

Dear Valued Customer,

Below is our Loan Variation Offer (LVO) form which needs to be completed and signed by all borrowers then returned to our Head Office. LVO's may be emailed to [borrowers@greater.com.au](mailto:borrowers@greater.com.au), or handed into one of our branches.

Before you make the decision to convert your loan we need to make sure you understand and acknowledge the significance of doing so. In addition to reading your loan contract, we recommend you obtain independent legal and financial advice about the benefits and consequences of converting your loan.

If you're thinking about fixing your interest rate you should also consider if you intend to; (a) sell your property (b) make extra repayments or (c) change loan products during the fixed rate period; as break costs or prepayment fees may apply. The fixed rate that will apply to your loan will be the rate as at the date the LVO offer is signed.

If you have a construction loan we won't be able to fix your loan until the loan has been fully advanced.

If you request a conversion to a fixed rate loan, the following fees are included in your loan agreement:

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When we fix your annual percentage rate we assume that you'll make all your required payments when they're due during the fixed rate period. If you don't, we may incur a loss. To cover that loss we'll charge you a 'prepayment fee' or a 'break cost fee'.

A prepayment fee is payable if you make a prepayment and we estimate we'll make a loss as a result of the prepayment.

A break cost fee is payable if you:

- repay or you're required to repay the total amount owing earlier than agreed during a fixed rate period (eg. because there's a default), or
- switch your loan during a fixed rate period (e.g. to another fixed rate or a variable rate).

Prepayment fee and Break cost fee

To work out whether you must pay a prepayment fee or break cost fee, we compare the interest that we should have received from you for the rest of the fixed rate period with what we estimate the interest we would receive if we relend those funds. We compare the interest rate you locked in to the equivalent current interest rate based on the time remaining on your fixed rate period.

**Warning – making prepayments, paying out a fixed rate loan early or switching from your fixed rate during a fixed rate period (e.g. to another fixed rate or a variable rate) could result in a high prepayment fee or break cost fee. Contact us if you're considering doing any of these things and we'll give you an estimate of the prepayment fee or break cost fee.**

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If you're converting to a different product some features may no longer apply. For example, if you convert from a standard home loan you will no longer be eligible for a fee free account or getaway points. We'd recommend talking to one of our friendly Lenders at your local branch or our loan call centre on 13 13 86 to discuss your scenario in detail.

Our Ultimate Home Loans can only be converted to another Ultimate product. Line of Credit loans can only be converted to an Ultimate Line of Credit.

The 100% Ultimate offset account cannot be linked to an Ultimate Fixed Rate or an Ultimate Line of Credit. If you currently have a 100% offset account and convert to an Ultimate Fixed or Ultimate Line of Credit, your Ultimate offset account will be converted to an Access account. Offset accounts in one name may be linked to a loan in joint names, however an offset account in joint names cannot be linked to a loan in one name.

The interest only term on our variable interest only products is 5 years. If you convert to any interest only product, at the end of the interest only term the loan will revert to principal and interest. We may need to give you a call to discuss your request to convert to an interest only product.

If we agree to your request, we'll convert your loan on the first day of the month after the signed LVO is received by Head Office. This may be delayed if there is incomplete or incorrect information on the LVO.

Fees apply when you convert your loan and will be debited from your loan account. If the redraw amount on your loan isn't enough to cover all fees and charges we won't be able to process your request until you have paid this amount. The fees have been disclosed as part of your Loan Contract. A copy of our lending fees and charges is also available from our website at [www.greater.com.au](http://www.greater.com.au). If you have any questions, you are welcome to call our loan call centre on 13 13 86.

Your loan repayment amount may change as part of this conversion. We'll send you a letter to confirm your request has been processed and to notify you of your new repayment. Until then, please continue to make your normal monthly repayment. You can manage your loan repayments via;

- Online Banking
- our Customer Service Centre or
- your local branch, via our Customer Service Officers

This is an important document and you should retain a copy of the LVO for your records as it forms part of your Loan Contract with us.

Yours sincerely,

**The Greater Bank Team**

Return via – Email to borrowers@greater.com.au, or hand into one of our branches.

**Loan Account Number**

**Account Name**

Please complete:

**Part A: for Loan Conversion**

**Part B: for Ultimate Package Details**

**Part C: to permanently Reduce Redraw**

### PART A

I/We would like my/our loan to be converted from;

- Great Rate       Standard  
 Ultimate       LOC

If fixed, is conversion to take place on expiry of fixed term?

- Yes       No (break costs may apply)



I/We would like my/our loan to be converted to;

- Great Rate       Standard  
 Ultimate       LOC




- If an Interest Only repayment is selected, please complete  
**Folio 472 – Personal Statement of Financial Position**

**PART B** - Ultimate package details (please complete if converting to a new Ultimate package or amending an existing Ultimate package);

Primary Loan Account:

Ultimate Access Account:

Other Ultimate Loans:  
(To be included in package)

Ultimate Offset Account/s (include all Offset Numbers):

Credit Card:

### PART C

I/We would like my/our loan redraw facility amount reduced;

- Yes, please reduce amount by   
 No, please go to acknowledgement

I/We acknowledge and agree;

- I/we have read and understood the Loan Variation Information Sheet;
- If converting to a Fixed Rate loan, the fixed rate that will apply will be the rate as at the date the LVO offer is signed. Break Costs and Prepayment Fees may be payable;
- If converting to an Ultimate Loan the Package Fee of \$395.00 will be charged to my/our nominated primary;
- Selecting an alternative loan, features may change; but all other conditions of my/our Loan Contract remain unchanged and;
- The new loan repayment amount will be advised by mail after the loan is converted.

Borrower (please print)

Signature

Date

Borrower (please print)

Signature

Date

Guarantor (please print)

Signature

Date

Guarantor (please print)

Signature

Date

Office use only: Lending Officer to complete

- Responsible lending obligations met  
 Customer Conversation recorded in Contact History

Head Office: 307 King Street Newcastle West NSW 2302  
 PO Box 173 Hamilton NSW 2303 P 13 13 86

Greater Bank, part of Newcastle Greater  
 Mutual Group Ltd ACN 087 651 992  
 AFSL/Australian credit licence No. 238273