ANZ RESIDENTIAL INVESTMENT LOAN IN A COMPANY NAME
ANZ HOME LOAN IN A COMPANY NAME

SPECIFIC CONDITIONS OF USE
08.11.2023

This document contains some important specific conditions which apply to your ANZ Residential Investment Loan in a Company Name or your ANZ Home Loan in a Company Name.

We recommend you study it in detail and then keep it in a safe place for future reference.

THE FOLLOWING SPECIFIC CONDITIONS OF USE RELATE TO:

- ANZ Variable Rate Residential Investment Loan in a Company Name
- ANZ Money Saver Residential Investment Loan in a Company Name (no longer offered)
- ANZ Fixed Rate Residential Investment Loan in a Company Name
- ANZ Residential Investment Land Loan in a Company Name
- ANZ Interest-in-Advance Residential Investment Loan in a Company Name
- ANZ Standard Variable Rate Home Loan in a Company Name
- ANZ Fixed Rate Home Loan in a Company Name

1. ADVANCING THE LOAN

Before any funds are made available you must:

- accept your Letter of Offer (if there is more than one borrower, each co-borrower must accept the Letter of Offer);
- make sure that any new security documents that are required under your Letter of Offer are signed;
- arrange any new insurance, if required by us, acting reasonably, in connection with the loan, and give a copy of the policy to us;
- complete a disbursement order, if so required by us in connection with the loan; and
- meet any other requirements as set out in your Letter of Offer.

We must also be satisfied that:

- the documentation complies with legal requirements;
- you have received all statements and information required by law;
- no event of default has occurred;
- any required guarantee or security interest has been provided and any guarantor has obtained independent legal and financial advice to our satisfaction; and
- if you or a guarantor is a trustee of a trust, all trust requirements have been properly met.

1.1 Residential investment loan products

This section applies to residential investment loan products only. If the date of the first advance does not occur within three months of the date of your Letter of Offer, then unless otherwise agreed by us in writing, we will not be obliged to advance the loan and may treat your agreement as terminated.

If this loan has been taken out to purchase land to build a residential dwelling for investment purposes, it is a condition of the loan that you commence building within one year from the date the loan is drawn. During the term of this loan the dwelling must be used for residential investment purposes.

1.2 Home loan products

This section applies to home loan products only. If the date of the first advance does not occur within six months of the date of your Letter of Offer, then unless otherwise agreed by us in writing, we will not be obliged to advance the loan and may treat your agreement as terminated.

If this loan has been taken out to purchase land to build a residential dwelling for owner occupation it is a condition of the loan that you commence building within three years from the date the loan is drawn. During the term of this loan the dwelling must be used for owner occupation and cannot be used as a residential investment.

1.3 Changes to purpose

If you:

- have not commenced to build a residential dwelling within the relevant timeframe, or
- stop using the dwelling after you build it for the designated purposes,

you must notify us immediately. At that time, we will discuss with you the possibility of a new loan at the appropriate interest rate.

2. INTEREST

2.1 How is your interest calculated?

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 where you can go to see your current interest rate.

Debit interest will accrue daily on the outstanding loan balance of your loan from the date of the first advance. Interest on your loan is calculated for each day by multiplying the outstanding loan balance by the interest rate applicable at the time divided by 365.

2.2 How interest is charged in arrears

If your Letter of Offer states that interest is payable in 'arrears', this means that you will pay interest at the end of each interest payment period. Accrued interest will be debited with the frequency indicated in your Letter of Offer (subject to change as described in your agreement).

The interest that is debited on a particular day will not include the interest accrued in respect of that day. Interest for a relevant period that is not included in the interest charge for that period or which accrues on and from the date on which the interest is payable may be carried forward to a subsequent date on which interest is payable.

You authorise us to debit interest to your loan account or a nominated account. If there are insufficient funds in the nominated account, the interest will be added to the outstanding loan balance.

If, after the loan term commences, you and ANZ agree to change your agreement in any way, we may debit any accrued interest on the day on which the change takes effect. If this occurs, your interest charging will be restarted from that date.

