

This form is used for any of the following request: switching to a Full Doc Portfolio Loan, Sub-account closure, change of primary sub-account, credit limit variation and/or change of interest rate option.

Borrower(s)

Mailing Address

Low Doc Portfolio Loan account No.

Primary Sub-account

Important – the information in this variation is current as at /..... /.....
(the variation disclosure date).

- This form is to be completed in conjunction with an authorised representative of BankSA.
- Place a tick ✓ in the box for each requested option.
- The meaning of words printed *like this* is explained in the "Meaning of words" clause of the Portfolio Loan Agreement General Terms and Conditions.
- All Portfolio Loan *borrowers* and guarantors must sign this form.

A. Switch from Low Doc to Full Doc

I request the Bank to switch the following *sub account number(s)* from a Low Doc Variable Rate Portfolio Loan to a Full Doc Variable Rate Portfolio Loan:

Sub-account number	Current rate Low Doc Portfolio Loan (% per annum)	New rate Portfolio Loan (% per annum)	Margin applied (% per annum)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

B. New sub-account

I request the Bank open the new *sub-account(s)*, to be

Sub-account number

Sub-account number

Sub-account number

Sub-account number

Sub-account number

Sub-account number

Sub-account number

Sub-account number

Sub-account number

and redistribute the *Low Doc Portfolio credit limit* as per section D. Credit limit variation.

B. New sub-account (cont.)

The sub-account holders are to be:

Sub-account number

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Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

Sub-account number

--	--

Name(s) of sub-account holders

C. Sub-account closure

I request the Bank to close the following sub-account number(s). Please tick if you wish to retain the following sub-account(s) as Transaction account(s).

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

Sub-account number

		<input type="checkbox"/>
--	--	--------------------------

and

redistribute the *Portfolio credit limit* as per section D. Credit limit variation; or

redistribute the *Portfolio credit limit* from \$ _____ to \$ _____

If the sub-account to be closed is the primary sub-account, Section E, Change of primary sub-account must be completed.

D. Credit limit variation

I request the Bank to reduce the *Portfolio credit limit* from \$ _____ to \$ _____ and redistribute the *sub-account credit limits* as follows:

I request the Bank to redistribute the *sub-account credit limits* as follows:

List all sub-accounts. Write "N/C" in any box where there is to be no change

Sub-account number	Current sub-account credit limit	New sub-account credit limit		
<table border="1"><tr><td style="width: 50px; height: 20px;"></td><td style="width: 50px; height: 20px;"></td></tr></table>			\$ _____	\$ _____
<table border="1"><tr><td style="width: 50px; height: 20px;"></td><td style="width: 50px; height: 20px;"></td></tr></table>			\$ _____	\$ _____
<table border="1"><tr><td style="width: 50px; height: 20px;"></td><td style="width: 50px; height: 20px;"></td></tr></table>			\$ _____	\$ _____
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<table border="1"><tr><td style="width: 50px; height: 20px;"></td><td style="width: 50px; height: 20px;"></td></tr></table>			\$ _____	\$ _____

D. Credit limit variation (cont.)

Should any variable *sub-account credit limit* be exceeded as a result of the redistribution of variable *sub-account credit limits*, as specified in the immediately preceding table, I authorise the Bank to transfer balances as follows:

Balance	from Sub-account number	to Sub-account number
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____

E. Change of primary sub-account

I request that *sub-account* number _____ becomes the *primary sub-account*.

A primary sub-account must be in the name of all Low Doc Portfolio Loan borrowers and be at a variable rate.

F. Change of interest rate or interest rate option

I request the Bank to change the interest rate or interest rate option on the following *sub-accounts*:

to Low Doc Variable rate

Sub-account number	Current rate (% per annum)	New rate (% per annum)	Margin applied (% per annum)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Switching to variable rate

If switching to a variable rate, the applicable *sub-account* above is under the variable rate option for the remainder of the term of the *sub-account*.

From the date the negotiated variable rate period commences on a *sub-account*, the *annual percentage rate* for that *sub-account* is at a margin below the Low Doc Portfolio Loan variable rate at that time. That margin and the *annual percentage rate* on a *sub-account* at the variation disclosure date is specified above for that *sub-account*.

