

Notice of changes to Your Coles Personal Loans Unsecured Credit Terms and Conditions and Other Important Information

These changes form part of, and must be read in conjunction with Your existing Cole Personal Loans Unsecured Credit Terms and Conditions and Other Important Information. These changes are effective on 1 July 2019.

It is important that You read this notice carefully and retain it for Your records.

Interpretation of this Notice

1. If a section or sub section is not specifically mentioned in this document it remains unchanged.
2. Section numbers as listed in this notice relate directly to the section numbers in Your terms and conditions.

Changes to Your Coles Personal Loans Unsecured Credit Terms and Conditions and Other Important Information effective 1 July 2019

The Australian Banking Association (ABA) has published the new Banking Code of Practice (**Banking Code**) which replaces the Code of Banking Practice. As a member of the ABA, Citigroup Pty Limited has agreed to adopt the Banking Code and this introduces some changes to the way We provide banking services to individuals, including in connection with Your account. These changes apply from 1 July 2019.

Changes apply to the section titled **Part A: Unsecured Credit Terms and Conditions**

• **Section 7 – Default, suspension and closure**

Default

We have amended the default provisions. Accordingly, the second bullet point under the heading **“Default”** is deleted in its entirety and replaced with:

- *if We reasonably believe that:*
 - *there has been fraud or misrepresentation in relation to the approval or operation of Your account;*
 - *You have not complied with the law;*
 - *it becomes unlawful for You or Us to continue with this agreement; or*
 - *You have breached any of these conditions (including because You use the account for a purpose not approved by Us)*

When We can close, cancel or suspend Your account or any Payment Facility

Also, the following change is made to the section headed **“When We can close, cancel or suspend Your Account or any Payment Facility”**. The first bullet point in the second paragraph which reads “Your Account is in default” is removed.

• **Section 8 – Interest charges and Section 9 – Fees and other charges You must pay**

You can ask Us to provide You with information on standard fees and charges and any interest rates. Accordingly, We have included following at the end of section 8 **“Interest charges”**:

Information on any APR is available on request.

We have also included following at the end of section 9 **“Fees and other charges You must pay”**:

Information on current fees and charges is available on request.

- **Section 11 – Changes**

The way We can make changes to the terms and conditions without Your consent has been updated under the Banking Code. This includes how we tell You about changes and how much notice We have to give You. Accordingly, the second paragraph and table in section 11 **“Changes”** are deleted in their entirety and replaced with the following:

We may tell You about a change by writing to You at Your last known address, by advertisement in a newspaper or in other ways allowed by applicable laws or industry codes. Generally the following notice periods apply:

<i>As soon as reasonably possible which may be after the change is made</i>	<i>Reducing Your obligations (e.g. fees) or extending the time for payment. Reducing Your Credit Limit</i>
<i>At least same day notice</i>	<i>Increasing an APR</i>
<i>No notice if the government publishes the change</i>	<i>Changes to government charges</i>
<i>At least 30 days</i>	<i>Any other change We make other than those changes that We expressly agree with You</i>

We will comply with any notice requirements in any applicable laws and codes (such as the Banking Code of Practice and ePayments Code).

- **Section 14 – Conditions for specific payment facilities
Recurring or Periodic Payments**

The way Recurring Card Instructions can be cancelled has been updated. You will need to contact the merchant to cancel as We usually cannot do this. Also, if We handle a request to cancel a direct debit We will not inform You that You should first raise the cancellation request with the merchant You pay through the direct debit. Accordingly, We have deleted in its entirety the last paragraph in this section and replaced it with the following:

If You have set up Recurring Card Instructions:

- *You need to contact the merchant to cancel or change them – We usually cannot do this;*

- *if a Card is re-issued with a new Card number or expiry date, You must contact the merchant to cancel or change the details of each Recurring Card Instruction. We may choose to cancel the Recurring Card Instruction or (unless You tell Us not to) provide Your replacement Card details to update it.*

If You have set up a direct debit, You may instruct us to cancel the direct debit on Your behalf. If You do, We will prevent the previously authorised party from debiting Your account and We will advise the party's financial institution that We have done this. We recommend that You also contact the party that debits the payment to let them know that the direct debit has been cancelled.

