

ANZ OVERDRAFTS SPECIFIC CONDITIONS OF USE

ANZ BUSINESS BANKING 10.2023

1 What you need to know about these terms and conditions of use

This document contains terms for your ANZ overdraft facility as described in your Letter of Offer. You should read this document with the other documents that are part of your Agreement with us.

Capitalised words and phrases in this document have special meanings. You can find their meanings in section 8 below.

2 How to contact us

See the 'Contact Details' section at the end of this document.

3 Using your overdraft facility

You may use your Facility once we tell you that the relevant terms in your Letter of Offer have been met.

Unpaid interest or other amounts that you must pay, like fees, reduce the amount available under your Facility Limit.

4 Your interest and fees

4.1 What is your interest rate?

Your initial interest rate is in your Letter of Offer but your interest rate may change. The Finance Conditions of Use will tell you when this may occur and also where you can go to see your current rate.

4.2 How is your interest calculated?

We start calculating interest on your Facility from the date you first use it. We calculate your interest for each day as follows.

$$\text{Daily interest amount} = \left(\frac{\text{interest rate}}{365} \right) \times \text{daily closing balance of your Facility}$$

The daily closing balance of your Facility is the used portion of your Facility Limit at the end of the relevant day. The used portion includes drawn amounts and any other amount that you agree to add to your drawn amount. This may include interest (which means you pay interest on interest), fees and other charges. It may also include any overdue amounts that you have not paid us on or by the due date.

You pay interest on your Facility at the end of each interest payment period. This period will be monthly unless we agree another frequency with you (for example, in your Letter of Offer).

Your interest payment date for each period will be based on when you opened the transaction account that is attached to your Facility, unless we agree a different date with you. If an interest payment is due to be paid on a non-Business Day, the date for payment will generally be the previous Business Day.

The interest that you pay on a particular day will not include the interest calculated for that day or any following day.

Example

Company ABC has a transaction account with an overdraft facility limit of \$40,000. Company ABC opened the account on 1 May. Company ABC draws an amount under its Facility on 15 May. The first three interest payment periods and their interest payment dates will be as follows.

Interest payment period	Interest payment date
1 May – 31 May	1 June
1 June – 30 June	1 July
1 July – 31 July	1 August

4.3 How is the credit facility fee calculated?

The fees for your Facility include the credit facility fee in your Letter of Offer. Your credit facility fee is calculated on a daily basis based on your Facility Limit. It is payable in arrears quarterly, unless otherwise agreed.

Your payment date for each payment period (for example, quarterly) will be based on when you opened the transaction account that is attached to your Facility, unless we agree a different date with you. If a credit facility fee is due to be paid on a non-Business Day, the date for payment will generally be the previous Business Day.

We calculate your credit facility fee payments as follows.

$$\text{Credit facility fee payable} = \left(\frac{\text{annual credit facility fee}}{366} \right) \times \text{number of days in the payment period}$$

In some cases, we may require early payment of your credit facility fee. We may require this during a payment period when your Facility expires or is cancelled or your Facility Limit changes. The credit facility fee that you must pay will be based on the number of days of the payment period up to when the early payment is due.

The example below shows you how we calculate this.

Example

Company ABC has an overdraft with a limit of \$40,000 from 1 June (**Period 1**). The annual credit facility fee is \$600 and the Company pays it quarterly.

Company ABC's request for a limit increase to \$50,000 is approved effective 30 July (**Period 2**). The annual credit facility fee is increased to \$850.

Based on the above, the total credit facility fee payable for the quarter equals \$173.36 as shown below.

Annual credit facility fee	Overdraft limit	Daily fee	Days in payment period	Credit facility fee payable (rounded to 2 decimal places)
\$600	\$40,000 at 1 June (Period 1)	\$1.63934426	59	\$96.72, payable on 30 July
\$850	\$50,000 at 30 July (Period 2)	\$2.32240437	33	\$76.64, payable on 31 August

5 Repaying your overdraft

You may pay off some or all of the balance of your Facility at any time. You must repay it in full at the end of the term in your Letter of Offer.

If you do not repay the balance of your Facility at the end of the term in your Letter of Offer, you will be in default under your Agreement. In these circumstances, without limiting its other rights, ANZ may provide you with an informal overdraft facility on the transaction account attached to your Facility.

For more information about the informal overdraft facility that would apply in those circumstances, including the applicable interest rate, refer to the Business Transaction Accounts Terms and Conditions booklet and the Transaction Accounts Fees and Charges booklet, both of which are available from anz.com.au/terms-conditions/.

At any time you may notify us that you would like to cancel your Facility and repay the amounts you owe.

6 Can you exceed your Facility Limit?



Warning: In your Letter of Offer, we have agreed to provide you with a facility up to the Facility Limit. We have not agreed to provide any funds under your Facility in excess of your Facility Limit. This section describes how we may agree to provide excess funds, but it is our decision.

If you would exceed your Facility Limit for any reason then we may (but do not have to) provide you with an informal overdraft for the excess amount (the **Informal Overdraft**).

6.1 What is the interest rate for an Informal Overdraft?

The Informal Overdraft interest rate is in your Letter of Offer.

6.2 How is interest calculated on an Informal Overdraft?

You will pay interest on the Informal Overdraft when you pay interest on your Facility.

We calculate your Informal Overdraft interest for each day as follows.

$$\text{Daily interest amount} = \left(\frac{\text{informal overdraft interest rate}}{365} \right) \times \text{daily closing balance of your Informal Overdraft}$$

The daily closing balance of your Informal Overdraft is the amount by which the balance of your account as at the end of the relevant day exceeds your Facility Limit. This may include interest (which means you pay interest on interest), fees and other charges. It may also include any overdue amounts that you have not paid us on or by the due date.

6.3 Repaying an Informal Overdraft

You must repay the closing balance of your Informal Overdraft within seven days of it first being provided to you.

7 Statements of account

We will provide you with statements of account for your Facility at least every three months unless you request otherwise.

8 Definitions

The words and phrases below have the following special meanings in this document.

Agreement has the meaning given in your Letter of Offer.

Business Day means a day that is not a Saturday, a Sunday or an Australian national public holiday.

Customer, you or your means each person named as a borrower or customer for each Facility in a Letter of Offer. When more than one person is named as a borrower or customer, it means each person individually and any two or more of those people. It also includes each person's executors, administrators or permitted assigns or transferees.

Facility means any of the overdraft facilities that we make available to you under your Agreement.

Facility Limit for a Facility, means the amount specified in your Letter of Offer as the facility limit.

Finance Conditions of Use means the ANZ booklet titled 'finance conditions of use.'

Letter of Offer means the letter titled 'letter of offer' between a Customer and ANZ.

Contact Details

ANZ may change the contact details below from time to time. If we do, we will not notify you of the change (unless required by law or industry code) but these details will be published on our website anz.com.

ANZ Small Business Banking

1800 351 663

8am - 8pm (AEST), Weekdays

ANZ Business Banking

Speak to your ANZ Manager or call 1800 801 485

8am - 8pm (AEST), Weekdays

ANZ Agribusiness Banking

Speak to your ANZ Agribusiness Manager or call 1800 462 474

8am - 8pm (AEST), Weekdays

ANZ Internet Banking for Business

1800 269 242

+61 3 8699 6906 (International customers)

8am - 8pm (AEST), Weekdays

Lost or Stolen Cards, Suspected Unauthorised Transactions or Divulged Passwords

1800 033 844

+61 3 9683 7047 (International customers)

24 hours, 7 days a week