

Line of credit

User Guide



Mediplan[™]
Healthcare Finance

1.0 Your Mediplan User Guide forms part of your Contract

1.1 Introduction

- (a) This User Guide, together with the other documents of your Mediplan Contract, govern the use and operation of your Mediplan Line of Credit.
- (b) This User Guide does not, on its own, contain all the terms applying to your Mediplan Line of Credit, so it is important that you read all of the documents comprising the Mediplan Line of Credit carefully and retain them for future reference.
- (c) The Mediplan Line of Credit is provided by Medical Funds Australia Pty Ltd (ABN 38 106 974 654) under agreement with Mediplan. This User Guide is a contract between you and Medical Funds Australia.
- (d) If there is any inconsistency between this User Guide and other terms and conditions, this User Guide will prevail.
- (e) If you do not understand something in this User Guide, please call Mediplan on 1300 1300 12. We will be happy to help you.

1.2 When this User Guide takes effect

The first Direction to Pay form submitted to Medical Funds Australia will be taken as your agreement to comply with this User Guide.

2.0 Definitions

In this User Guide:

- (a) "Annual Percentage Rate" means the percentage rate per annum applicable to your Account, as shown in the information set out in the Financial Table of your Letter of Offer which advises you of your credit limit, and other prescribed information which we are required to give you by law.
- (b) "Credit Code" means the Consumer Credit Code.
- (c) "Credit Limit" means the dollar limit on Your Account as shown in the Financial Table set out in your Letter of Offer.
- (d) "Daily Percentage" Rate means the rate determined by dividing the Annual Percentage Rate by 365.
- (e) "Electronic Equipment" includes automatic teller machines, devices for electronic funds transfer at point of sale, computers, televisions and telephones.
- (f) "Lender", "Medical Funds Australia", "our", "we" and "us" means Medical Funds Australia Pty Ltd (ABN 38 106 974 654).
- (g) "Manual Signature Comparison" means a method of authenticating your authority to make a transaction on Your Account, involving verification by comparison of your manual signature with a written specimen signature.

- (h) “Medical Practitioner” means a supplier of medical equipment or any doctor, dentist, hospital, nurse, therapist, veterinarian or other service provider to whom payment is made from Your Account.
- (i) “Mediplan” means Mediplan Australia Pty Ltd (ABN 98 114 411 479).
- (j) “Mediplan Contract” includes this User Guide and the information set out in the welcome letter, which advises you of your credit limit, minimum repayments and other prescribed information which we are required to give you by law.
- (k) “unauthorised transaction” means any transaction made without your knowledge or consent.
- (l) “User” or “you” means you as the account holder.
- (m) “Your Account” is your Mediplan Line of Credit account.

3.0 Using Your Account

3.1 When can you use Your Account?

You can request a drawing on Your Account at anytime by correctly completing a Direction to Pay request form and returning it to us.

We reserve the right to refuse a request to draw on your account if, in our view, the Credit Limit is no longer appropriate.

3.2 Purpose of use

- (a) Your Account must be used wholly or predominantly for medical, dental, therapeutical expenditure or expenditure of a similar type (including cosmetic expenditure of a similar type) for you or your immediate family or for veterinarian services or supplies for an animal owned by you or your immediate family. We reserve the right to determine, in any instance, whether the use or proposed use of Your Account has been or will be in accordance with this requirement.
- (b) We may allow payment from Your Account for accommodation, airfares and similar amounts associated with the provision of services specified in clause 3.2(a) provided that such amounts are notified to us and approved in writing by us in advance.
- (c) You must not use your Account for any unlawful purpose, including the purchase of goods or services prohibited by the laws of Australia and/or the laws of the location where the services are provided.

3.3 Acceptance of Mediplan Payment

- (a) We are not responsible if a Medical Practitioner refuses to accept payment by Mediplan Line of Credit. Subject to any applicable law, we are not responsible for goods or services supplied to you. If you have a complaint or concern about goods or services purchased

using your Account, you must resolve this directly with the Medical Practitioner.

- (b) Mediplan promotional material displayed on any premises is not a warranty by us or by Medical Practitioners carrying on business there that all goods and services available at those premises may be purchased using Your Account.
- (c) The Mediplan Contract contains the entire agreement regarding your Account. Where your Account is being used to purchase goods or services from a Medical Practitioner, you should disregard any representation, warranty or statement which may be made in connection with the Mediplan Contract by the Medical Practitioner, its employees, agents or contractors.

3.4 Credit limits

- (a) The Credit Limit is as specified in the Financial Table of your welcome letter. If no Credit Limit is specified, you should contact us immediately as a default Credit Limit of nil will apply in those circumstances.
- (b) We reserve the right to change your Credit Limit at any time. Such change will be notified to you in writing but will be effective as of the date that the change is recorded by us.