You should tell Us if unauthorised direct debits or recurring card instructions are charged to the account.

- **Section 16 – General matters**

Codes of conduct

References to the "Code of Banking Practice" have been updated to the "Banking Code of Practice" in this section.

- **Section 17 – Dictionary**

Definitions

A new definition of "Banking Code of Practice" has been inserted in its alphabetical order in this section as follows:

Banking Code of Practice means the "Banking Code of Practice" or any superseding publication published by the Australian Banking Association Inc.

Other changes to Your Unsecured Credit Terms and Conditions and Other Important Information effective 1 July 2019

We have also made some other changes to Your terms and conditions to clarify some matters relating to Your account and any Card We provide in connection with the account. These changes also apply from 1 July 2019.

Changes applying to the section titled Part A: Unsecured Credit Terms and Conditions

We have made it clear that credit cards are not issued with any account we established in connection with these terms and conditions. Accordingly, the reference to "credit card" is replaced with "card" in the following sections:

Section 15 – BPAY

Important

The reference to “credit card” is also removed from the definition of “Card” in Section 17 – “Dictionary”.

- **Section 1 - Getting started with Your contract**

We have made it clear that when We establish an account We issue You a debit card for that account. Accordingly, the following new paragraph is included directly after the heading “Getting started with Your contract”:

We establish an account for the credit We provide under this agreement and issue You a debit card for that account.

- **Section 2 – Use of Cards and the Account**

We have changed the heading of this section by removing the words “cards and” so that the heading now reads “Use of the Account”.

Using the Account

Also, the way You can establish regular payments under Your Account, and what the different types of regular payments are, is explained in more detail. Accordingly, the words “(see below for an explanation of these)” are inserted in the fourth bullet point of the first row in the table under the section “Using the Account” and We have inserted the following immediately after the last paragraph in the section headed “Using the Account”:

More information about regular payments

This explains some ways You can establish regular payments from Your Account:

Periodic Payments	<i>A repeating payment You can authorise Us in writing to make on Your Account (e.g. using internet banking)</i>
Direct Debits	<i>A regular payment You authorise a merchant to charge to Your Account where You provide a merchant with Your BSB and Account details. The merchant then charges amounts to Your Account</i>
Recurring Card Instructions	<i>A regular payment You authorise a merchant to charge to Your Card by providing Your Card number and details to the merchant. The merchant then charges amounts to Your Card.</i>

Some matters relating to regular payments (like what We can cancel and when) depend on the payment scheme rules and can vary between payment types.

Credit limits and other limits

We may decline to authorise large fund transactions when the customer uses internet banking or telephone banking. Accordingly, We have deleted the last paragraph under the section headed "**Credit limits and other limits**" and replaced it with the following:

We are not obliged to authorise any transaction that exceeds any applicable limit. We may in our discretion decline to authorise large funds transfers (eg in excess of \$75,000) being taken out of the Account using internet banking and/or telephone banking. However this is not a fixed limit.

Altering or stopping a payment

The way You can stop or alter payments that You have authorised has been updated. You can no longer stop Periodic Payments using internet banking. Accordingly, We have removed the words "*or internet banking*" from the first row under the heading of the table.

