

# Mutual Aid

## Form & Product Disclosure Statement

This notice will become a "Tax Invoice" when the amount is paid in full.

Loan Application Number:  
 Amount of Loan  
 Loan Period Months  
 Loan repayment  
 Mutual Aid Fee  
 Total Amount Payable

Member(s)		
	Member No	Name
Member 1		Date of Birth: Phone Number:
Member 2		Date of Birth: Phone Number:

<b>Eligibility</b> <b>At the time when the loan is funded, at least one borrower must be:</b> <ul style="list-style-type: none"> <li>▪ Aged between 18 and 65; and,</li> <li>▪ Gainfully employed.</li> </ul>
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<b>Declaration</b> Read this section carefully before signing. People's Choice Credit Union has offered Mutual Aid to apply to the Personal Loan that I/we have applied for. I/We have read and understood the Mutual Aid Product Disclosure Statement. I/We understand and agree that: <ul style="list-style-type: none"> <li>▪ Mutual Aid is optional and is not required as part of my/our Personal Loan</li> <li>▪ The Mutual Aid Fee will be charged to my/our Personal Loan</li> <li>▪ Mutual Aid excludes relief where the cause arises from pre-existing injury or illness, whether formally diagnosed by a medical practitioner or not, of which I was/we were aware or a reasonable person could be expected to have been aware, at the time of applying for Mutual Aid</li> <li>▪ At least one applicant will be aged between 18 and 65 and gainfully employed at the time when the loan is funded</li> <li>▪ Mutual Aid relief is honoured at the discretion of People's Choice Credit Union in accordance with the Product Disclosure Statement</li> </ul>
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<b>Acceptance</b> <input type="checkbox"/> I/We wish to accept the offer for Mutual Aid and endorse the declaration above.
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<b>Decline</b> <input type="checkbox"/> I/We do not wish to accept the offer for Mutual Aid.
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**PRIVACY:**

1. If we collect information from you or from someone else about you:  
(a) we will, if you ask us, allow you access to it (subject to certain limited exceptions as set out in the Privacy Act 1988);  
(b) it is to enable us to decide whether we: (i) should grant you relief under Mutual Aid;(ii) discontinue or continue our relief; and/or (iii) determine whether we need to seek any money from you.
2. If you, or any other person from whom we seek information, do not give us the information we request, we may not be able to properly assess your application for Mutual Aid, any request for relief you make or whether continued relief should be granted.
3. By signing this application, you consent to us collecting information or opinions about your health or criminal record as set out in the Mutual Aid Product Disclosure Statement.
4. By signing this application, you acknowledge that you have received a copy (paper or electronic) of the Privacy Policy from People's Choice Credit Union. You acknowledge that you would expect the use and disclosure of your personal information to occur in the circumstances listed in the Privacy Policy. You consent to the collection, use, handling, and disclosure of personal information as referred to in the Privacy Policy.

Name of Person making declaration

Person making declaration is eligible

Yes  No

Address of Person making declaration

Signature

\_\_\_\_\_

Date of Signature

\_\_\_\_\_

Name of Person making declaration

Person making declaration is eligible

Yes  No

Address of Person making declaration

Signature

\_\_\_\_\_

Date of Signature

\_\_\_\_\_

**Office Use Only**

Received by People's Choice Credit Union on

Consultant:

\_\_\_\_\_

Referred to Member Fulfilment staff

## Australian Central Credit Union Ltd trading as People's Choice Credit Union

### MUTUAL AID

#### Product Disclosure Statement (Including Terms & Conditions)

This Product Disclosure Statement was prepared on 6 June 2017 and applies to loans funded on or after 1 July 2017. Issuer: Australian Central Credit Union Ltd trading as People's Choice Credit Union ABN 11 087 651 125, acts under its own Australian Financial Services Licence (AFSL 244310) and Australian Credit Licence Number: (ACL 244310)

#### **IMPORTANT NOTICE ABOUT THIS PRODUCT DISCLOSURE STATEMENT**

This Product Disclosure Statement (PDS) is an important document that contains:

- information about Mutual Aid; and
- constitutes the Terms and Conditions applying to Mutual Aid.

This PDS helps *you* to:

- decide whether Mutual Aid will meet *your* needs;
- compare this product with other financial products *you* may be considering.

*You* should read this PDS carefully to understand the extent of Mutual Aid and its limitations before making a decision to accept the offer for Mutual Aid.

