with an EFTPOS facility	4/month FREE then \$0.50 each
Auswide Bank or Westpac Group ATM withdrawal ▲ P ◆ using your card at an "Auswide Bank" or "Westpac Group" branded ATM to withdraw from your account	6/month FREE then \$0.60 each
Auswide Bank or Westpac Group ATM balance enquiry ▲ ◆ using your card at an "Auswide Bank" or "Westpac Group" branded ATM to check your account balance	6/month FREE then \$0.60 each
Non-Auswide Bank or non-Westpac Group ATM withdrawal ▼ using your card to withdraw from your account at an ATM that is not "Auswide Bank" or "Westpac Group" branded	Direct Charge fee is levied by ATM owner
Non-Auswide Bank or non-Westpac Group ATM balance enquiry ▼ using your card to check your account balance at an ATM that is not "Auswide Bank" or "Westpac Group" branded	
Online/phone retail purchase ▼ using your Visa Debit Card to shop over the internet or phone	FREE
Replacement Visa Debit Card ▼ When we issue a second or subsequent replacement card for any reason	\$10/replacement card
BANK@POST® - VISA DEBIT CARD REQUIRED	
ATM withdrawal using your Visa Debit Card at an overseas ATM to withdraw from your account ▲ ATM fee ▼ Conversion fee	\$5 each + 3% currency conversion fee
EFTPOS or online/phone retail purchase ▼ using your Visa Debit Card to pay for purchases and withdraw cash at overseas retail outlets with an EFTPOS facility or to make purchases from overseas outlets over the internet or phone	3% currency conversion fee
CARD BANKING OVERSEAS - VISA DEBIT CARD ONLY	
Cash withdrawal ▲ ✘ payable if you request a cash withdrawal at an Australia Post Bank@Post outlet	4/month FREE then \$2.50 each
Cash or cheque deposit ✘ depositing cash or a cheque at an Australia Post Bank@Post outlet	FREE
Balance enquiry ▲ ✘ payable if you request an account balance at an Australia Post Bank@Post outlet	\$1.00

Statement Fees

Statement of account interest earned or paid ▼ One-off ▲ Regular at your request - for the current or previous financial year	FREE
Paper Statement ~ payable when we issue you with a paper statement of your account ▲	\$1.00 per printed statement
Passbook ~ payable each time we issue you with a passbook on your account ▼	\$1.00 per passbook
Additional statement ▲ ATM (where option is available) ▼ Via branch ▲ Phone banking payable when you request us to issue an additional statement on your account.	\$7.50/statement

Dishonour and Reject Fees ✘

CHEQUE DISHONOURS	
Cheque written ▼ when you write a cheque but there are insufficient clear funds in the account when it is to be debited	\$25/dishonour
Cheque deposited - Bank@Post ▼ ✘ when a cheque deposited to your account at an Australia Post Bank@Post outlet dishonours	as advised by Australia Post
ELECTRONIC DEBIT REJECTS	
Direct debit ▼ when you've arranged this payment to an external financial institution/organisation but there are insufficient clear funds in your account	\$25/rejection
External payment ▼ when you've arranged this payment to an account at another financial institution but there are insufficient clear funds in your account	
Internet or mobile banking - external payment ▼ when you've arranged this payment to an account at another financial institution but there are insufficient clear funds in your account	

Information Services

Audit certificate ▼ when Auswide Bank prepares an audit certificate on your behalf by request	\$15/certificate
Document recovery ▼ payable when we process your request to obtain a copy of a deposited cheque, a sales voucher or any deposit, withdrawal or transfer form associated with your account	\$5 per copy or Document search - whichever is lesser
Document search ▼ may apply when you request us to conduct a search for documents associated with your account other than documents covered by the Document recovery	\$50/hour (\$30 minimum charge)
Investigation/Correction ▼ payable when we process your request to trace, reverse or correct a payment or where you ask us to investigate a disputed transaction on your account	\$15/ per occasion

Government Charges

Non-resident withholding tax ▼ levied on accounts held by a non-resident of Australia and where an Australian Tax File Number has not been quoted to Auswide Bank	n/a
Withholding tax ▼ may be levied on accounts where an Australian Tax File Number or exemption code has not been quoted to Auswide Bank	

▲ Debited from your account at the end of calendar month OR ▼ at the time it is incurred/when a particular service is used.

P Upon your request this fee is waived if you also hold an eligible Auswide Bank mortgage or shareholder package.

◆ List available on request or at www.auswidebank.com.au.

✘ An Auswide Bank debit is required. Some Australia Post outlets do not have an electronic link to the Bank@Post network. Limits apply on withdrawal and deposit amounts, and on coin deposits. Cheque deposits will only be accepted if they are made payable in the name of the cardholder; to Auswide Bank for the credit of the cardholder; to Auswide Bank or to Cash. Cheques made payable to third parties or joint accountholders will not be accepted. Bank@Post and its associated device marks are trademarks (registered or otherwise) of the Australian Postal Corporation ABN 28 864 970 579 - all rights reserved.

✘ It is your responsibility (at your discretion) to recover this fee from the cheque-writer.

✘ To help avoid **dishonour fee for cheque payments**, we recommend that you ensure you have sufficient "clear funds" in your account prior to writing a cheque. To help avoid **reject fees** for pre-arranged date sensitive electronic payments (eg, direct debits), we recommend that you have sufficient clear funds in your account at least 2 working days before the expected debit date. Another method of avoiding some of these fees is to arrange for an automatic sweep from another Auswide Bank account to the account that is to be debited with your cheque, direct debit or external electronic payment.

~ Waived if you are over 65 years old.