We have also updated the table to make it clear that stopping a direct debit will stop all payments under the direct debit instruction. Accordingly, We have deleted the words "*the*" and "*debit*" from the text in the second row, third column, and inserted the word "*debits*" so that it now reads:

By contacting Us using telephone banking or internet banking (but it will stop all payments under Direct Debits instruction / from that merchant, not just a one off payment)

We have also inserted the words "*You have made or authorised*" into the first sentence under the heading "**Altering or stopping a payment**" so that the sentence now reads as follows:

You can stop or alter payments You have made or authorised as follows:

- **Section 3 – International transactions**

Card transactions

The fees and charges We charge You under the contract are set out in the Financial Table. Accordingly, We have removed the sentence "*Additional fees are also charged by the relevant Card scheme.*" from the third paragraph.

- **Section 4 – Payments**

Application of payments

The way We apply payments to Your Account has been updated to make it clear what happens in connection with overdue amounts and what happens when You request a Fixed Payment Option and what happens after You withdraw that request. Accordingly, the first bullet point in the first paragraph is deleted in its entirety and replaced with the following:

- (1) *Monthly instalments that are overdue, then any that are due in the current Statement Period;*

Also, the following new paragraph is inserted at the end of the section headed ***“Application of payments”***:

By requesting a Fixed Payment Option, You request that We will first apply payments made during a Statement Period to the amount of any monthly instalment payment under a Fixed Payment Option which is due or overdue in the current Statement Period as described above. You may withdraw this request at any time. If You do so We may cancel the Fixed Payment Option in which case any outstanding balance of the Fixed Payment Option will revert to the standard APR.

- **Section 5 – Special promotions**

Fixed Payment Options

We have clarified what interest rates apply in certain circumstances. Accordingly, the words “non-promotional rate” and “standard APR” are replaced with “applicable standard APR” both sub-paragraphs in the fourth bullet point.

Also the way We calculate interest has now changed. As such, if You do not pay the monthly instalment by the payment due date We will now charge interest on that monthly instalment at the applicable standard APR from the day after the payment due date.

Accordingly, the words “the day after” are inserted in the first sub-paragraph of the fourth bullet point under the heading Fixed Payment Options, such that the sub-paragraph now reads as follows:

- *that Monthly Instalment will, from the day after the Payment Due Date, be charged interest at the applicable standard APR; and*

- **Section 7 – Default, suspension and closure**

When You can close Your Account and cancel any Payment Facility

The word “creditor” in the last paragraph of this section is deleted and replaced with “merchants”.

When We can close, cancel or suspend Your account or any payment facility

We have made some changes so that the section reads more clearly, including because of changes made to Section 7 in connection with the Banking Code. We have deleted the words “close, cancel or suspend Your Account” and replaced them with the words “do so”. Accordingly, the third paragraph now reads as follows:

Where We close, cancel or suspend Your Account, because Your Account where relevant is in default because of overdue payments, or has a credit balance for a prolonged period, We will usually give You notice before We do so.

We have added another example to help explain when We can suspend without notice. Accordingly, We have added “We may also suspend without notice if We do not have the required identification documentation.” to the fourth paragraph so that it reads:

We may not always give notice before We take the action. For example, We may at any time suspend Your right to participate in the BPAY® Scheme and will do so without notice if We suspect You or an additional cardholder of being fraudulent. BPAY® payments for which instructions have been given and which are scheduled to be made while Your right to participate in the BPAY® Scheme is suspended will not be processed by Us. We may also suspend Your account without notice if We do not have all the identification documentation We need.

We have also removed the last two sentences from the second last paragraph which reads “In relation to suspension of a Payment Facility. We will promptly reverse the action when the circumstances that caused us to take the action no longer apply”.

- **Section 10 – Solving problems**

Chargebacks

We have made clear that chargebacks do not apply for direct debits by adding the sentence “Chargebacks do not apply for direct debits.” to the second last paragraph in this section.

- **Section 14 – Conditions for specific payment facilities**
Recurring or Periodic Payments

Telegraphic Transfer

This payment option does not apply to Your loan. Accordingly, We have deleted this paragraph in its entirety.

