The terms and conditions of your finance loan

Things you need to know about your fixed rate credit contract

RAA

Thanks for choosing us to finance your loan

If you have any questions about the information that's in this brochure, give us a call on 8202 8331. We're here to help.

Contents

Terms and conditions of your loan	**1**
Debtors acknowledgement	**18**
Things you should know about your proposed credit contract	**19**
The Contract	**19**
Insurance	**21**
Mortgages	**21**
General	**23**

Terms and conditions of your loan

Over the next few pages, we've outlined the most important things you need to know about your loan. We weren't able to provide in all of the information that we, RAA Finance, must give to you, the Debtor, before you enter into this Contract, but you can read the rest of the terms and conditions in the Offer and in the Schedule, which would have been given to you separately.

1. Definitions and Interpretations

Definitions

Unless otherwise expressly stated in this Contract, the following words and expressions shall have the following meanings in these Loan Terms and Conditions, the Offer and the Schedule:

Account Balance: means the difference between all amounts credited and the aggregate of all amounts debited or which RAA Finance is entitled to debit to the Debtor's Account under this Contract;

Administrator: means an administrator appointed under Part 5.3A of the *Corporations Act 2001* (Cth);

Amendment Demand: means a demand, in writing, to RAA Finance for a Financing Change Statement to be registered to make an authorised amendment to the registration of the Security;

Business Day: means any day of the week other than a Saturday, Sunday or public holiday in the State or Territory where the RAA Finance office to which repayments are made is situated, on which RAA Finance is open for business;

Claim: means any claim, action, proceeding or demand made against the party concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent;

Collateral: means the collateral referred to in the Schedule (if any) including present and after-acquired accessions, additions, modifications, changes or improvements to that Collateral and the Proceeds of such property;

Contract: means the Offer, the Schedule and these Loan Terms and Conditions;

Daily Percentage Rate: means the Annual Percentage Rate divided by 365;

Debtor: means the person or persons referred to in this Contract as the Debtor (other than a guarantor) who is liable to pay for (or to repay) the credit, and includes a prospective Debtor. If there is more than one, Debtor means each of them separately and every two or more of them jointly;

Debtor's Account: means the account which RAA Finance sets up for the purposes of this Contract in the name of the Debtor;

Encumbrance: includes:

(a) any Security Interest or a preferential or adverse interest of any kind;

(b) a right of any person to purchase, occupy or use assets (including under a hire purchase agreement, option, licence, lease or agreement to purchase);

(c) a right to set-off or right to withhold payment of a deposit or other money;

(d) an easement, restrictive covenant, caveat or similar restriction over property;

(e) an agreement to create any of the items referred to in paragraphs (a) to (d) above or to allow any of those items to exist;

(f) a notice under section 255 of the *Income Tax Assessment Act 1936* (Cth), subdivision 260-A in schedule 1 of the *Taxation Administration Act 1953* (Cth) or any similar legislation; or

(g) any other right (including, without limitation, under a trust or agency arrangement) of a creditor to have its Claims satisfied prior to other creditors with, or from the Proceeds of, the Collateral or to have recourse to any asset, and includes any agreement, arrangement or deed conferring a right of that type;

Event of Default has the meaning given to that term by clause 22;

Government Agency: means:

(a) a government, government department or other body;

(b) a government, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a Law;

Insolvency Event: in relation to the Debtor anything that reasonably indicates that there is a significant risk that the Debtor is or will become unable to pay the Debtor's debts as they fall due. This includes any of the following:

(a) a meeting of the Debtor's creditors being called or held;

(b) a step being taken to make the Debtor bankrupt;

(c) an application is presented or an order is made for the sequestration of the Debtor's estate;

(d) a step being taken to wind the Debtor up;

(e) a step being taken to have a Receiver or Administrator appointed to the Debtor or any of the Debtor's assets or such an appointment taking place; or

(f) the Debtor entering into any type of arrangement with, or assignment for the benefit of all or any of the Debtor's creditors;

Law: means common Law, principles of equity and laws made by Federal or State parliament and includes regulations and other instruments under laws made by Federal or State parliament and consolidations, amendments, re-enactments or replacements of any of them;

Loan: means the Amount of Credit advanced or to be advanced by RAA Finance to the Debtor pursuant to this Contract;

Material Adverse Effect: means a material adverse effect on:

(a) the Debtor's financial condition;

(b) the Debtor's ability to perform and comply with the Debtor's relevant obligations under this Contract;

(c) the value of the Collateral; or

(d) RAA Finance's rights or interests under this Contract;

PPSA: means the *Personal Property Securities Act 2009* (Cth);

RAA Finance: means RAA Finance and includes its successors and assigns;

Receiver: means a receiver, or receiver and manager appointed by RAA Finance under this Contract;

Schedule: means the Schedule to this Contract;

Security: means the Security Interest in the Collateral granted by the Debtor in favour of RAA Finance under this Contract (if the Schedule refers to the granting of a Security or if otherwise required by RAA Finance);

Tax: includes any tax, levy, duty, charge, impost, fee, deduction and withholding however it is described, that is assessed, levied, collected or imposed by law or by a Government Agency, together with any related interest, penalty, fine or other charge, or other amount imposed in respect of any of the above;

Title Documents: mean all documents proving or evidencing ownership of the Collateral;

Total Amount Owing: means, at any time, the Account Balance at that time, plus:

(a) all accrued interest charges, default interest charges and other amounts which the Borrower must pay under this Contract but which have not been debited to the Debtor's Account at that time; and

(b) all money which the Borrower will or may owe RAA Finance in the future under this Contract, including a Future Advance.

