

Loan fees

Effective 29 April 2021



Loan fees

Effective 29 April 2021

Home loan establishment fees

Fee	Charge
Home loan establishment fee – new mortgage* Payable for all mortgage secured loans to cover Bank Australia administration costs including preparing security documents.	\$595
Home loan establishment fee – existing mortgage* Payable for all requests to increase a current loan or for an additional loan where Bank Australia already holds a registered mortgage.	\$295
Additional valuation* The establishment fee covers a standard loan, which includes one valuation. This fee applies for any additional standard residential valuation required.	\$150

* Establishment fees do not apply to loan packages

Loan package fees

Fee	Charge
Annual fee payable on all Premium Package and Clean Energy home loans. The fee is debited to the loan annually on the anniversary date of funding and is non refundable.	\$350

Note: Only one annual package fee applies per customer where multiple package loans exist

Home loan discharge fees

Fee	Charge
Loan discharge fee – Registration or Settlement Payable when you request Bank Australia to arrange for the registration of discharge or Bank Australia is required to attend settlement. It covers preparation of the discharge of mortgage form. Statutory government registration fees will still apply.	\$250

Note: Additional fees may apply and should be paid direct to our agent if settlement is requested in a location other than a Bank Australia office.

Other home loan fees

Fee	Charge
Secured overdraft fee (product discontinued to new customers from 29 April 2021)	\$12.50 monthly
Offset service fee*	\$8 monthly
Portability fee – new mortgage Payable when you request that a property securing a loan is replaced with a property that is a new security to Bank Australia.	\$500
Portability fee – existing mortgage Payable when a property securing a loan is replaced with a property that is already registered with a Bank Australia mortgage.	\$150
Valuation administration fee If you request a loan variation, Bank Australia may need to revalue your property before approving the request.	\$250
Loan variation fee Payable when transferring from a home loan product to a different home loan product. For example, transferring a variable rate product to a fixed rate product.	\$150

* Offset fees do not apply to loan packages

Fixed Rate Break Fee

A Break Fee (BF) may be payable if you repay your loan in full during any period in which the Annual Percentage Rate is fixed.

The BF is based on the difference between the **Fixed Rate**, i.e. the Annual Percentage Rate ("APR") for your fixed interest rate contract, and Bank Australia's **Reinvestment Rate**, which is the interest rate that Bank Australia can reasonably expect to earn on any amount that is repaid early.

The BF reflects the cost incurred by Bank Australia if the **Reinvestment Rate** is less than the **Fixed Rate** at the date of repayment.

The minimum BF is zero. Bank Australia will not pay a refund for any advantage gained if the **Reinvestment Rate** exceeds the **Fixed Rate**.

A BF may be payable if you repay your loan in full while the APR is fixed.

The BF will apply to the amount being repaid, less any amount not subject to the BF.

The amount not subject to a BF is calculated as \$20,000 for each year, and for each part year, that your APR has been fixed, less the total of your previous additional repayments, with a minimum of zero.

At the date of any repayment, a Break Fee will be calculated using the following steps:

1. The proportion of your loan balance that is being repaid subject to BF will be calculated as:
 $(\text{Balance} - \text{Tolerance}) / \text{Balance}$.
2. The interest that would be lost to Bank Australia if you fully repaid your current loan balance will be calculated as:
 $\text{Balance} \times \text{Years} \times (\text{Fixed Rate} - \text{Reinvestment Rate})$
3. An interest offset based on your expected future loan instalments will be calculated as:
 $\text{Instalment} \times N \times (\text{Fixed Rate} - \text{Reinvestment Rate}) \times \text{Years} / 2$.
4. The BF would be calculated as:
 $\text{Proportion (1)} \times [\text{Amount (2)} - \text{Amount (3)}]^*$

Break Fee definitions

Balance is your total loan balance outstanding after any regular scheduled repayments, and before your final additional repayment.

Fixed Rate is the Annual Percentage Rate (% p.a.) applicable to your fixed interest rate contract.

Instalment is the regular loan instalment you have been paying each week, fortnight, or month, at the date of repayment.

N is the number of whole instalment periods (weeks, fortnights or months depending on your instalment frequency) remaining in your fixed interest rate term, at the date of repayment.

Reinvestment Rate is the interest rate (% p.a.) that Bank Australia can reasonably expect to earn on any amount that is repaid early. This rate will be determined as Bank Australia's Annual Percentage Rate at the date of repayment for a fixed interest rate loan with a term equal to Years, or the nearest term less than Years for which Bank Australia offers fixed interest rate contracts. If there is no such fixed interest rate, then the Reinvestment Rate will be taken as Bank Australia's Basic Home Loan Reference rate at the date of repayment.

Tolerance is the amount being repaid not subject to the BF. This is calculated as \$20,000 for each year, and for each part year, that your APR has been fixed, less the total of your previous additional repayments, with a minimum of zero. **Years** is the number of years remaining in your fixed interest rate term, at the date of repayment. Years is calculated as $N/52$ if you are making weekly repayments, $N/26$ for fortnightly repayments, or $N/12$ for monthly repayments.

Please refer to your loan contract or call Bank Australia on **132 888** for more information.

* A full worked example of a Break Fee can be found in the Switching Mortgage Loan Products Information Statement for Customers.

Personal loan fees

Fee	Charge
Car loan establishment fee Payable to establish all car loans.	\$150
Personal loan establishment fee Payable to establish all other personal loans.	\$150

Other loan fees

Fee	Charge
Overdraft administration fee (for customers who opened an account before 29 April 2021)	\$24 annually
Secured commercial loans/overdrafts establishment fee The establishment fee is calculated as 0.5% (min \$100) of the loan amount plus valuation fee and Bank Australia solicitor fees for preparing the security and loan documents.	
Unsecured commercial loans/overdrafts establishment fee The establishment fee is calculated as 0.5% (min \$100) of the loan amount.	
Bank guarantee facility Annual fee of 1.5% of the guarantee amount.	
Other loan services If a fee or service is not listed here, please contact us to see if we can assist. Please be aware that standard conditions, consent fees, legal and valuation fees may apply.	

Credit card fees

Fee	Charge
Platinum Rewards Visa credit card annual fee	\$189
Platinum Rewards Visa credit card additional cardholder annual fee	\$59
Low Rate Visa credit card annual fee	\$59
Commercial Visa credit card annual fee	\$59

Discontinued product fees

Fee	Charge
Basic Home Loan administration fee Applies to loans contracted between 01/07/2010 - 16/10/2012.	\$8 monthly
Basic redraw fee Payable on loans contracted from 17/10/2012 – 23/09/2016.	\$25