**If *you* accept our offer to be covered by Mutual Aid *you* become bound by the Terms and Conditions in this PDS.**

Please keep this PDS in a safe place so *you* can refer to it when needed. Alternatively, *you* can obtain information set out in this document by contacting People's Choice Credit Union on 13 11 82.

**This PDS only applies to personal loans funded on or after 1 July 2017.** If *you* have Mutual Aid applying to a personal loan that was funded prior to that date and would like an additional copy of the PDS that applied at that time *you* can obtain it by contacting People's Choice Credit Union on 13 11 82.

We have included a glossary of words with a special meaning on page 8. These words are shown in italics in this PDS.

***You* are not required to take out Mutual Aid as a condition of *your* loan. It is optional.**

## What is Mutual Aid?

Mutual Aid is a financial risk product under which we may, in our discretion, grant relief to *you* or *your* estate from making repayments on *your* personal loan in the event that *you* suffer *financial hardship* as a result of *involuntary unemployment, incapacity* due to accidental injury or illness, or death. We may grant relief from your obligation to make the repayments on *your* loan, up to a maximum of \$60,000 (and interest accruing on your loan during the period we grant relief). All requests for repayment relief are considered at *our* discretion, so a request will not necessarily be granted and when we do grant a request it may be granted in whole or in part.

## Who is eligible?

Mutual Aid is available for a particular personal loan if at least one borrower is aged between 18 and 65 years, and gainfully employed, at the time when the loan is funded.

## More than one borrower

If there is more than one borrower, both borrowers are eligible for Mutual Aid relief at no additional cost, subject to the limits of relief outlined in this document. There is no additional Mutual Aid fee for more than one borrower.

## Fee payable

*You* must pay us a once only Mutual Aid fee at the time *your* personal loan is funded.

The Mutual Aid fee is the amount calculated by reference to the term and amount of *your* personal loan, as set out in the table at the end of this document. We will add the Mutual Aid fee to the amount of *your* loan and charge it when we fund the loan.

No other fees or charges are payable for Mutual Aid.

## Cooling-off period

*You* have cooling-off rights under the *Corporations Act, 2001 (Cth) (Act)* and under these terms.

*You* may cancel Mutual Aid and request a refund of the Mutual Aid fee *you* have paid by notifying us in writing or electronically within 21 business days of the date on which your loan is funded. This cooling-off period is longer than that provided for by the Act.

*You* may not exercise *your* cooling-off rights:

- after *you* have made a request for Mutual Aid relief;
- after *your* rights to make a request for Mutual Aid relief have ended; or
- if *your* loan starts and ends within the cooling-off period, after the advance of the loan.

We may, under the Act, deduct from any refund due to *you*:

- the reasonable administration costs we incur in relation to *your* acquisition of Mutual Aid; and
- a proportion of the Mutual Aid fee *you* paid equal to the proportion which the period that's passed from when we issued Mutual Aid to *you* bears to the loan term.

## Reimbursement if *you* pay *your* loan out early

If *you* repay *your* personal loan in full before more than 60% of its term has passed, *you* will be eligible to request reimbursement of part of the Mutual Aid fee. The maximum amount of any reimbursement approved will be:

- 50% of the Mutual Aid fee for loans repaid within 0% to 20% of the original loan term;
- 25% of the Mutual Aid fee for loans repaid within 20% to 40% of the original loan term; and
- 10% of the Mutual Aid fee for loans repaid within 40% to 60% of the original loan term.

We can, in our discretion, refuse a reimbursement or at any time change the way it is calculated

## Types of relief

### Involuntary unemployment

During a period of *involuntary unemployment* that results in *financial hardship*, after 14 days of that period we may grant you relief from making repayments on your loan for up to 180 days or until you are re-employed, whichever is the shorter period. The maximum relief we may provide is \$60,000 or *your* loan balance on the date *you* become unemployed and interest accruing on your loan during the period we grant relief, and we will not grant relief for *involuntary unemployment* more than once in any 18 month period.

*Involuntary unemployment* must be substantiated with an appropriate separation certificate.

### Illness or accidental injury

During a period in which *you* are *incapacitated* as a result of accidental injury or an illness that is not related to a *pre-existing condition*, resulting in *financial hardship*, after 14 days from the date on which *you* become *incapacitated*, we may grant *you* relief from making repayments on *your* loan for up to the period for which *you* are *incapacitated* or *your* loan term, whichever is the shorter period. The maximum relief we will provide is \$60,000 or *your* loan balance on the date *you* become incapacitated plus any interest owing at that time, whichever is less.