Where a due date for an interest payment falls on the 29th, 30th or 31st of a month which does not contain such a date, the due date will, subject to the paragraph below, be the last day of that month. This will not affect subsequent due dates for interest payments.

If the due date for an interest payment is not a business day, that interest will be payable on the next business day but with effect from the scheduled date. The interest debited will relate to interest accrued up to, but not including or following, the scheduled date.

2.3 How interest is calculated during the fixed interest rate period when interest is charged in advance

This section only applies for ANZ Interest-in-Advance Residential Investment Loans in a Company Name. The number of days to be covered by each interest in advance charge (the "**interest in advance cycle**") will be as specified in your Letter of Offer or as otherwise agreed between you and us.

For each interest charge to be paid by you in advance in respect of a fixed interest rate period, we determine the interest in advance cycle, the outstanding loan balance at the end of each day of the interest in advance cycle, and the daily interest rate that is derived from dividing the applicable fixed annual percentage rate by 365. We then use this information to calculate the amount of the interest in advance charge to be paid by you in advance in respect of that interest in advance cycle.

When making this calculation, we assume that:

(a) the outstanding loan balance at the commencement of the interest in advance cycle will be the same as the assumed loan balance;

(b) the assumed loan balance will remain outstanding throughout the interest in advance cycle; and

(c) the applicable fixed annual percentage rate will not change throughout the interest in advance cycle.

The calculated interest in advance charge for a forthcoming interest in advance cycle is the total of the estimated daily interest charges for each day in that interest in advance cycle (the "**interest in advance charge**").

The interest in advance charge for an interest in advance cycle is debited to your nominated account with effect from the commencement of that interest in advance cycle. You are required to pay that interest in advance charge to us on (or with effect from) that date. Any interest in advance charges not paid by the due date will also accrue interest and may be capitalised to the outstanding loan balance.

During each interest in advance cycle, we will calculate the interest charge applicable to your loan account on a daily basis, based on the outstanding loan balance at the end of each day in the interest in advance cycle and the daily interest rate that is determined by dividing the applicable fixed annual percentage rate by 365. Unless otherwise specified in this clause 2.3, we will calculate the interest accrued on your loan in accordance with the rules set out in clause 2.2. If the aggregate of these daily interest charges for the interest in advance cycle is less than the amount of the interest in advance charge that was debited to your nominated account at the commencement of the interest in advance cycle, we will refund the difference to you.

If the aggregate of these daily interest charges for the interest in advance cycle is greater than the amount of the interest in advance charge that was debited to your nominated account at the commencement of the interest in advance cycle, the amount of the difference will be debited to your loan account on (or with effect from) the last day of the relevant interest in advance cycle, and must be immediately paid from another account nominated by you that is acceptable to us.

Where an interest in advance charge or interest debit is scheduled to be made on the 29th, 30th or 31st of a month which does not contain such a date, it will, subject to the paragraph below, be debited on the last day of that month.

Where an interest in advance charge or interest debit is scheduled to be made on a non-business day, the debit will instead be made to your account on the next business day, but with effect from the scheduled date.

2.4 ANZ Home Loan Offset Accounts

ANZ Home Loan Offset account refers to an ANZ One account or Business Mortgage Loan (BML) Offset account (no longer offered), each being a type of transaction account. An ANZ Home Loan Offset account can be linked to your loan if certain eligibility criteria have been satisfied.

We do not pay interest on ANZ Home Loan Offset accounts. However, an 'offset amount' will accrue for each day on which an offset arrangement applies and where, at the end of the day:

- in the case of an ANZ One account – the account is in credit; and
- in the case of a Business Mortgage Loan (BML) Offset account – the positive balance of the account is at least $5,000.

Accrued offset amounts will subsequently be applied to reduce the interest charge on your linked loan.

For full details of the terms and conditions that apply to ANZ Home Loan Offset accounts, see:

- in the case of an ANZ One account, the ANZ Saving & Transaction Products Terms and Conditions booklet; and
- in the case of a Business Mortgage Loan (BML) Offset account, the Business Transaction Accounts Terms and Conditions booklet.

Each of these booklets is available at anz.com or from any ANZ branch.