3.5 Do transactions have to be authorised?

- (a) All transactions on Your Account will need to be authorised by us before they can proceed. Prior to any transaction being completed, you will need to correctly complete, sign and return to Mediplan a Direction to Pay form requesting that payment be made to a specified Medical Practitioner or Practitioners.
- (b) Once you have submitted a Direction to Pay form, we are authorised to pay in accordance with that form and are not required to seek any further confirmation from you of the payment details.
- (c) We may not authorise a transaction if:
 - the Credit Limit would be exceeded; or
 - you are in arrears in making payments to Your Account or in default under any term of this agreement.
- (d) We reserve the right to decline authorisation for any transaction on Your Account.
- (e) Once an authorisation is obtained, it will reduce the amount of available funds in Your Account. If the purchase or other transaction is not completed, the amount of available funds in your Account may continue to be reduced until cancellation of the transaction has been confirmed by Mediplan.

3.6 Cancellation of Direction to Pay

You may cancel a direction to pay at anytime prior to payment being made by contacting us. We may require you to confirm this cancellation in writing. After payment has been made, we will not be able to refund or obtain a refund of the payment. You should contact the Medical Practitioner to obtain a refund after payment has been made.

4.0 Your Account

4.1 How much credit can you obtain?

- (a) We will notify you in writing of the amount of Credit Limit that applies to your Account.
- (b) Transactions made by you must not exceed the Credit Limit without our prior approval.
- (c) If the Credit Limit is exceeded, any amount in excess of the Credit Limit is payable immediately.

4.2 Can you obtain cash advances?

You are not entitled to any cash advances from Your Account.

4.3 Who can payments be made to?

- (a) Payments can only be made to Medical Practitioners who are not related to you.
- (b) We may at our discretion approve a reimbursement to you for a payment made by you for the provision of services or medical supplies specified in clause 3.2(a). In each instance, we will require adequate proof of payment and information regarding the type of expenditure.
- (c) If any payment is made to a person other than a Medical Practitioner or as approved under clause 4.3(b), that amount is payable immediately.

4.4 Amounts that are charged to Your Account

Your Account will be charged with, and accordingly you are required to pay us:

- the amount for goods and services obtained from a Medical Practitioner;
- the fees and charges in accordance with clauses 6.1 and 6.3; and
- interest charges imposed on purchases in accordance with clause 6.2.

5.0 The Statements

5.1 How do you know how much you owe?

- (a) You agree that we need only provide you with a statement for Your Account at intervals not greater than every 90 days.
- (b) The date your statement is issued is called the “statement date” and the period from one statement date to the next statement date is called the “statement cycle”. Every 90 days, we will provide you with a statement if:
 - there are any amounts owing by you or to you; or
 - there have been any amounts debited or credited to Your Account during the statement cycle.
- (c) You should keep all receipts and transaction records given to you by Medical Practitioners to help you check statements and Your Account.

5.2 If you think there is a mistake

- (a) You agree that the amount shown on any receipt or transaction record is sufficient evidence of the cash price of the goods or services to which that receipt or transaction record relates.
- (b) You should check each statement carefully as soon as you receive it. If you wish to dispute an amount charged to Your Account, you must provide us with written notice of your dispute before the due date shown on your statement. Please refer to clause 8.1 for details of how to notify us of disputed transactions. Please read clause 9.0 to obtain details of your liability where unauthorised transactions are made on your Account.

6.0 The Charges

6.1 Fees and charges

- (a) Subject to all applicable laws, we may charge Your Account with any fees or charges set out in this agreement. The Annual Percentage Rate and other fees and charges applying to your Account are variable in accordance with clause 10.2.
- (b) Other fees and charges may apply as outlined in the information set out on the back of your welcome letter, which advises you of your Credit Limit and other prescribed information.

6.2 Interest charges

- (a) Interest charges on Your Account will be calculated and charged for each statement cycle at the statement date. Details of the interest charges will be shown on your statement.
- (b) Information on current interest rates, fees and charges applying to Your Account is available on request.

6.3 Calculation of interest charges

- (a) Amounts to Your Account outstanding at the beginning of the statement cycle and recorded during the statement cycle are assessed separately for interest charges. The interest charge is calculated from the posting date until the amount is paid in full.
- (b) Method of calculation

The interest charges on Your Account are calculated separately, using the following method:

- (i) the average daily balance on Your Account on which interest will be payable for the “chargeable amount” shown on your statement, is obtained by adding together the daily balance of Your Account for each day of the statement cycle and then dividing the total balance by the number of days in the statement cycle;
- (ii) the interest charge is calculated by multiplying the chargeable amount by the Daily Percentage Rate and the number of days in the statement cycle.