From the end of a negotiated variable rate period which is less than the term of the *sub-account*, the *annual percentage rate* is the Low Doc Portfolio Loan variable rate which is _____% per annum at the variation disclosure date.

F. Change of interest rate or interest rate option (cont.)

I request the Bank to change the interest rate or interest rate option on the following *sub-accounts*:

to Low Doc Fixed rate

Sub-account number	Current rate (% per annum)	New rate (% per annum)	Fixed rate margin (% per annum)	Fixed rate period (months)	Locked rate applies to this sub-account (Yes/No)	Rate Lock period remaining from disclosure date (days)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Switching to fixed rate

If shown above that the *locked rate* option applies to the *sub-account(s)*, the *annual percentage rate* for the fixed rate period on that *sub-account* is the "fixed rate" specified above. However, if:

- the fixed rate period commences after the end of the Rate Lock period shown above; or
- the Low Doc fixed rate specified above is greater than our advertised Low Doc fixed rate for the fixed rate period specified above, last published by us on or before the date the fixed rate period commences ("the last published Low Doc fixed rate"), modified by any "fixed rate margin" specified above for the *sub-account(s)*,

the last published Low Doc fixed rate modified by the "fixed rate margin" specified above for the *sub-account(s)* will apply. The last published Low Doc fixed rate at the variation disclosure date is the "last published Low Doc fixed rate" shown above. So, as at the variation disclosure date, the fixed interest rate (that is, if the *locked rate* does not apply) is the fixed rate specified above for the *sub-account(s)*.

If the *locked rate* option does not apply to the *sub-account(s)*, the fixed rate for the *sub-account(s)* is the last published Low Doc fixed rate modified by the "fixed rate margin" specified above for the *sub-account(s)*. The last published fixed rate at the variation disclosure date is the "last published Low Doc fixed rate" shown above.

So, at the variation disclosure date, the fixed interest rate (that is, if the *locked rate* does not apply) is the fixed rate specified above for the *sub-account(s)*.

From the end of the fixed rate period, the *sub-account(s)* is/are under the variable rate option, and the *annual percentage rate* is the Low Doc Portfolio Loan variable rate, which is _____ % per annum at the variation disclosure date.

G. Fees and charges

The following fees and charges **are payable** in connection with this request:

Additional *sub-account* fee | \$ _____

Rate lock fee

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Sub-account | \$ _____

Rate lock fee sub-total | \$ _____

Additional Bank legal fee | \$ _____

Redistribution fee | \$ _____

Conversion (Switch) Fee | \$ _____

Lender's mortgage insurance fee | \$ _____

Valuation fee | \$ _____

Change of *primary sub-account* fee | \$ _____

Change of *sub-account* interest rate or interest rate option
or payment requirement | \$ _____

Break costs | \$ _____

Low Doc Portfolio Loan Annual administration fee of \$250.00 per annum –
the fee is first debited to the *primary sub-account* on the date the Bank
processes the change then the fee is debited to the *primary sub-account*
on each anniversary of when the fee is first debited. | \$ _____

Monthly *Sub-account* administration fee of \$17.00 payable per *sub-account*
for each month or part month in which the *sub-account* is held. The first fee
is payable at the end of the month in which the Bank processes the change.
This fee is then debited to each *sub-account* at the end of each following
month or immediately before the *sub-account* is closed. | \$ _____

TOTAL (to the extent ascertainable) | \$ _____

Break costs payable:

If a *sub-account* is under the fixed rate option and before the end
of the fixed rate period, you:

- prepay the *sub-account total amount owing*; or
- make prepayments on that *sub-account* in excess of the
prepayment threshold; or
- are in default so that the *sub-account total amount owing* becomes
immediately due for payment; or
- when you change to another interest rate option (fixed or variable),
then you must pay us the break costs that we calculate.

Unascertainable. Calculated using the
break costs method (see "Break costs"
section at the end of this form).