If you default on your loan, we may at any time and without prior notice to you transfer or apply the whole or any part of the credit balance of your offset account in payment of the whole or any part of your account. We may also exercise other default rights in accordance with the Finance Conditions of Use. We also reserve the right at any time to block access to your offset account in accordance with the Finance Conditions of Use.

3. VARIABLE INTEREST RATE CHANGES

After any increase or decrease in the applicable variable interest rate made in accordance with the terms of the Finance Conditions of Use, we can adjust your repayments accordingly so they are sufficient to pay out your loan within the agreed term.

We will notify you in writing as soon as reasonably possible before any changes in the amount of your repayments takes effect.

4. ANNUAL PERCENTAGE RATE (INTEREST RATE) - INTEREST RATES CAN CHANGE

Variable reference rates (or index rates) can be changed at any time including during the period between the date of your Letter of Offer and the date of advance under your loan.

Except as otherwise agreed with us, the interest rate that will apply to your loan during a fixed interest rate period can also be changed at any time before drawdown, but not once the loan has been drawn and the fixed interest rate period has started.

At the end of any fixed interest rate period, you may apply for another fixed interest rate period, and, if we agree to your request, you will be advised of any extra or varied terms that will apply. Please note that fees may apply as set out in your Letter of Offer (subject to change as described in your agreement).

If:

(a) you have not applied for another fixed interest rate period or we have not agreed to your request, or

(b) the end of any fixed interest rate period coincides with the end of your loan term and your loan has not been repaid in full (in accordance with the terms and conditions of your loan) on or before the end of its term,

then the interest rate on your loan will change at the end of your fixed interest rate period. Unless your Letter of Offer says otherwise or we otherwise agree, at the end of your fixed interest rate period your interest rate will be the applicable ANZ variable reference rate (or index rate and any applicable margin discount that we have agreed with you) for your loan. Please note that the variable reference rates (and index rates) are subject to change.

If your Letter of Offer provides for an interest rate margin, that margin will, unless varied by us in accordance with your agreement, apply for the term of the loan.

5. PAYMENTS

When we calculate a regular repayment amount over the term of the loan, we take into account the impact of capitalised interest on the outstanding loan balance. Your repayments may include both principal and interest, or principal only (where interest is not capitalised and re-directed to a nominated account). If there are certain changes during the life of the loan, we may recalculate the remaining repayments.

By accepting the Letter of Offer, you will be agreeing to repay all principal, interest and other amounts due under the loan in accordance with the conditions in your agreement. Notwithstanding any other provision in your agreement, you must repay in full all money you owe us (including any principal, interest, fees or other charges) upon the maturity or termination of your loan.

You may elect to pay certain fees or charges either by adding these amounts to your outstanding loan balance or by charging these payments (and interest, if permitted to do so under the Letter of Offer) to a separate nominated account. Where a payment posted to a nominated account is rejected, for example due to insufficient balance, the relevant payment may be added to your outstanding loan balance instead.

Amounts you need to pay under your agreement, including repayments, may be different from the amounts set out in your Letter of Offer or other documents we may send you. This is because the financial details in the Letter of Offer or those other documents are based on current interest rates, and may not take into account any arrears on your loan or other changes to the terms and conditions of your loan.

When calculating amounts to be debited or credited, we may round up or down to a whole cent.

6. LATE PAYMENT FEE

A late payment fee is payable in respect of a loan if the whole or any part of any payment due has been unpaid for 30 days or more. The amount of the monthly late payment fee is set out in the ANZ Business Banking Finance Fees and Charges booklet.

A further late payment fee will be debited monthly (from the date of the previous late payment fee) where the loan continues to be in arrears during the period up to the day on which the further late payment fee is scheduled to be debited.

Where the previous late payment fee was debited on the last day of a month, the further late payment fee will be debited on the last day of the subsequent month.

However, in any case where a late payment fee would otherwise be debited on a non-business day, it will instead be debited on the next business day.

If a late payment fee is debited to your loan account, it will not be regarded as having been paid until all overdue amounts have been paid and the late payment fee is then offset by credit from another account.