Interpretation

In this Contract:

(a) words and expressions defined in the Schedule have the meanings given to them in that Schedule;

(b) the singular includes the plural and vice versa;

(c) a reference to a document or agreement (including a reference to this Contract) is to that document as amended, supplemented, varied or replaced;

(d) a reference to a Law or to a provision of a Law (including subordinate legislation) is to that Law as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(e) a reference in these Loan Terms and Conditions to a clause or party is a reference to a clause of or party to, these Loan Terms and Conditions and this Contract;

(f) a reference to 'month' means calendar month;

(g) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;

(h) a reference to time is to time in Adelaide, South Australia;

(i) a reference to '$' or 'dollar' is to Australian currency;

(j) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as' or 'for 'example' (or similar phrases) do not limit what else might be included; and

(k) the terms 'Accession', 'Financing Statement', 'Financing Change Statement', 'Future Advance', 'Perfected' or 'Perfect', 'Possession', 'Proceeds', 'Security Interest' and 'Serial Number' have meaning given to them in the PPSA.

2. Pre-conditions

(a) RAA Finance will not advance the Loan to the Debtor:

(i) until RAA Finance is satisfied that insurance over the Collateral and any insurance required by Law has been taken out; and

(ii) until RAA Finance has received, in a form satisfactory to RAA Finance, all documents and information necessary for RAA Finance to register the Security, including a Financing Statement or Financing Change Statement.

(b) If the Debtor has not:

(i) Satisfied the pre-conditions; or

(ii) drawn down any part of the Loan, within 28 days from the date the Debtor signed this Contract, then the Debtor or RAA Finance may end this Contract by giving the other party notice, and this Contract will end immediately on the receipt by the other of such notice.

3. The Loan

(a) The Debtor authorises and directs RAA Finance to pay the Amount of Credit in the manner specified in the Schedule.

(b) RAA Finance will debit the Loan to the Debtor's Account on the date the Loan is drawn down.

4. Interest Charges

How is interest calculated?

(a) The Debtor must pay RAA Finance interest charges on the Account Balance at the Annual Percentage Rate set out in the Schedule.

(b) The Annual Percentage Rate is fixed for the term of this Contract.

(c) Interest will be calculated on a daily basis by applying the Daily Percentage Rate to the unpaid daily balance under this Contract. Interest accrues daily from the date the Loan starts.

(d) The Loan starts on the day any part of the Loan is provided to the Debtor or at the Debtor's direction.

How is interest charged?

(e) Interest will be charged monthly in arrears to the Debtor against the Debtor's Account on each day a repayment is due (ignoring any change to the date a repayment is due that results from the repayment falling due on a day which is not a Business Day). Interest can also be charged by RAA Finance against the Debtor's Account immediately before:

(i) the Account Balance is repaid to RAA Finance by the Debtor; and

(ii) the Total Amount Owing under this Contract becomes due under clause 22.

(f) The first charge of interest will be made up of interest calculated for each day for the period commencing on the date the Loan started and ending on the day before the first repayment is due. Thereafter, interest charges will be made up of interest calculated for each day for the period commencing on the day the last repayment was due and ending on the day before the next repayment is due.

(g) If a day on which RAA Finance charges interest falls on the 29th, 30th or 31st day of a month which does not contain such a day, RAA Finance will charge interest on the last day of that month.

(h) If interest is due to be charged or a repayment is due to be made on a day which is not a Business Day, it will be charged on or the repayment will be due on the next Business Day. Repayments must be made by 5.00pm on a Business Day.

(i) Interest charged to the Debtor's Account will become part of the Account Balance on which interest charges are calculated.

5. Fees and Charges

(a) The Debtor must pay RAA Finance (or reimburse RAA Finance) for the following fees, charges and costs RAA Finance reasonably incurs or pays:

(i) all government charges and duties imposed by Law on receipts or withdrawals in relation to the Debtor's Account;

(ii) any registration costs of any caveats and withdrawal of caveats which may be lodged under this contract;

(iii) all fees relating to applying for or obtaining registration of any Financing Statement or Financing Change Statements with respect to the Security;

(iv) all Tax, duties, fines and penalties which may be paid or payable in connection with this Contract or the Collateral;

(v) any towing or storage fees which are incurred by RAA Finance in exercising its rights under this Contract (which fees are payable at the time the fees are incurred by RAA Finance);

(vi) the Credit fees and charges set out in the Schedule as varied pursuant to these Loan Terms and Conditions;

(vii) all costs reasonably incurred by RAA Finance in enforcing this Contract after an Event of Default occurs (including, without limitation, preserving and maintaining the Collateral such as by paying insurance and any registration fees for that Collateral); and

(viii) all costs incurred by RAA Finance in complying with an Amendment Demand by the Debtor (except to the extent prohibited by Law).

(b) The Debtor does not have to pay RAA Finance (or reimburse RAA Finance) for any fees, charges and costs under this Contract which arises from negligence, fraud, willful misconduct or mistake by RAA Finance or its officers, employers, contractors or agents.

(c) The fees, charges and costs that are not included in the Amount of Credit will be debited to the Debtor's Account on or after the date RAA Finance pays them or the date they become due or payable by the Debtor or RAA Finance (whichever is earlier). RAA Finance does not need to notify the Debtor before debiting the Debtor's Account.

(d) If the Debtor does not make a repayment on time, and the repayment remains in arrears for 7 consecutive days or longer, RAA Finance may charge the Default Fee specified in the Schedule. The Default Fee is a reasonable estimate of RAA Finance's reasonable administrative costs in respect of attending to the missed repayment.

(d) A monthly account keeping fee may be payable to RAA Finance. This fee is payable monthly on the date of each repayment as specified in the Schedule. The amount of the fee is specified in the Schedule.

(e) An early termination fee may be payable to RAA Finance. Refer to Section 9 Prepayments and Early Termination of this Contract for information regarding the applicable early termination fees.

(f) The Debtor authorises RAA Finance to charge all the Credit fees and charges set out in the Schedule.