6.4 Government charges

Subject to any applicable law, your Account will be charged with: all or any contract stamp duty payable in respect of the Mediplan Contract; and any government duties, taxes, rates or charges now or in the future charged upon or in relation to the use of your Account or transactions debited or credited to your Account, whether or not you are primarily liable for such duties, taxes, rates or charges.

6.5 Other Fees and Charges

We may elect to introduce new fees and charges at anytime by notifying you in writing.

7.0 Paying off your Account

7.1 What is the minimum payment required?

- (a) The minimum payment that we require from you each month will be shown on Your Account statement and will vary with the amount owing on Your Account from time to time. Your payment due date is that shown in the payment cycle set out in the Direction to Pay form.
- (b) You may repay the full amount of the closing balance shown on your statement by the due date, but you will be charged at least the minimum payment shown on your statement each month on the payment due date.
- (c) You may request a variation in the payment due date and the frequency of payments at anytime by contacting us. We may require you to confirm your request in writing. We also reserve the right to refuse a request.

7.2 How and where can you make your payment?

- (a) All payments to Your Account must be paid by direct debit authority from your nominated bank account. If you change banks or bank account details, you must notify us at least 7 days before your payment is due.
- (b) Payments will be credited to Your Account as soon as practical after receipt.
- (c) If you cannot make a payment which is due, you should contact us immediately, we may be able to help you.

8.0 What to do if something goes wrong

8.1 If you think someone else has used Your Account

We bear no responsibility for payments made from Your Account without your authorisation. It is your responsibility to protect all security numbers, your membership card and other information from improper or unauthorised use at all times. While we may carry out Manual Signature Comparisons or security checks from time to time, we are not obliged to carry out these checks or confirm that a payment is authorised. You must notify us immediately if you suspect that unauthorised transactions have been made on your Account. Where your report is made by telephone, we may require you to confirm it in writing.

9.0 Liability for unauthorised transactions

You will not be liable for losses resulting from unauthorised transactions made on Your Account after we receive notice from you in terms of clause 8.1.

Until we receive such notice, you may be liable for all losses resulting from unauthorised transactions.

10.0 General Information about Your Account

10.1 Cancellation and termination

Cancellation

- (a) We may cancel Your Account at any time without prior notice. Where Your Account has been cancelled by us, you must continue to make at least the minimum payment each month until the balance of your Account is paid in full. Fees, charges and interest charges will continue to be debited to Your Account.

Termination

- (b) You may terminate Your Account at any time by giving us written notification.
- (c) We may terminate your Account if you did not follow this User Guide or gave us false information to cause us to open Your Account.

- (d) Where Your Account has been terminated, you must immediately pay us the full balance of the account, including (where applicable) any amount reasonably expended by us in collecting payments.
- (e) You will remain liable for transactions debited to your Account which were made prior to termination.
- (f) You may have to pay reasonable enforcement expenses under this Contract, including legal costs on an indemnity basis and any amount reasonably incurred by the use of our staff and facilities, in the event of a breach of the Mediplan Contract.

10.2 Variation

We may change this User Guide at any time by notifying you in the following manner:

- (a) ***Changes to the Annual Percentage Rate*** – We may notify you of an increase to the Annual Percentage Rate by written notice no later than the day on which the change takes effect. Alternatively, notice may be given by publishing the change in a newspaper circulating in your State or Territory. In this case, we will confirm the change before or when your next statement of account is sent after the change takes effect. Written notice will not be given where we reduce the Annual Percentage Rate that applies to your Account.
- (b) ***Changes to the method of calculation or application of interest charges*** – We may notify you of a change in the manner in which interest is calculated or applied (including a change in or the abolition of any interest -free period) by giving you written notice no later than 20 days before the change takes effect.
- (c) ***Changes to credit fees and charges*** – We may notify you of an increase in the amount of a credit fee or charge, the introduction of a new credit fee or charge or a change in the frequency or the time for payment of a credit fee or charge by giving you written notice no later than 20 days before the change takes effect. Alternatively, notice may be given by publishing the change in a newspaper circulating in your State or Territory where we are increasing the amount of a credit fee or charge or introducing a new credit fee or charge. In this case, we will confirm the change before or when your next statement of account is sent after the change takes effect.