7. REPAYING YOUR LOAN EARLY OR MAKING OTHER CHANGES TO YOUR LOAN

7.1 Variable interest rate loan

You may pay out the loan at any time without incurring additional interest. Government charges may apply.

7.2 Fixed interest rate loan

Warning: *Early repayment costs can be very large. Before making an early repayment or requesting a change to a fixed interest rate, or any other terms of your loan, during a fixed interest rate period, you should ask us to give you an estimate of the likely cost. The amount of any actual early repayment cost that becomes payable by you will be determined as at the day that the early repayment event occurs.*

(In this clause, and in the following clause 8, there are terms used that have been given defined meanings. Those terms are in **bold type** and are usually explained in the "Definitions" section at the end of the booklet).

When an early repayment event occurs

If, during a fixed interest rate period:

(a) you make an early repayment of the whole or any part of the unpaid balance of your loan account (or you are required to make such a payment, where we exercise our default rights in accordance with your agreement);

(b) at your request, we change the current fixed interest rate to a new fixed interest rate, or to a variable interest rate;

(c) at your request, we change the term of the current fixed interest rate period of your loan; or

(d) at your request, we change certain other terms of your loan,

an "**early repayment event**" will have occurred and you may be liable to pay an early repayment cost to us.

7.3 Early repayment cost

As a consequence of an early repayment event, such as an early repayment by you, we may incur additional costs or loss. These costs or losses arise due to changes between the cost of funds when you started the fixed term rate of your loan and the costs of funds at the time of an early repayment event. Generally if the costs of funds are lower at the time of early repayment, we incur a cost or loss.

In calculating the amount of any early repayment cost that is payable by you, we will use the calculation methodology described in clause 8.

The early repayment cost is intended to reflect a reasonable estimate of this additional cost or loss. Although the early repayment event which occurs under your agreement is used in the calculations, the early repayment cost may not necessarily represent the actual cost or loss that is in fact incurred by us in relation to your particular loan. This is because we manage our risk associated with various loans and transactions on a portfolio basis.

7.4 When we will make an early repayment cost calculation

Where an **early repayment event** has occurred, we will calculate the amount of any early repayment cost that is payable by you using the calculation methodology in clause 8 unless:

(a) the amount of your **early repayment** (if any); or

(b) in the case of us changing the current fixed interest rate, the term of the current fixed interest rate period or certain other terms of your loan at your request - the unpaid balance of your loan account at the time of the **early repayment event**,

is less than or equal to the combined value of your **available tolerance amount** and **your next scheduled repayment amount** (if any), each as calculated immediately prior to the **early repayment event**.

7.5 Your liability for early repayment costs

You will be liable to pay us the amount of any early repayment cost that is calculated by us to be payable by you in accordance with clause 7.4 in respect of an **early repayment event**.

7.6 Factors that may be relevant to the amount of any early repayment cost that is payable by you

As noted above, we will calculate the early repayment cost that is payable by you using the calculation methodology described in clause 8 below. The amount of any early repayment cost that may become payable by you will vary accordingly to a number of factors, including:

(a) the size of your **early repayment** (if any);

(b) the remaining term of the current fixed interest period of your loan;

(c) the amount of the unpaid balance of your loan account at the time of the **early repayment event**; and

(d) the differences between the **original market rate** at the start of the fixed interest rate period and the **market rates at the date of the relevant early repayment event**.

The calculation of the early repayment cost that may be payable by you will not take into account the balance of any offset account that is linked to your loan.

7.7 ANZ may recalculate your repayments following an early repayment event

When an **early repayment event** occurs, and where you are paying interest that has been calculated in advance, we may recalculate and change the amount of your future repayments to take account of the **early repayment event**.

8. THE METHOD USED TO CALCULATE ANY EARLY REPAYMENT COST PAYABLE BY YOU

As an initial step in the calculation of any early repayment cost that is payable by you, we will calculate:

- the **total of present values of pre-event cash flows**; and
- the **total of present values of post-event cash flows**,

in the manner described below.

We will then use each of these totals when calculating the amount of any early repayment cost that is payable by you. We will do so in the manner described below.