6. What the Debtor Owes

(a) The Debtor owes RAA Finance all of the following once they are debited to the Debtor's Account:

(i) the Loan;

(ii) interest charges; and

(iii) all other amounts debited to the Debtor's Account under this Contract.

(b) Amounts that are debited to the Debtor's Account become part of the Account Balance owing under this Contract on which interest charges are calculated.

7. Repayments

(a) The Debtor must pay to RAA Finance the following:

(i) the Loan and interest charges by the repayments set out in the Schedule;

(ii) the Account Balance on the date the final repayment is due;

(iii) all other amounts payable under this Contract at the time(s) set out in this Contract.

(b) Payments received by RAA Finance will not be treated as made until actually credited in clear funds to the Debtor's Account.

(c) Any payment that is not received by RAA Finance in cleared funds shall be regarded as conditional only and will not be regarded as payment until it is cleared.

(d) All payments must be paid to RAA Finance by electronic transfer at its Principal Place of Business or such other address as RAA Finance may from time to time nominate in writing to the Debtor without any deduction, set-off or counterclaim. Unless paid by bank authority or direct debit authority, each payment must be accompanied by details identifying the Loan.

8. Application of Payments

(a) All payments must be free and clear of exchange or any government charges, stamp duty, charges or other duties on receipts. RAA Finance may in its absolute discretion debit the Debtor's Account with government duties on receipts or deduct any such duty paid or payable by RAA Finance from the amount of any payment. The balance of the payment nett such deduction will be applied firstly, to any enforcement expenses unpaid, secondly, to interest charges and, thirdly, the unpaid balance of the Loan.

(b) If the Debtor owes RAA Finance money under any other contract and the Debtor makes a payment to RAA Finance which is insufficient to satisfy the repayment requirements of each contract, then:

(i) the Debtor may specify in writing to RAA Finance which contract or contracts and in which proportions the payment is to be applied;

(ii) if the Debtor does not make a specification to RAA Finance, RAA Finance may provide a notice to the Debtor and allow a reasonable time for the Debtor to specify which contract or contracts and in which proportions the payment is to be applied.

However, RAA Finance can give the Debtor a shorter notice, or no notice at all if it is reasonable for RAA Finance to act to manage a material and immediate risk to RAA Finance.

9. Prepayments and Early Termination

(a) The Debtor may repay the whole or any part of the Account Balance at any time before it is due.

(b) Any prepayment will not reduce the amount of future repayments due (except for the last one) but may reduce the number of future repayments due.

(c) An early termination fee will apply to this Contract where the Loan is repaid in full within 24 months of first draw down of the Loan. The early termination fee is the amount specified in the Schedule.

(d) The early termination fee will be payable at the time this Contract ends. The early termination fee is a reasonable estimate of RAA Finance's reasonable administrative costs in respect of such a termination or prepayment.

(e) The early termination fee is not payable when:

(i) this Contract ends as a result of a refinancing provided by RAA Finance;

(ii) the Loan is repaid wholly from proceeds of money received from an insurance Claim in relation to the Collateral; or

(iii) otherwise agreed by RAA Finance.

10. Adjustments

RAA Finance may adjust, irrespective of whether the adjustments benefit RAA Finance or the Debtor, debits and/or credits made to the Debtor's Account and the Account Balance in the following circumstances:

(a) to take account of any processing error or dishonoured payment;

(b) if there are refunds or corrections to the Debtor's Account so as to correctly reflect the legal obligations between RAA Finance and the Debtor.

11. Security

The Debtor grants RAA Finance a mortgage over the Collateral, if Security is specified in the Schedule or otherwise required by RAA Finance, as security for the payment of the Total Amount Owing to RAA Finance and the performance by the Debtor of the Debtor's obligations under this Contract.

12. Attachment of Security Interest

(a) The Security Interest held by RAA Finance in the Collateral shall attach, in the case of:

(i) any of the Debtor's present Collateral – from when the Debtor signs this Contract or does an act by which the Security Interest arises, whichever is earlier; and

(ii) any after-acquired Collateral – from when the Debtor acquires rights in the Collateral or the power to transfer rights in the Collateral to RAA Finance, whichever is earlier.

(b) There is no agreement to defer attachment to a later time than specified in clause 12(a).

13. Title Documents

(a) Where Title Documents for the Collateral exist:

(i) the Debtor must deliver and leave them with RAA Finance unless otherwise agreed by RAA Finance; and

(ii) the Debtor acknowledges that RAA Finance may be required to deliver the Title Documents to a third party for registration purposes and RAA Finance may not be in a position to return the Title Documents to the Debtor.

14. Representations and Warranties

(a) The Debtor represents and warrants to RAA Finance that:

(i) the Debtor has good title to the Collateral or will obtain good title to the Collateral upon RAA Finance advancing the Loan to the Debtor;

(ii) no Event of Default has occurred;

(iii) the Debtor has not breached any Law or any existing Encumbrance which may have a Material Adverse Effect;

(iv) no litigation or other proceeding before any court, judicial or administrative authority, or arbitrator is:

(a) taking place or pending; or

(b) is likely to be commenced or threatened to the best of the Debtor's knowledge, against the Debtor or against the Debtor's assets which could have a Material Adverse Effect;

(v) all information given by the Debtor to RAA Finance in connection with this Contract is true and accurate and not incorrect or misleading in a material respect and in circumstances that may have a Material Adverse Effect;

(vi) the Debtor:

(a) has complied with all Tax Laws in all jurisdictions in which the Debtor is subject to Tax;

(b) has paid all Tax due and payable by the Debtor; and

(c) has no material Claims against it relating to Tax made against the Debtor;

(vii) other than already disclosed to RAA Finance in writing prior to the preparation of this Contract, the Debtor does not act as trustee of any trust and is, or will be, the sole beneficial owner of the Collateral;

(viii) the Debtor has Possession of the Collateral or will obtain Possession of the Collateral upon RAA Finance advancing the Loan to the Debtor, and if requested, will deliver Possession of the Collateral to RAA Finance;

(ix) the Debtor has not granted Possession or control over the Collateral to any person other than RAA Finance; and

(x) the Debtor benefits by signing this Contract.