*Incapacity* must be substantiated by an appropriate medical certificate.

### Death

In the event of *your* death, that is not related to a *pre-existing condition*, *your* personal representative may request relief under Mutual Aid for *your* estate. We will consider a request for relief if *your* estate is unable to pay amounts due on *your* loan or if *your* dependants would suffer *financial hardship* because of the repayments.

The same rules apply to *your* estate as apply to *you*. This means that the applicable limits and exclusions also apply to a request for relief made by *your* personal representative on behalf of *your* estate.

If we grant relief to *your* estate, it may start from the time of *your* death. However, we may, at *our* discretion, grant relief starting from a later time. The amount of relief allowed will not exceed \$60,000 or the loan balance at the time of *your* death plus any interest owing at that time, whichever is less.

### Other limitations on relief

We will consider *your* request for relief if it is not excluded and *you* are unable to make the loan repayments due to *financial hardship*. We will only consider a request for relief if it falls within the terms and conditions of this document.

We may grant relief on any terms and conditions as we see fit. For example, we may reschedule *your* loan repayments as a condition of granting relief.

The relief will be for an amount and period we determine. We will determine in our discretion what is appropriate in all the circumstances of *your* case.

It may be for less than \$60,000 and for periods less than the periods referred to above. We may not relieve *you* from paying any interest on your loan.

In addition to the other exclusions noted in this document, we will not consider a request for relief:

- made more than thirty (30) days after the termination of the loan;
- if the loan is in arrears at the date of *incapacity*, death or *involuntary unemployment*;
- if you were aged over 65 at the time of the loan being funded; or
- if there is more than one of *you*, unless you all suffer *financial hardship* because of the *involuntary unemployment*, *incapacity* or death of one of you.

**Even if you suffer from financial hardship and would otherwise be eligible to apply for relief, we will not consider a request for relief if your *incapacity, involuntary unemployment* or death (as the case may be) arises from:**

- bankruptcy;
- conviction for an offence (unless we are satisfied that the offence was trivial or that in the circumstances of its commission it would be unfair or unreasonable to refuse relief);
- pregnancy, childbirth, miscarriage or abortion;
- loss of seasonal employment because of cessation of the season;
- a pre-existing condition; or
- declared or undeclared war or act of war.

## **Relief is not always granted**

Relief is not certain. We will consider all requests for relief which qualify under these terms and conditions.

However, we will only grant relief if we believe in all the circumstances of your case that you should receive relief. We can make relief subject to any conditions we think appropriate. Relief is at our complete discretion. This means that we do not have to grant relief in any particular case. We do not need to give you any reason for not granting relief.

## **Review of relief**

We may discontinue relief at any time if we believe, in our opinion, that you are no longer entitled to relief. We will review your entitlement for relief from time to time and at least every six months.

## **Repaying relief**

You will not be required to repay any relief allowed, unless you continue to receive relief after your financial hardship period ends and we ask you to pay back this extra relief.

## **Making a Request for Relief**

If you want to make a request for relief, you must give us notice in writing of your inability to make repayments on your loan, together with documents substantiating your grounds for being considered for relief, including (for example) medical reports and employer certificates.

You need to pay any costs associated in obtaining these documents.

We will tell you about our decision on your request within 14 days of receiving all the information we need to properly assess your request.

## **Information you need to give us**

You must, whenever we ask:

- give us the information and other documents which substantiate the ongoing nature of your incapacity or *involuntary unemployment*; and
- authorise your medical advisers to provide us with reports about your medical condition containing the information we reasonably require.

If your *financial hardship* ends, you must tell us in writing the time it ends, as soon as possible.

## Complaints

We have a dispute resolution policy to deal with any complaints *you* may have in relation to *our* financial services or *us*. *Our* dispute resolution policy requires *us* to deal with any complaint in an efficient manner, free of charge.

There are a number of stages. If *you* are not satisfied with the outcome from any stage *you* can pursue *your* complaint at the next stage. If *you* accept a decision, *we* and *you* will be bound by that decision. However *you* do not have to accept any decision and *you* do not lose your rights to pursue *your* complaint in the courts unless *you* accept a decision.

At each stage, the person conducting the review will investigate *your* complaint, may seek more information from *you* (except for stage 1) and will advise *you* in writing of the outcome.