8.1 Calculation of the total of present values of pre-event cash flows

Our calculation of the **total of present values of pre-event cash flows** will be based on the following methodology.

Step 1: Based on the **pre-event balance**, we will determine for the **calculation period**:

(i) the amount of each interest charge (calculated using the **contract rate**) that would have been debited in respect of your loan (each an "**expected cash flow**") and the days on which each of these **expected cash flows** would have been treated as debited;

(ii) the amount of each repayment that would have become payable by you during the **calculation period** (each an "**expected cash flow**") and the days on which each of these **expected cash flows** would have been treated as payable by you (or effectively recovered from your nominated account, if earlier);

(iii) the amount of each other fee or charge that would have become due under your agreement during the **calculation period** (each an "**expected cash flow**") and the days on which each of these **expected cash flows** would have become due; and

(iv) based on these **expected cash flows**, the expected unpaid balance of your loan account at the start of each **cash flow date** occurring during the calculation period and at the end of the **calculation period**.

Step 2: Using the **original market rate**, we will separately estimate the amount of interest (the "**market interest**") that would accrue in respect of successive periods of the **calculation period**.

The initial period will commence on the day immediately after the **early repayment event** and will conclude at the end of the first **cash flow date** that occurs after the date of the **early repayment event**. Each subsequent successive period will conclude at the end of a **cash flow date** or, in the case of the last successive period, at the end of the **calculation period**.

For each period for which such **market interest** is calculated, we will use the unpaid balance of your loan account that we expect to be outstanding at the start of the last day of the period (assuming that the **pre-event balance** was outstanding at the commencement of the **calculation period**).

Step 3: We will then calculate:

(i) the net aggregate of the present values of the **expected cash flows** (excluding any interest charge for a loan other than a **principal and interest loan**, and any other fee or charge that we do not expect to be capitalised to the unpaid balance of your loan account on the relevant **cash flow date** (for example, a fee or charge being redirected to another account));

(ii) the total of the present value of the market interest for each period during the **calculation period**, calculated in accordance with Step 2; and

(iii) the present value of the expected unpaid balance of your loan account at the end of the **calculation period**.

In determining the present value of these amounts, we will make the present value calculations using the **market rates at the date of the relevant early repayment event** as discount factors (in each case, discounting from the relevant **cash flow date** or the end of the **calculation period** (as applicable) to the date of the **early repayment event**).

Step 4: We will then calculate the total of all of the present values calculated under Step 3. The combined total of these present values will be the "**total of present values of pre-event cash flows**" for your loan.

8.2 Calculation of the total of present values of post-event cash flows

To calculate the **total of present values of post-event cash flows** relevant to your loan, we will follow the same methodology that it uses to calculate the **total of present values of pre-event cash flows**, except for the following differences:

- we will use the **post-event balance** (rather than the **pre-event balance**) when making the required calculations or assumptions; and
- for Step 4, the combined total of the calculated present values will be the "**total of present values of post-event cash flows**" for your loan.

8.3 Calculation of the amount of the early repayment cost

Your **early repayment cost**, if any, will be the amount by which the **total of present values of pre-event cash flows** for your loan, as calculated by us, exceeds the net aggregate of:

(a) the total of present values of post-event cash flows for your loan, as calculated by us; and

(b) the amount of:

  (i) in the case of an **excess early repayment event** – the unpaid balance of your loan account immediately before the occurrence of the **early repayment event** less the **net interest in advance charge**; or

  (ii) in all other cases, the **early repayment** or **deemed early repayment** (as applicable),

  less the combined total of the **available tolerance amount** and **your next scheduled repayment amount** (if any), calculating that total immediately prior to the **early repayment event**.

If you would like to see some examples of how we calculate **early repayment costs**, please contact us.

We do not pay you an early repayment benefit where this calculation does not result in an early repayment cost that is payable by you.

9. STATEMENTS

ANZ will provide statements of your loan account at least every six months, and more often if either you or ANZ require.
If there are errors or unauthorised transactions shown on your statement, it is your responsibility to contact ANZ immediately.