(b) The representations and warranties in clause 14(a) are taken to be repeated (by reference to the then current circumstances) on each date from the date of this Contract until the date on which the Total Amount Owing has been paid in full and all the Debtor's obligations under this Contract have been discharged in full.

15. Possession

Notwithstanding the Security, while the Total Amount Owing remains outstanding, the Debtor may keep Possession of the Collateral but that Possession is at all times subject to the other terms and conditions of this Contract.

16. Borrower's general undertakings

(a) Until the Total Amount Owing is repaid in full and the Security discharged, the Debtor must:

(i) comply with all Laws at any time in force and all mandatory requirements of any Government Agency;

(ii) promptly pay all Tax for which the Debtor is liable, including those assessed against the Collateral;

(iii) do all things necessary to ensure that no Event of Default occurs;

(iv) obtain and promptly renew upon expiry, all authorisations, consents or approvals required for:

(a) the Debtor to observe the Debtor's obligations under this Contract;

(b) RAA Finance enforcing any of RAA Finance's rights, powers or remedies under this Contract; and

(c) the use or ownership of the Collateral; and

(b) the Debtor must not allow anything to be done in derogation of the Debtor's rights or powers under this Contract.

17. Things the Debtor must do in relation to the Collateral

Until the Total Amount Owing has been repaid in full and the Security discharged, the Debtor must:

(a) take good care of the Collateral and keep the Collateral in good repair and condition;

(b) allow RAA Finance reasonable access to inspect the Collateral;

(c) comply with the Debtor's obligations under any Encumbrance affecting the Collateral;

(d) make sure that the Collateral complies with the Law and that, if the Collateral is capable of being operated, the Collateral is operated in accordance with the requirements of the Law and insurance concerning the Collateral;

(e) keep the Collateral regularly serviced in accordance with the manufacturer's recommendations and pay all amounts due to any service provider in respect of any service or repairs to the Collateral;

(f) keep the Collateral safe so that the Collateral cannot be lost, stolen or damaged;

(g) notify RAA Finance promptly if the Collateral is lost, stolen, damaged or destroyed;

(h) keep the Collateral at the place specified in the Schedule (or any other place which RAA Finance agrees to in writing) when the Collateral is not being used;

(i) promptly notify RAA Finance of any change in the details of the Collateral;

(j) replace or renew, when worn out or destroyed, all present or future property used in connection with the Collateral;

(k) not allow the Collateral to become an Accession to property not covered by this Contract or to be affixed to any land;

(l) protect the Collateral, at the Debtor's expense including, if necessary, defending any legal proceedings involving the Collateral;

(m) tell RAA Finance of any accident or damage which occurs to the Collateral;

(n) within 5 Business Days of RAA Finance requesting, give to RAA Finance:

(i) evidence of current insurance of the Collateral with such insurance policies complying with clause 19 of this Contract;

(ii) current registration papers for the Collateral; and

(iii) evidence of the Debtor's current residential address at the time the request is made.

(o) execute and deliver any documents, instruments or statements and do all other things reasonably required by RAA Finance to give effect to this Contract and for the Security to be confirmed and Perfected including, without limitation:

(i) providing a Serial Number and other details of the Collateral;

(ii) providing the Debtor's driver's licence or other proof of identity acceptable to RAA Finance; and

(iii) delivering Possession or control of the Collateral to RAA Finance for the Security to be Perfected or to defeat the Security Interest of a third party; and

(p) promptly supply RAA Finance with all necessary information to register any Financing Statement, Financing Change Statement or notice in relation to the Collateral and this Contract and ensure that the Security has priority over all other Security Interests with respect to the Collateral.

18. Things the Debtor must not do in relation to the Collateral

Until the Total Amount Owing has been repaid in full and the Security discharged, the Debtor must not without first obtaining RAA Finance's consent, which consent RAA Finance will not unreasonably withhold:

(a) sell, assign, lease, hire, dispose of, or part with Possession of the Collateral;

(b) create or allow to exist another Encumbrance over the Collateral (including a lien for repairs or storage);

(c) take the Collateral outside the State or Territory in which the Debtor resides when the Debtor signs this Contract for a period of more than one month;

(d) move or transfer, or allow to be moved or transferred, the Collateral outside of Australia;

(e) pledge RAA Finance's credit or allow the Collateral to be used to secure any other loans;

(f) make any alterations or additions to the Collateral or add to the Collateral which has or will have a Material Adverse Effect;

(g) change or alter any identifying mark (such as a Serial Number) or seek any substitute or replacement Title Documents with respect to the Collateral; or

(h) use the Collateral or allow the Collateral to be used for any purpose that is illegal or offensive.