The stages are:

- 1 **Our Manager:** ask to speak with the appropriate staff member, which will most likely be a branch or departmental manager or team leader and raise *your* complaint with them. They will try to resolve *your* complaint immediately.
- 2 **Member Response department:** request the Member Response department to review *your* complaint. They will do this as soon as possible.
- 3 **External Dispute Resolution:** request the Financial Ombudsman Service (*FOS*) to resolve *your* complaint. *FOS* will not consider all complaints. Terms of Reference set out the matters *FOS* may resolve. For a copy, contact *us* or *FOS*. For example, *FOS* may not consider a complaint about *our* commercial judgment, where it is more appropriate to resolve it in a court, if the complaint is frivolous or vexatious or *we* have not had sufficient opportunity to consider it. *FOS* may refer *you* back to *us*, require *us* to submit a formal response to your complaint, giving *you* the chance to review and reply, facilitate negotiations between *us* and failing an agreed resolution with *you*, make a binding determination on *us*.

Contact details are:

**Member Response Department  
People's Choice Credit Union**

GPO Box 1942, Adelaide SA 5001

Telephone 13 11 82

Email: [servicequality@peopleschoicecu.com.au](mailto:servicequality@peopleschoicecu.com.au)

**Financial Ombudsman Service**

GPO Box 3, Melbourne VIC 3001

Telephone 1800 367 287; Fax (03) 9613 6399

Email: [info@fos.org.au](mailto:info@fos.org.au)

Web: [www.fos.org.au](http://www.fos.org.au)

For further information about *our* complaints and disputes process, please refer to our Guide to Dispute Resolution with People's Choice Credit Union which is available on request.

## Glossary / Meaning of words

**financial hardship** means that *you* (or *your* estate) are willing but unable to meet *your* contractual obligations to pay debts because of unexpected events or unforeseen changes that have adversely affected *your* regular income.

**incapacitated** means unable to engage in *permanent and gainful employment* due to illness or accidental injury.

**involuntary unemployment** means:

- if *you* are working for wages or income, the involuntary termination of *your permanent and gainful employment* (to be substantiated by a separation certificate or a certificate by the appropriate government agency or job agency). This means that the termination of *your* employment was not due to *your* voluntary redundancy, misconduct, resignation or retirement.
- if *you* are self-employed or a partner in a partnership, your termination from permanent and gainful employment arising from the business ceasing to operate due to:
  - Actual or imminent insolvency;
  - Business factors beyond *your* reasonable control;
  - The business being placed in the control of an insolvency or bankruptcy administrator; or
  - The business being wound up.

**permanent and gainful employment** means *you* are:

- working on a permanent and continuous basis for wages or income for a minimum of 20 hours every week and *you* are not in employment of a seasonal, temporary or non-renewable contract nature; or
- self-employed, or a partner in a partnership, working on a permanent and continuous basis for income for a minimum of 20 hours every week and *you* are not in engaged in work of a seasonal, or temporary nature.

**pre-existing condition** means an injury or illness from which *you* suffered at the time *you* applied for Mutual Aid, whether formally diagnosed by a medical practitioner or not, which *you* were aware of, or a reasonable person could be expected to have been aware of, at that time.

**we, us** and **our** refers to Australian Central Credit Union Ltd trading as People's Choice Credit Union ABN 11 087 651 125.

**you** and **your** refers to the person(s) purchasing or considering purchasing Mutual Aid, or *your* personal representative if *you* have died.

## How to Contact us

You can contact us in any of the following ways:

- **Phone** 13 11 82 (Overseas: +61 8 8305 8305)
- **Post** People's Choice Credit Union,  
GPO Box 1942  
Adelaide South Australia 5001
- **Fax** 1300 365 775
- **In person** At any of our branches (refer to [peopleschoicecu.com.au](http://peopleschoicecu.com.au) for a full listing of locations)
- **Web** [peopleschoicecu.com.au](http://peopleschoicecu.com.au)