10. LENDERS MORTGAGE INSURANCE

Lenders Mortgage Insurance is obtained by ANZ to protect it against possible loss arising from a default under your loan. Your Letter of Offer will state whether Lenders Mortgage Insurance is required. If required, ANZ will purchase the insurance and you must reimburse ANZ for its cost. The reimbursement must occur at the commencement date of this loan. The cost of this insurance will be deducted from your loan proceeds on the date of advance or ANZ will debit your nominated account.

Lenders Mortgage Insurance provides protection for ANZ as lender and not for you as borrower. If you default on your loan, ANZ may incur a loss even if property given as security is sold. ANZ may recover any loss under its Lenders Mortgage Insurance policy. However, you would still be legally responsible for repaying the full amount outstanding under the mortgage. The insurer may recover any amount that it has paid to ANZ from you.

If Lenders Mortgage Insurance is still required at the conclusion of an Interest Only term, you will be required to pay an additional Lenders Mortgage Insurance premium.

11. LOAN DISBURSEMENT

The proceeds of the loan will be paid to you. However, if you wish ANZ to pay money elsewhere or if there are fees or expenses payable for the loan at the time that the loan proceeds are paid, you must complete a disbursement order which tells ANZ to whom and in what amounts your loan is to be paid.

The proceeds of the loan will be disbursed in accordance with your instructions for the loan purpose.

If your disbursement order includes a payment to some other person or organisation, ANZ can comply with your order by transferring the amount of the payment into a separate account for that other person or organisation.

Where a disbursement order includes an amount to pay out an existing ANZ account in your name, the amount specified on the disbursement order may not be the final balance owing on that account. The final balance owing on any account may only be determined at the time the account is paid out. If the amount on the disbursement order is more than the final balance owing, no interest will be paid by ANZ on the amount refunded.

If your loan requires progressive payments, any request for a progress payment must be accompanied by a completed Progress Payment Instruction form showing disbursement details.

12. ACCOUNT ACCESS AND TRANSACTION RESTRICTIONS

We reserve the right, acting reasonably, to restrict the amount, or the amount of each denomination, of any deposits that may be made to an account, to block access to an account, and prevent all or specific transactions from being processed to an account, without notice where we consider that it is in our legitimate interests to do so. For example, we may do so where we consider this reasonably necessary to protect us or you from suffering financial loss (e.g. as a result of suspected fraudulent activity on an account). Any transaction limits that would otherwise apply are subject to our rights to take these actions. Please ask at the branch or call our Contact Centre for details of any limits that apply.

DEFINITIONS

For the purpose of these Specific Conditions of Use, the following terms have the meaning set out below, unless the context requires otherwise.

accrued interest means interest which we are entitled to charge under this loan, but which has not yet been debited to your account.

ANZ, **we** or **us** means Australia and New Zealand Banking Group Limited ABN 11 005 357 522 or its successors and assigns.

assumed loan balance means the outstanding loan balance at the time that we calculate the amount of the interest in advance charge.

available tolerance amount means that part of the then current **tolerance amount** that exceeds the total of the **early repayments** that have already been made since that **tolerance amount** was set by us.

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

calculation period means the period commencing on the date of the early repayment event and concluding on the last day of the fixed interest rate period (both dates inclusive).

cash flow date is a day identified in any one of the first three sub-clauses of Step 1 of clause 8.1, as applicable to your loan.

contract rate means the fixed interest rate under which interest accrues under your loan during the current fixed interest rate period.

deemed early repayment means, where we change the current fixed interest rate to a new fixed interest rate or to a variable interest rate at your request, or change the term of the current fixed interest rate period at your request or change certain other terms of your loan at your request, the unpaid balance of your loan account immediately prior to that **early repayment event**.

due date means a day on which any repayment, interest, fee, charge or amount is due to be paid.

early repayment means early repayment of the whole, or some, of the unpaid balance of your loan account, before the end of the then current fixed interest rate period.

excess early repayment event means an early repayment event that occurs during the interest in advance cycle for an interest in advance charge that has been paid by you in respect of your loan where the amount of the **early repayment** or **deemed early repayment** exceeds the amount that is equal to the unpaid balance of your loan account immediately before the occurrence of the **early repayment event** less the **net interest in advance charge**.