19. Insurance

Until the Total Amount Owing has been repaid in full and the Security is discharged, the Debtor:

(a) must keep the Collateral insured as required by Law and against all risks against which insurance is usually taken in relation to the Collateral. The terms of each insurance policy and the insurer must be acceptable to RAA Finance and RAA Finance's interest in the Collateral must be noted on any insurance policy over the Collateral;

(b) must give RAA Finance copies of all insurance policies and evidence that they are current if RAA Finance asks the Debtor to do so;

(c) must ensure that all insurance policies are enforceable against the insurer and that the insurer is not entitled to cancel them;

(d) must tell RAA Finance promptly of any event that may give rise to a Claim under any insurance policy and give RAA Finance any information that it requests in relation to the event;

(e) upon receipt of any money in payment of a Claim or on cancellation of any insurance policy the Debtor must either use the money to repair the damage to the Collateral or pay the money to RAA Finance to reduce the Account Balance (but the Debtor must also repair the Collateral). Unless the Debtor and RAA Finance agree otherwise, any such payment will be regarded as a prepayment under clause 9 and not a payment in satisfaction of payment obligations under clause 7;

(f) may consent to RAA Finance to making, negotiating and settling Claims in relation to the insurance of the Collateral. However, the Debtor authorises RAA Finance, acting reasonably, to make, negotiate and settle Claims in relation to the insurance of the Collateral in order to manage a material and immediate risk to RAA Finance's legitimate business interests (without requiring further consent from the Debtor). The Debtor must accept any settlement RAA Finance reaches with the insurer of the Collateral;

(g) upon making a Claim pursuant to an insurance policy in relation to the Collateral which is refused by the insurer, must promptly tell RAA Finance of the refusal and, if requested by RAA Finance, grant and transfer to RAA Finance the Debtor's rights to take further action against the insurer in relation to the Claim;

(h) agrees that while an Event of Default is continuing, RAA Finance is entitled to the proceeds of money received from an insurance Claim in relation to the Collateral. Unless the Debtor and RAA Finance agree otherwise, any such payment will be regarded as a prepayment under clause 9 and not a payment in satisfaction of payment obligations under clause 7. RAA Finance acknowledges and confirms that it is not entitled to any amount which is in excess of the Account Balance at the time of receipt of the proceeds from the insurance Claim; and

(i) agrees that RAA Finance may use the proceeds paid by an insurer pursuant to an insurance Claim to:

  (i) repair the Collateral; or

  (ii) repay the Account Balance at that time. Unless the Debtor and RAA Finance agree otherwise, any such payment will be regarded as a prepayment under clause 9 and not a payment in satisfaction of payment obligations under clause 7.

20. Commissions (other than for consumer credit insurance) paid to, or by, RAA Finance

RAA Finance may pay or receive a commission in connection with the introduction of credit business or business financed by this Contract. If RAA Finance is to receive a commission the details of the commission are set out in the Schedule.

21. Mortgaged goods insurance and consumer credit insurance

If the Debtor uses any part of the Loan to pay for consumer credit insurance or mortgaged goods insurance, details of such payments are set out in the Schedule.

22. Default

Event of Default

(a) An Event of Default occurs under this Contract if:

  (i) the Debtor fails to pay any amount payable by the Debtor under this Contract when due;

  (ii) the Debtor fails to perform or observe another obligation imposed on it by this Contract;

  (iii) the Debtor is in default under the Security;

  (iv) without the consent of RAA Finance, the Debtor creates or attempts to create an Encumbrance which might rank in priority to or equally with the Security;

  (v) the Debtor or any person makes a representation or gives RAA Finance information in relation to this Contract or the Security which is incorrect or misleading in a material respect and in circumstances that may have a Material Adverse Effect;

  (vi) RAA Finance believes on reasonable grounds that it was induced to enter into this Contract by fraud;

  (vii) an Insolvency Event occurs with respect to the Debtor;

  (viii) the Debtor is declared mentally ill or dies;

  (ix) an execution is issued against the Debtor or the Collateral and it is not satisfied within 21 days; or

  (x) RAA Finance believes on reasonable grounds that the Debtor has removed or disposed of the Collateral without the permission of RAA Finance, or the Debtor intends to do so.

What can happen after an Event of Default

(a) Before RAA Finance acts on a default, RAA Finance will allow the Debtor a reasonable time (being not less than 30 days) to remedy the Event of Default if it is able to be remedied, and notify the Debtor of this time period. However, RAA Finance can give the Debtor a shorter notice, or no notice at all if it is reasonable for RAA Finance to act to manage a material and immediate risk relating to:

  (i) the Event of Default;

  (ii) the Debtor's particular circumstances; and

  (iii) the value of the Collateral.

(b) If the Debtor remedies the Event of Default during the period set out in RAA Finance's notice (if any), and no other Event of Default has occurred, then RAA Finance will not exercise its default rights after the Debtor remedies it.

Default Rights

(b) If an Event of Default occurs subject to the Law and any applicable remedy period RAA Finance provides the Debtor (if any), RAA Finance may declare the Total Amount Owing is due and payable and demand the Debtor repays the Total Amount Owing.

(c) RAA Finance may also do any one or more of the following (in addition to anything the Law allows RAA Finance to do) if the Debtor is required to provide the Security over the Collateral:

  (i) take or enter into possession of the Collateral to the exclusion of the Debtor;

(ii) remove personal possessions from the Collateral and either abandon them or store them without being liable to the Debtor. If RAA Finance stores them and the Debtor does not reclaim the possessions within one month after RAA Finance notifies the Debtor that RAA Finance intends to sell them, RAA Finance may dispose of them and use the proceeds towards paying the Total Amount Owing;

(iii) sell or concur in selling (whether or not RAA Finance has taken Possession of the Collateral) any part of the Collateral:

(a) either by public auction, private treaty, option or tender;

(b) for cash or on credit;

(c) with power to allow the whole or any part of the purchase money to remain owing on a mortgage of the property sold, on any other Encumbrance or without any Encumbrance;

(d) subject to any conditions RAA Finance chooses;

(iv) enter any place RAA Finance believes the Collateral is held or stored to do any of the above provided that any entry to premises is in accordance with the Law;

(v) in the Debtor's name or otherwise, secure the payment or repayment of any financial indebtedness relating to any Encumbrance over the Collateral and irrespective of whether that Encumbrance will rank in priority to, equally with, or after this Contract or the Security;

(v) exercise any right which the Law permits RAA Finance to do; and

(vi) appoint one or more Receivers to do any of these things.