## Our Mutual Aid Fees

Loan Amount	Term in years	1	2	3	4	5	6	7	8	9	10
1,000		70	73	76	79	83	85	89			
2,000		140	146	152	158	166	170	178			
3,000		210	219	228	237	249	255	267			
4,000		280	292	304	316	332	340	356			
5,000		350	365	380	395	415	425	445			
6,000		420	438	456	474	498	510	534			
7,000		490	511	532	553	581	595	623			
8,000		560	584	608	632	664	680	712			
9,000		630	657	684	711	747	765	801			
10,000		700	730	760	790	830	850	890	920	960	990
11,000		770	803	836	869	913	935	979	1012	1056	1089
12,000		840	876	912	948	996	1020	1068	1104	1152	1188
13,000		910	949	988	1027	1079	1105	1157	1196	1248	1287
14,000		980	1022	1064	1106	1162	1190	1246	1288	1344	1386
15,000		1050	1095	1140	1185	1245	1275	1335	1380	1440	1485
16,000		1120	1168	1216	1264	1328	1360	1424	1472	1536	1584
17,000		1190	1241	1292	1343	1411	1445	1513	1564	1632	1683
18,000		1260	1314	1368	1422	1494	1530	1602	1656	1728	1782
19,000		1330	1387	1444	1501	1577	1615	1691	1748	1824	1881
20,000		1400	1460	1520	1580	1660	1700	1780	1840	1920	1980
21,000		1470	1533	1596	1659	1743	1785	1869	1932	2016	2079
22,000		1540	1606	1672	1738	1826	1870	1958	2024	2112	2178
23,000		1610	1679	1748	1817	1909	1955	2047	2116	2208	2277
24,000		1680	1752	1824	1896	1992	2040	2136	2208	2304	2376
25,000		1750	1825	1900	1975	2075	2125	2225	2300	2400	2475
26,000		1820	1898	1976	2054	2158	2210	2314	2392	2496	2574
27,000		1890	1971	2052	2133	2241	2295	2403	2484	2592	2673
28,000		1960	2044	2128	2212	2324	2380	2492	2576	2688	2772
29,000		2030	2117	2204	2291	2407	2465	2581	2668	2784	2871
30,000		2100	2190	2280	2370	2490	2550	2670	2760	2880	2970
31,000		2170	2263	2356	2449	2573	2635	2759	2852	2976	3069
32,000		2240	2336	2432	2528	2656	2720	2848	2944	3072	3168
33,000		2310	2409	2508	2607	2739	2805	2937	3036	3168	3267
34,000		2380	2482	2584	2686	2822	2890	3026	3128	3264	3366
35,000		2450	2555	2660	2765	2905	2975	3115	3220	3360	3465
36,000		2520	2628	2736	2844	2988	3060	3204	3312	3456	3564
37,000		2590	2701	2812	2923	3071	3145	3293	3404	3552	3663
38,000		2660	2774	2888	3002	3154	3230	3382	3496	3648	3762
39,000		2730	2847	2964	3081	3237	3315	3471	3588	3744	3861
40,000		2800	2920	3040	3160	3320	3400	3560	3680	3840	3960
41,000		2870	2993	3116	3239	3403	3485	3649	3772	3936	4059

42,000	2940	3066	3192	3318	3486	3570	3738	3864	4032	4158
43,000	3010	3139	3268	3397	3569	3655	3827	3956	4128	4257
44,000	3080	3212	3344	3476	3652	3740	3916	4048	4224	4356
45,000	3150	3285	3420	3555	3735	3825	4005	4140	4320	4455
46,000	3220	3358	3496	3634	3818	3910	4094	4232	4416	4554
47,000	3290	3431	3572	3713	3901	3995	4183	4324	4512	4653
48,000	3360	3504	3648	3792	3984	4080	4272	4416	4608	4752
49,000	3430	3577	3724	3871	4067	4165	4361	4508	4704	4851
50,000	3500	3650	3800	3950	4150	4250	4450	4600	4800	4950
51,000	3570	3723	3876	4029	4233	4335	4539	4692	4896	5049
52,000	3640	3796	3952	4108	4316	4420	4628	4784	4992	5148
53,000	3710	3869	4028	4187	4399	4505	4717	4876	5088	5247
54,000	3780	3942	4104	4266	4482	4590	4806	4968	5184	5346
55,000	3850	4015	4180	4345	4565	4675	4895	5060	5280	5445
56,000	3920	4088	4256	4424	4648	4760	4984	5152	5376	5544
57,000	3990	4161	4332	4503	4731	4845	5073	5244	5472	5643
58,000	4060	4234	4408	4582	4814	4930	5162	5336	5568	5742
59,000	4130	4307	4484	4661	4897	5015	5251	5428	5664	5841
60,000	4200	4380	4560	4740	4980	5100	5340	5520	5760	5940

To work out your Mutual Aid fee, find the column which shows your loan term and then go down that column and find your loan amount. If your term or loan amount is not shown exactly, round the loan amount up or down to the nearest \$1,000 (for calculation purposes only) to determine the fee calculation amount (for example: if the loan amount is \$9,499 then round down to \$9,000 and calculate the fee on \$9,000. If the loan amount is \$9,500 then round up to \$10,000 and calculate the fee on \$10,000).