home loan products means each of the following ANZ products:

(a) ANZ Standard Variable Rate Home Loan in a Company Name; and

(b) ANZ Fixed Rate Home Loan in a Company Name.

market rates at the date of the relevant early repayment event means each interest rate that, at the time of the **early repayment event**, is current and has been set by us and which, in our reasonable view, best reflects the applicable external wholesale market interest rate for each relevant period over which we are required to calculate the present value of an amount in Step 3 of clause 8.1.

net interest in advance charge means the amount of an interest in advance charge that has been paid by you in respect of your loan less the daily interest charges calculated for the relevant interest in advance cycle up to the occurrence of the **early repayment event** (or, if the result of that calculation is a negative number, zero).

nominated account means the bank account you hold with us, which you have nominated and to which we have agreed for redirection of any fee or charges associated with the loan.

offset account means an eligible ANZ Home Loan Offset account that is linked to your loan.

original market rate means a wholesale market interest rate that, at the time of the commencement of the current fixed rate interest period, was set up by us and which we reasonably determined (at that time) was sufficiently reflective of the applicable external wholesale market rate that would be (or could have been) applicable in respect of the term of the then commencing fixed rate interest period under your loan.

outstanding loan balance means the unpaid balance of your loan at the end of the previous day plus internal and external monetary transactions, including any repayments, interest, fees and charges added to your outstanding loan balance on the current day.

pre-event balance means the unpaid balance of your loan account immediately prior to the occurrence of the **early repayment event**, less the combined total of your **available tolerance amount** and **your next scheduled repayment amount** (if any), each as measured immediately prior to the **early repayment event**.

post-event balance means:

(a) in the case of an **excess early repayment event** – the **net interest in advance charge**; and

(b) in all other cases - the outstanding loan balance immediately after the occurrence of the **early repayment**, or an assumed balance of zero where we change the current fixed interest rate to a new fixed interest rate or to a variable interest rate at your request, or change the term of the current fixed interest rate period at your request, or change certain other terms of your loan at your request.

principal and interest loan means a loan under which you are required to make regular payments of an agreed amount to cover accrued interest charges and a principal repayment.

principal reducing loan means a loan under which you are required to make:

(a) regular principal repayments of an agreed amount; and

(b) regular payments from your nominated account to cover interest charges that have accrued during the relevant interest period.

residential investment loan products means each of the following ANZ products:

(a) ANZ Variable Rate Residential Investment Loan in a Company Name;

(b) ANZ Money Saver Residential Investment Loan in a Company Name (no longer offered);

(c) ANZ Fixed Rate Residential Investment Loan in a Company Name;

(d) ANZ Residential Investment Land Loan in a Company Name; and

(e) ANZ Interest-in-Advance Residential Investment Loan in a Company Name.

tolerance amount means the amount allowed to you by us as a tolerance at the commencement of your current fixed interest rate period, and on each anniversary of that date while that fixed interest rate period continues. The **tolerance amount** is generally the lesser of $5,000.00 and of 5% of the loan balance at the start of the then current fixed interest rate period, except where the fixed rate interest period is for less than a year (in which case the **tolerance amount** is reduced proportionally). The **tolerance amount** is reset on the first business day after each anniversary of the commencement of your current fixed interest rate period, and any **available tolerance amount** from the preceding period of 12 months is cancelled and is not carried forward.

your next scheduled repayment amount means:

(a) where you are required to make regular principal and interest repayments under a **principal and interest loan**, the amount of your next scheduled repayment (together with any outstanding arrears for a previous scheduled repayment) less the **early repayments** (if any) made since the last scheduled repayment became due; and

(b) where you are required to make regular principal and interest payments under a **principal reducing loan**, the amount of your next scheduled principal repayment (together with any outstanding arrears for a previous scheduled principal repayment) less the **early repayments** (if any) made since the last scheduled repayment became due,

(in each case as calculated on the date of the **early repayment event** and immediately prior to the occurrence of that **early repayment event**), and, in every other case, zero.

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