Default Interest Payable

(d) If the Debtor does not pay any amount due by the Debtor under this Contract on time, the Debtor must pay interest at the Default Rate (calculated on a daily basis) on the amount in default for every day that the default continues. The Debtor has to pay the Default Rate set out in the Schedule. The Default Rate is a rate calculated to be a reasonable estimate of RAA Finance's reasonable loss and/or administrative costs in respect of the overdue amount.

23. Enforcement expenses

(a) Enforcement expenses may become payable under this Contract if an Event of Default occurs. The Debtor must pay to RAA Finance all enforcement expenses reasonably incurred by RAA Finance as a result of any Event of Default.

(b) If the Debtor returns the Collateral to RAA Finance and requests RAA Finance, in writing, to sell the Collateral, the Debtor agrees that, for the purpose of treating the expenses incurred by RAA Finance in selling the Collateral as enforcement expenses, the Debtor is in default.

(c) The Debtor authorises RAA Finance to debit enforcement expenses to the Debtor's Account and acknowledges and confirms that the enforcement expenses will become immediately due and payable when debited to the Debtor's Account.

24. Application of Proceeds from enforcement of Security

Notwithstanding any other clause of this Contract, any amount, personal property or Proceeds of the Collateral received by or on behalf of RAA Finance as a result of RAA Finance enforcing its Security shall be applied by RAA Finance in the order for application required by the PPSA.

25. Contracting out of rights

(a) The parties agree that to the maximum extent permitted by the PPSA, all provisions of the PPSA Act listed in section 115(1) and 115(7) of the PPSA except section 117 and 143(1) are excluded in full and will not apply to this Contract, or the Security Interest it creates.

(b) RAA Finance and the Debtor agree that to the maximum extent permitted by the PPSA, the information of the kind mentioned in section 275(1) of the PPSA is confidential and is therefore not to be disclosed by either of them in response to a request made under section 275(1) of the PPSA, except to the extent determined by RAA Finance or required by sections 275(7) of the PPSA.

(c) The Debtor agrees to waive the Debtor's rights in relation to the following:

(i) to receive a verification statement or notice in relation to registration events from RAA Finance under section 157 of the PPSA; and

(ii) give a notice objecting to a notice by RAA Finance to dispose of or retain the Collateral under section 137 of the PPSA.

(d) RAA Finance is not required to give a notice required under the provisions of the PPSA (referred to in section 144 of the PPSA) unless the notice is required by the PPSA and cannot be excluded.

26. RAA Finance's actions

(a) The Debtor authorises RAA Finance to:

(i) file all Financing Statements and other documents; and

(ii) do all things (including completing and adding schedules to this Contract for further identifying the Collateral), which are necessary to Perfect and continue RAA Finance's Security, to protect and preserve the Collateral and to realise RAA Finance's Security.

(b) If RAA Finance receives a request for information under the PPSA, the Debtor must reimburse RAA Finance on demand for any costs or expenses incurred by RAA Finance in complying with the request for information.

27. Discharge of Security

(a) Once the Debtor, or anyone on behalf of the Debtor, has paid to RAA Finance the Total Amount Owing and the Debtor has performed all of the Debtor's other obligations under this Contract, RAA Finance will, at the request and cost of the Debtor, release and discharge the Collateral from this Contract and the Security.

(b) Subject to clause 27(c), any discharge or Financing Change Statement required will be prepared by RAA Finance at the request and expense of the Debtor.

(c) Except to the extent prohibited by Law, the Debtor shall be liable for RAA Finance's reasonable costs and expenses of complying with an Amendment Demand by the Debtor or anyone else with respect to the Collateral.

28. No Assignment of rights by the Debtor

The Debtor must not assign its rights under this Contract without obtaining RAA Finance's prior written consent.

29. Debtor's obligation to notify

The Debtor must notify RAA Finance in writing of:

(a) every occurrence of an Event of Default as soon as the Debtor becomes aware of it;

(b) every change, event or circumstances which would cause any representation, warranty or undertaking in this Contract to be false or misleading in any way, as soon as the Debtor becomes aware of it; and

(c) the particulars and location of any Collateral (including Serial Numbers and changes to Serial Numbers) on request by RAA Finance or promptly upon the particulars of the Collateral changing.

30. Changes to this Contract

(a) RAA Finance may, acting reasonably and to the extent reasonably necessary to protect RAA Finance's legitimate business interests, change this Contract. For example, RAA Finance may change the fees under this Contract or charges due to increase in RAA Finance's costs, regulatory changes or changes in market conditions.

(b) RAA Finance will inform the Debtor of any changes to this Contract as soon as reasonably practicable or, where the change is unfavourable to the Debtor, by providing the Debtor with notice of the change in accordance with the table below.

Type of change	Minimum notice period
Changing the amount, frequency of and time for payment of fees and charges set out in the Schedule or manner of fees and charges payable to RAA Finance	30 days or shorter if the change is not adverse to the Debtor
Impose new fees or charges	30 days or shorter if the change is not adverse to the Debtor
Introducing or changing any government fee or charge	30 days or such period as may be required by law or in order to notify RAA Finance of the changed or new charge or tax (unless published by a government, Government Agency or representative body)

(c) If RAA Finance notifies the Debtor of a change to the terms of this Contract, the Debtor may end this Contract by providing RAA Finance notice of its intention to end this Contract. Upon providing RAA Finance such notice, the Debtor must pay the Total Amount Owing.

(d) The Total Amount Owing may include the early termination fee set out in clause 9.

31. Address of the Debtor

(a) If there is more than one Debtor, one Debtor may be nominated by the other(s) to receive notices and other documents on behalf of all of them.

(b) The Debtor must tell RAA Finance as soon as possible of any change of address of any Debtor.