- **Section 17 - Dictionary**

Interpretation

We have inserted the words “See Part A, 2 Use of the Account” at the end of the following definitions:

- ***Direct Debit***
- ***Periodic Payment***
- ***Recurring Card Instruction***

We have also removed the definition “Telegraphic Transfer” from this section

Changes applying to the section titled Part B: Privacy

Disclosures to Overseas Recipients

We have updated this section by removing the following provisions:

By consenting to us disclosing your personal information to overseas recipients, you agree that Australian Privacy Principle 8.1 shall not apply to the disclosure, meaning that we will not be obliged under the Privacy Act to ensure that an overseas recipient does not breach the Australian Privacy Principles and we will not be liable under the Privacy Act if the recipient does not act consistently with the Australian Privacy Principles. This means that you will not be able to seek redress under the Privacy Act in those circumstances. By using our products and services you consent to such overseas disclosure.

**Changes to Your Coles Personal Loans
Unsecured Credit Terms and Conditions
and Other Important Information effective
1 July 2019**

The Australian Financial Complaints Authority or AFCA is a single financial services external dispute resolution scheme, replacing the Financial Ombudsman Service. If an issue has not been resolved to Your satisfaction, You can lodge a complaint with AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Accordingly, all references to the “Financial Ombudsman Service”, “FOS” and “external dispute resolution scheme” are deleted and/or amended as follows:

Part A: Unsecured Credit Terms and Conditions

10. Solving problems

Error/dispute resolution

The third paragraph is deleted in its entirety and replaced with:

If You are not satisfied with Our response, You may lodge a complaint with the Australian Financial Complaints Authority or AFCA:

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

*In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001*

Part C: Credit Guide

External dispute resolution

The entire paragraph in the section headed “**External dispute resolution**” is deleted and replaced with the following:

If You are not satisfied with Our response, You may lodge a complaint with the Australian Financial Complaints Authority or AFCA:

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

*In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001*

The Australian Securities and Investments Commission (ASIC) also has a free information line on 1300 300 630 that can be used to get more information on Your rights, and how to make a complaint.

Part D: Information Statement

Things You should know about Your proposed credit contract

In the second paragraph we have removed the words “Your credit provider’s external dispute resolution scheme” and replaced it with “the AFCA scheme”. Accordingly, the second paragraph now reads as follows:

If You have any concerns about Your contract, contact the credit provider and, if You still have concerns, the AFCA scheme, or get legal advice.

The Contract

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

The second and third paragraphs are deleted in their entirety and replaced with the following:

If that is not successful, You may contact the AFCA scheme. The AFCA scheme is a free service established to provide You with an independent mechanism to resolve specific complaints. The AFCA scheme can be contacted at:

Telephone: 1800 931 678 (free call)
Email: info@afca.org.au
Website: www.afca.org.au
In writing: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

General

15. What if my credit provider and I cannot agree on a suitable arrangement?

In the second paragraph, the words "the external dispute resolution scheme that Your credit provider belongs to" are deleted and replaced with "the AFCA scheme" so the paragraph now reads:

If the credit provider still refuses Your request You can complain to the AFCA scheme. Further details about this scheme are set out below in question 17.

16. Can my credit provider take action against me?

The words "the credit provider's external dispute resolution scheme" are replaced with "the AFCA scheme" so that the paragraph now reads as follows:

"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 AFCA scheme or ASIC, or get legal advice."

17. Do I have any other rights and obligations?

The second paragraph is deleted in its entirety and replaced with the following:

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 THE AFCA SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO YOUR CREDIT PROVIDER YOU CAN CONTACT THE AFCA SCHEME OR GET LEGAL ADVICE. THE AFCA SCHEME IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. THE AFCA SCHEME CAN BE CONTACTED AT 1800 931 678 (FREE CALL), [INFO@AFCA.ORG.AU](mailto:info@afca.org.au), WWW.AFCA.ORG.AU AND BY WRITING TO GPO BOX 3, MELBOURNE VIC 3001. PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

coles Personal Loans

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