H. Important information

1. The Bank will consider this request only if it receives this form signed by me and each guarantor within 21 business days of the variation disclosure date.
2. The Bank debits all fees and charges relating to this request to the *sub-account* to which those fees and charges apply or, if they are *Low Doc Portfolio fees and charges*, to the *primary sub-account*.
3. If the Bank accepts this request, this request forms part of the Low Doc Portfolio Loan Agreement. All other terms and conditions of my Low Doc Portfolio Loan Agreement remain the same.
4. If the Bank accepts this request, I accept that any guarantee I provide to the Bank for the repayment of a *sub-account* extends to any new *sub-account*, of which I am not a *sub-account holder*, and to any increased limit on any *sub-account* of which I am not a *sub-account holder*.
5. I declare that:
 - (a) I have not dealt with any *security* connected with my Low Doc Portfolio Loan without the Bank's consent; and
 - (b) I am not relying on any statement or representation by the Bank, its employees or its agents relating to taxation matters.
6. A fixed rate period/negotiated variable rate period commences on a *sub-account* on the date the Bank tells me in writing.
7. Any *annual percentage rate* which is fixed will not be varied for the fixed rate period.
8. Whenever a *sub-account* has a fixed interest rate, I cannot redraw any repayments on the *sub-account*.
9. The entire *sub-account credit limit* (less any amount the Bank agrees may remain undrawn initially and be used for capitalisation purposes) must be fully drawn within 30 days from the settlement date. Any amount which is not drawn within that period cannot be drawn and is not available on that *sub-account* for that fixed rate period.

Acceptance by Low Doc Portfolio Loan Borrowers

I have received and understood "Portfolio Loan Agreement – General Terms and Conditions" brochure.

Signature of borrower _____ Date _____ / ____ / ____

Signature of borrower _____ Date _____ / ____ / ____

Signature of borrower _____ Date _____ / ____ / ____

Signature of borrower _____ Date _____ / ____ / ____

Company Borrowers

The common seal of the *borrower*

(Borrower's name)

was affixed in accordance with the Company's Constitution, in the presence of:

Signature of authorised person _____ Signature of authorised person _____

Print name _____ Print name _____

Print position _____ Print position _____

and if only one person has signed, that person states that he/she signs in the capacity of sole director and sole secretary of the company.

OR

Executed by _____

in accordance with section 127(1) of the Corporations Act, 2001:

Signature of authorised person _____ Signature of authorised person _____

Print name _____ Print name _____

Print position _____ Print position _____

and if only one person has signed, that person states that he/she signs in the capacity of sole director and sole secretary of the company.

Note: Unless the Company's Constitution has been altered, 2 office bearers are usually required to witness the affixing of the common seal.

Acceptance by Low Doc Portfolio Loan Guarantors

I accept that my guarantee extends to any increase in the *borrowers'* obligations due to BankSA accepting the *borrowers'* request.

Signature of Low Doc Portfolio Loan Guarantor _____ Date _____ / /

Name of Low Doc Portfolio Loan Guarantor _____

Signature of Low Doc Portfolio Loan Guarantor _____ Date _____ / /

Name of Low Doc Portfolio Loan Guarantor _____

Signature of Low Doc Portfolio Loan Guarantor _____ Date _____ / /

Name of Low Doc Portfolio Loan Guarantor _____

Signature of Low Doc Portfolio Loan Guarantor _____ Date _____ / /

Name of Low Doc Portfolio Loan Guarantor _____

For Company Low Doc Portfolio Loan Guarantors

I accept that my guarantee extends to any increase in the *borrowers'* obligations due to BankSA accepting the *borrowers'* request.

The common seal of the *guarantor*

(Company Low Doc Portfolio Loan Guarantor's name)

was affixed in accordance with the Company's Constitution, in the presence of:

Signature of authorised person _____ Signature of authorised person _____

Print name _____ Print name _____

Print position _____ Print position _____

and if only one person has signed, that person states that he/she signs in the capacity of sole director and sole secretary of the company.

OR

Executed by _____

in accordance with section 127(1) of the Corporations Act, 2001:

Signature of authorised person _____ Signature of authorised person _____

Print name _____ Print name _____

Print position _____ Print position _____

and if only one person has signed, that person states that he/she signs in the capacity of sole director and sole secretary of the company.

Note: Unless the Company's Constitution has been altered, 2 office bearers are usually required to witness the affixing of the common seal.