32. Notices to RAA Finance

If the Debtor needs to give RAA Finance a notice in relation to this Contract, then the Debtor can do so by leaving it at or sending it by post or email to:

(a) RAA Finance's address set out in the Schedule; or

(b) RAA Finance's registered office; or

(c) any other place that RAA Finance notifies the Debtor in writing.

33. Notices to the Debtor

Unless otherwise stated in this Contract, if RAA Finance needs to give the Debtor notice pursuant to this Contract then RAA Finance can do so by:

(a) delivering the Notice to the Debtor personally; or

(b) leaving it at, or sending it by post or email to the Debtor's residential or postal address last known to RAA Finance.

34. Copy of this Contract and Financing Statement

The Debtor:

(a) acknowledges receiving a copy of this Contract; and

(b) waives all rights to receive a copy of any Financing Statement, Financing Change Statement or verification statement filed in respect of this Contract.

35. Joint and Several Liability

If the Debtor is comprised of two or more persons, the Debtor's obligations as Debtors are both joint (meaning that RAA Finance can take action against any two or more of the Debtors) and several (meaning that RAA Finance can take action against any one of the Debtors).

36. Governing Law

The laws of the State or Territory where the Debtor resides govern this Contract. Where there is more than one Debtor and they do not all reside in the same State or Territory the laws of the State or Territory in which RAA Finance first lends the Amount of Credit under this Contract will govern this Contract. The Debtor and RAA Finance submit to the non-exclusive jurisdiction of the courts of that State or Territory.

37. Waiver

If RAA Finance grants the Debtor time or any indulgence in relation to a breach of this Contract and/or the Mortgage, RAA Finance's rights in relation to any continuing, recurring or subsequent breach by the Debtor will not be affected in any way, except to the extent indicated by RAA Finance in writing.

38. No Merger

The Debtor's obligations under this Contract and the Security are supplementary to, and not in substitution for, any other present or future Security Interest, right, guarantee, agreement, judgment or order held or obtained by RAA Finance and they are not to be merged in, or prejudiced by, any such Security Interest, right, guarantee, agreement, judgment or order.

39. Severability

(a) A clause or part of a clause of this Contract that is illegal or unenforceable may be severed from this Contract and the remaining clauses or parts of the clause of this Contract will continue in full force.

(b) If any provision is or becomes illegal, unenforceable or invalid in any jurisdiction, it is to be treated as being severed from this Contract in the relevant jurisdiction, but the rest of this Contract will not be affected.

40. Date of Contract

This Contract takes effect on the date that RAA Finance accepts the Offer.

Debtor Acknowledgement

The Debtor's acknowledgement of things which the Debtor agrees they have received from, or been told by, RAA Finance.

The Debtor acknowledges that, before signing This Contract, the Debtor received:

- a pre-contractual statement made up of a financial table and a copy of This Contract including, the RAA Finance Loan Terms and Conditions, for the Debtor to keep;
- the Information Statement telling the Debtor of things he/she should know about his/her proposed credit contract; and
- RAA Finance Credit Guide and Written Assessment.

The Debtor also acknowledges that:

- RAA Finance has not required the Debtor to obtain any form of insurance from a specific insurer; and the Debtor is free to obtain insurance – whether the Debtor has obtained it or is required to obtain it – from any reputable insurer; and
- the Debtor has entered into This Contract freely, and understands his/her obligations to RAA Finance and the Debtor's responsibilities under This Contract.

Information Statement

THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED CREDIT CONTRACT

This statement tells you about some of the rights and obligations of yourself and your credit provider. It does not state the terms and conditions of your contract.

If you have any concerns about your contract, contact the credit provider and, if you still have concerns, your credit provider's external dispute resolution scheme, or get legal advice.

THE CONTRACT

1. How can I get details of my proposed credit contract?

Your credit provider must give you a precontractual statement containing certain information about your contract. The precontractual statement, and this document, must be given to you before:

- your contract is entered into; or
- you make an offer to enter into the contract; whichever happens first.

2. How can I get a copy of the final contract?

If the contract document is to be signed by you and returned to your credit provider, you must be given a copy to keep.

Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however, apply, if the credit provider has previously given you a copy of the contract document to keep.

If you want another copy of your contract write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence 1 year or less before your request; or
- otherwise within 30 days of your written request.

3. Can I terminate the contract?

Yes. You can terminate the contract by writing to the credit provider so long as:

- you have not obtained any credit under the contract; or
- a card or other means of obtaining credit given to you by your credit provider has not been used to acquire goods or services for which credit is to be provided under the contract.

However, you will still have to pay any fees or charges incurred before you terminated the contract.

4. Can I pay my credit contract out early?

Yes. Pay your credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

5. How can I find out the pay out figure?

You can write to your credit provider at any time and ask for a statement of the pay out figure as at any date you specify. You can also ask for details of how the amount is made up.

Your credit provider must give you the statement within 7 days after you give your request to the credit provider. You may be charged a fee for the statement.

6. Will I pay less interest if I pay out my contract early?

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits your credit provider to charge one) and other fees.

7. Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

8. Will I be told in advance if my credit provider is going to make a change in the contract?

That depends on the type of change. For example:

- you get at least same day notice for a change to an annual percentage rate. That notice may be a written notice to you or a notice published in a newspaper.
- you get 20 days advance written notice for:
  - (i) a change in the way in which interest is calculated; or
  - (ii) a change in credit fees and charges; or
  - (iii) any other changes by your credit provider;

except where the change reduces what you have to pay or the change happens automatically under the contract.

9. Is there anything I can do if I think that my contract is unjust?

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement.