BANK USE ONLY

- Complete the Form and have Customers sign
- Note Branch Name _____ Branch Number _____
- Prepared By Employee Name _____ Employee Number _____
- Fax form to 1300 307 562 (Branch Must Keep The Original – To Refax in Need)
- DO NOT SEND ORIGINAL or COPY TO LOANS ADMINISTRATION

Break costs

When BankSA lends you money at a fixed rate for a set term, the risk associated with movements in interest rates is accepted by BankSA. We then manage this risk based on the understanding that all the required repayments due over the whole of the fixed rate period will be made in full and on time. We obtain funding on this basis through transactions at wholesale market interest rates. If you make a prepayment (that is, you repay ahead of the due date or you pay an extra or higher amount) or change to another interest rate option, that will change our funding position. If wholesale market interest rates have dropped, this causes a loss to BankSA. The estimated amount of this loss is passed on to you as a break cost (subject to the prepayment threshold described below).

1. If a sub-account is under the fixed rate option and before the end of the fixed rate period you:
 - prepay the sub-account total amount owing; or
 - make prepayments on that sub-account in excess of the prepayment threshold; or
 - are in default so that the sub-account total amount owing becomes immediately due for payment; or
 - when you change to another interest rate option (fixed or variable),

then you must pay us the break costs that we calculate.

Each of these events is a "break".

2. This clause applies if you prepay less than the sub-account total amount owing. The prepayment threshold is the maximum amount we allow you to prepay on each fixed rate sub-account in each 12 month period without charging you a break cost. Your prepayment threshold is \$10,000 in each 12 month period. You will reach your *prepayment threshold* for a *sub-account* for a 12 month period once the total prepayments for the *sub-account* during that 12 month period reach \$10,000 or more on a day during that 12 month period. After that, each prepayment during that 12 month period will trigger a break cost calculation. A prepayment is any regular or lump sum payment of any amount in excess of your contractual obligation.

For this purpose a "12 month period" is the period from the date the fixed rate period of the sub-account starts to the first anniversary of that date and each consecutive 12 month period after that during the fixed rate period.

For example, if a sub-account has a 3 year fixed rate period and in year 1 you:

- prepaid \$9,000 in month 3;
- prepaid \$5,000 in month 8;

you would exceed your prepayment threshold by \$4000 in month 8. Therefore a break cost may apply.

We do not treat payments of overdue amounts as prepayments. For example if the overdue amount of a fixed rate sub-account is \$2,000 and you pay \$7,000, then only \$5,000 is counted towards your prepayment threshold.

3. In general terms you will need to pay us a break cost if our current Wholesale Market Interest Rates for the part of the fixed rate period remaining after the break are lower than the Wholesale Market Interest Rates for the original fixed rate period (that is, the Wholesale Market Interest Rates on the first day of the fixed rate period or as at the rate lock date if there is a rate lock facility).

The "Wholesale Market Interest Rates" are the rates at which we determine we can get fixed rate funds from the wholesale markets on the relevant day.

To work out break costs, we take into account:

- (i) the relevant Wholesale Market Interest Rates on the first day of the fixed rate period or as at the rate lock date if there is a rate lock facility (the "original Wholesale Market Interest Rates");
- (ii) the Wholesale Market Interest Rates for the part of the fixed rate period remaining on the date of the break (the "current Wholesale Market Interest Rates");
- (iii) the difference between your annual percentage rate on the fixed rate sub-account for the fixed rate period and the original Wholesale Market Interest Rates;
- (iv) the outstanding balance on the sub-account and in the case of partial prepayments, the prepayment threshold we allow you to prepay before we impose a break cost;
- (v) the number of days remaining until the end of the fixed rate period of the sub-account;
- (vi) the timing, frequency and dollar amount of payments required under the contract for the sub-account; and
- (vii) any amount of any unpaid interest, fees and charges and any default interest which was debited to your sub-account.

Our break cost formula is complex. A simplified version of it is:

<p>Interest Rate Differential x (Multiplied by) Average Outstanding Balance x (Multiplied by) Number of Years Remaining in Fixed Term x (Multiplied by) Net Present Value Discount Factor</p>

Our formula estimates our loss but may not necessarily reflect any actual transaction that we may enter into (either before or at the time of the break).