If that is not successful, you may contact your credit provider's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is Australian Financial Complaints Authority (Provider Number: 14892) and can be contacted at

Phone: 1800 931 678

Web: afca.org.au

Email: info@afca.org.au

Postal: GPO Box 3, Melbourne VIC 3001

Note: Time limits apply to lodging a complaint with AFCA. Generally, complaints should be lodged within the earlier of:

› two years from the date of our written response to your complaint after the conclusion of our internal dispute resolution process; or

› six years from the date you first became aware, or should reasonably have become aware, of the loss.

If you are unsure whether these time limits apply, you can contact AFCA to discuss your circumstances. AFCA may consider a complaint lodged outside these time limits where it determines that special circumstances apply.

Alternatively, you can go to court. You may wish to get legal advice, for example from your community legal centre or Legal Aid.
You can also contact ASIC, the regulator, for information on 1300 300 630 or through ASIC's website at asic.gov.au.

INSURANCE

10. Do I have to take out insurance?

Your credit provider can insist you take out or pay the cost of types of insurance specifically allowed by law. These are compulsory third party personal injury insurance, mortgage indemnity insurance or insurance over property covered by any mortgage. Otherwise, you can decide if you want to take out further insurance or not. If you take out insurance, the credit provider can not insist that you use any particular insurance company.

11. Will I get details of my insurance cover?

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by your credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal.

Also, if you acquire an interest in any such insurance policy which is taken out by your credit provider then, within 14 days of that happening, your credit provider must ensure you have a written notice of the particulars of that insurance.

You can always ask the insurer for details of your insurance contract. If you ask in writing your insurer must give you a statement containing all the provisions of the contract.

12. If the insurer does not accept my proposal, will I be told?

Yes, if the insurance was to be financed by the credit contract. The insurer will inform you if the proposal is rejected.

13. In that case, what happens to the premiums?

Your credit provider must give you a refund or credit unless the insurance is to be arranged with another insurer.

14. What happens if my credit contract ends before any insurance contract over mortgaged property?

You can end the insurance contract and get a proportionate rebate of any premium from the insurer.

MORTGAGES

15. If my contract says I have to give a mortgage, what does this mean?

A mortgage means that you give your credit provider certain rights over any property you mortgage. If you default under your contract, you can lose that property and you might still owe money to the credit provider.

16. Should I get a copy of my mortgage?

Yes. It can be part of your credit contract or, if it is a separate document, you will be given a copy of the mortgage within 14 days after your mortgage is entered into.
However, you need not be given a copy if the credit provider has previously given you a copy of the mortgage document to keep.

17. Is there anything that I am not allowed to do with the property I have mortgaged?

The law says you can not assign or dispose of the property unless you have your credit provider's, or the court's, permission. You must also look after the property. Read the mortgage document as well. It will usually have other terms and conditions about what you can or can not do with the property.

18. What can I do if I find that I can't afford my repayments and there is a Mortgage over property?

See the answers to questions 22 and 23.

Otherwise you may:

- if the mortgaged property is goods – give the property back to your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if your credit provider gives permission first;

OR

- give the property to someone who may then take over the repayments, but only if your credit provider gives permission first.

If your credit provider won't give permission, you can contact their external dispute resolution scheme for help.

If you have a guarantor, talk to the guarantor who may be able to help you.

You should understand that you may owe money to your credit provider even after the mortgaged property is sold.

19. Can my credit provider take or sell the mortgaged property?

Yes, if you have not carried out all of your obligations under your contract.

20. If my credit provider writes asking me where the mortgaged goods are, do I have to say where they are?

Yes, You have 7 days after receiving your credit provider's request to tell your credit provider. If you do not have the goods you must give your credit provider all the information you have so they can be traced.

21. When can my credit provider or its agent come into a residence to take possession of mortgaged goods?

Your credit provider can only do so if it has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the National Credit Code.

GENERAL

22. What do I do if I can not make a repayment?

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider to change your contract in a number of ways:

- to extend the term of the contract and reduce payments; or
- to extend the term of your contract and delay payments for a set time; or
- to simply delay payments for a set time.

23. If my credit provider and I can not agree on a suitable arrangement?

If the credit provider refuses your request to change the repayments, you can ask the credit provider to review the decision if you think it is wrong.

If the credit provider still refuses your request you can complain to the external dispute resolution scheme that your credit provider belongs to. Further details about this scheme are set below in question 25.

24. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you can not be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the credit provider's external dispute resolution scheme or ASIC, or get legal advice.

25. Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also READ YOUR CONTRACT carefully.

IF YOU HAVE ANY COMPLAINTS ABOUT YOUR CREDIT CONTRACT, OR WANT MORE INFORMATION, CONTACT YOUR CREDIT PROVIDER. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH YOUR CREDIT PROVIDER BEFORE CONTACTING YOUR CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO YOUR CREDIT PROVIDER YOU CAN CONTACT YOUR CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION SCHEME OR GET LEGAL ADVICE.

EXTERNAL DISPUTE RESOLUTION IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. YOUR CREDIT PROVIDER'S EXTERNAL DISPUTE RESOLUTION PROVIDER IS AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (PROVIDER NUMBER: 14892) AND CAN BE CONTACTED AT

Phone: 1800 931 678

Web: afca.org.au

Email: info@afca.org.au

Postal: GPO Box 3, Melbourne VIC 3001

PLEASE KEEP THIS INFORMATION STATEMENT YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

Please staple your Loan Contract documents here.

Notes

We're here to help

Call us on 8202 8331, visit an RAA Shop
or email finance@raa.com.au
raa.com.au/finance

RAA Finance loans are provided by RAC Finance Limited ABN 77 009 066 862 Australian Credit Licence 387972 and are subject to RAC Finance lending criteria; conditions, fees and charges apply.
Royal Automobile Association of South Australia Limited ABN 90 020 001 807 ACN (677 371 274) credit representative number 574711 is an authorised representative of RAC Finance Limited.

Loan Terms and Conditions – current as at 09/2026.

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