An example of the amount of break cost is set out under Fixed Rate Break Cost Example below.

FIXED RATE BREAK COST EXAMPLE

The following example will help you understand how the break cost formula generally works.

Say you decide to fix the interest rate on your sub-account of \$100,000 with interest only payments for 5 years with a loan term of 25 years in April 2009. Your customer fixed interest rate is 7.00% p.a. for five years (no locked rate was requested). You don't make any prepayments. The Wholesale

Market Interest Rates on the settlement date for your fixed rate period was 6.00% p.a.

You then prepay the sub-account total amount owing in full after one year on a repayment date in April 2010, (i.e. four years still remain in your fixed rate period).

If the four year Wholesale Market Interest Rates in April 2010 is 5.00% p.a. you will need to pay us a break cost of approximately \$3,600.

This break cost example is based on:

Loan term	25 years (interest only for the first 5 years)
Fixed rate period	5 years
Sub-account loan amount	\$100,000
Customer rate	7.00% p.a. (no locked rate was requested)

An explanation of the terms used in our break cost formula is outlined below. Examples of these terms have also been provided.

Average outstanding balance: The average balance of the sub-account between the time of break and what the balance would have been at the expiry of the fixed rate period (assuming no prepayment).

In this example, since the repayment type is interest only, the average outstanding balance of the fixed rate sub-account is \$100,000.

Interest Rate Differential: The difference between the original Wholesale Market Interest Rates for the applicable fixed rate period and the current Wholesale Market Interest Rates for the remainder of the fixed rate period.

For example, say you prepay the sub-account total amount owing after one year on a repayment date in April 2010 (i.e. 4 years still remain in your fixed rate period). The Interest Rate Differential would be 1.00% (6.00% less 5.00%).

Number of Years Remaining in the Fixed Term: If you prepay the sub-account total amount owing after one year on a repayment date in April 2010, there are still 4 years remaining in your fixed rate period.

Net Present Value Discount Factor: The factor which discounts the cost incurred to the Bank spread over the remaining fixed rate period, to today's value. The formula for calculating the Net Present Value Discount Factor is as follows:

$$100.00\% - ((\text{Current Wholesale Market Interest Rates} \times \text{Number of Years Remaining in Fixed Rate Period}) \div 2)$$

For example, say you prepay the sub-account total amount owing after one year on a repayment date in April 2010 (i.e. 4 years still remain in your fixed rate period). The Net Present Value Discount Factor would be 90.00%.

WARNING: The example above and the simplified version of our break costs formula, are a general guide only. If you do have to pay a break cost, the actual amount may be different from the amount you calculate yourself using the simplified version of our formula.

Break costs can be quite high. We suggest you ask us for an estimate of the break costs and seek independent financial advice before you repay your sub-account early during a fixed rate period.

Our break costs formula is complex. If you would like to see a more detailed description of the formula used to work out the break cost, you can obtain from any BankSA branch a booklet called Things you should know about Break Costs.

Please also note that we will not pay you a benefit if the current Wholesale Market Interest Rates are higher than the original Wholesale Market Interest Rates. This is because we allow you to make prepayments up to the prepayment threshold without charging a break cost.

I/We declare that the credit to be provided to me/us by the credit provider in connection with this

Low Doc Portfolio Loan account number

Low Doc Portfolio sub-account number*

is to be applied wholly or predominantly for:

- business purposes; or
- investment purposes other than investment in residential property.

Important

You should **only** sign this declaration if this loan is wholly or predominantly for:

- business purposes; or
- investment purposes other than investment in residential property.

By signing this declaration you may **lose** your protection under the National Credit Code.

Notes:

- 1) The declaration must be signed by all the account holders.
- 2) This declaration must be signed before entering into the credit contract.
- 3) It must be signed separately to any other loan application or documentation.

Signature of borrower

Date

 / /

*Name of borrower

Signature of borrower

Date

 / /

*Name of borrower

**Only the sub-account holders of this sub-account should sign this declaration.*

*Our privacy policy is available at banksa.com.au or by calling 13 13 76
and covers how we handle your personal information.*