Where the change reduces or abolishes a credit fee or charge or extends the time for payment of a credit fee or charge, we will advise you at the change before or when your next statement of account is sent after the change takes effect.
- (d) ***Changes to repayments*** – We may notify you of a change in the amount, frequency, time for payment of or a change in the method of calculation of repayments by giving you written notice no later than 20 days before the change takes effect. Where the change reduces repayments or extends time for payment, we will advise

you of the change before or when your next statement of account is sent after the change takes effect.

- (e) **Other Changes** – We may notify you of any other change by giving you written notice no later than 20 days before the change takes effect. Such changes may include imposing, removing or adjusting transaction limits which apply to the use of Your Account.

Where the change reduces your obligations or extends the time for payment, we will advise you of the change before or when your next statement of account is sent after the change takes effect.

- (f) **When advance notice of a change may not be given** – We may not notify you in advance when a change is necessitated by an immediate need to restore or maintain the security of our systems or of individual accounts.

11.0 Other

11.1 Decisions at our absolute discretion

If we have a right to make a decision or determination under this User Guide or the Mediplan Contract, we will be entitled to make that decision in our absolute discretion unless otherwise required by law.

11.2 Change of name or address

You agree to notify us promptly of any change to your name or address. If you fail to notify us of your change of address, you may prejudice your rights under the Mediplan Contract.

11.3 Returns

Medical Funds Australia makes payments to Mediplan so that Medical Funds Australia and Mediplan can share financial returns from the Mediplan Line of Credit product.

11.4 Certificate of balance

A certificate signed by one of our officers stating the balance of Your Account will be sufficient evidence of the amount of your liability to us at the date of issuing that certificate.

11.5 Set off – no deduction

To the maximum extent allowed by law, you give up any right to offset any amounts we owe you against amounts you owe under the Mediplan Contract. You will need to pay any money you are required to pay under the Mediplan Contract without deducting amounts you claim are owing to you by us or any other person.

11.6 Exercising our rights

If we fail to exercise or delay in exercising any of our rights under this User Guide, that failure or delay does not constitute a waiver of our

rights. We may exercise our rights under this User Guide at any time, despite any previous failure or delay on our part.

11.7 Governing law

This User Guide and the Mediplan Contract are governed by the laws of Victoria.

11.8 Non-assignment

You may not assign your rights under this contract to another person. Medical Funds Australia may transfer this contract to someone else. If Medical Funds Australia wants to do so, it can give anyone all information that privacy laws allow it to give. If Medical Funds Australia transfers this contract, the contract will apply to the transferee as if it were Medical Funds Australia.

12.0 Information Statement

THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED CREDIT CONTRACT

This statement tells you about some of the rights and obligations of yourself and your credit provider. It does not state the terms and conditions of your contract.

If you have any concerns about your contract, contact your credit provider and, if you still have concerns, contact your Government Consumer Agency, or get legal advice.

THE CONTRACT

12.1 How can I get details of my proposed credit contract?

Your credit provider must give you a precontractual statement containing certain information about your contract. The precontractual statement, and this document, must be given to you before:

- your contract is entered into; or
- you make an offer to enter into the contract;

whichever happens first.

12.2 How can I get a copy of the final contract?

If the contract document is to be signed by you and returned to your credit provider, you must be given a copy to keep. Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however apply if the credit provider has previously given you a copy of the contract document to keep.

If you want another copy of your contract, write to your credit provider and ask for one.

Your credit provider may charge you a fee.

Your credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence one year or less before your request; or
- otherwise within 30 days of your written request.

12.3 Can I terminate the contract?

Yes. You can terminate the contract by writing to the credit provider so long as:

- you have not obtained any credit under the contract; or
- a card or other means of obtaining credit given to you by your credit provider has not been used to acquire goods or services for which credit is to be provided under the contract.

However, you will still have to pay any fees or charges incurred before you terminated the contract.

12.4 Can I pay my credit contract out early?

Yes. Pay your credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

12.5 How can I find out the pay out figure?

You can write to your credit provider at any time and ask for a statement of the pay out figure as at any date you specify. You can also ask for details of how the amount is made up.

Your credit provider must give you the statement within seven (7) days after you give your request to the credit provider. You may be charged a fee for the statement.

12.6 Will I pay less interest if I pay out my contract early?

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits your credit provider to charge one) and other fees.

12.7 Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

12.8 Will I be told in advance if my credit provider is going to make a change in the contract?

That depends on the type of change. For example:

- you get at least same day notice for a change to an annual percentage rate. The notice may be a written notice to you or a notice published in a newspaper
- you get at least 20 days advance written notice for
 - a change in the way in which interest is calculated; or

- a change in credit fees and charges; or
- any other changes by your credit provider;

except where the change reduces what you have to pay or the change happens automatically under the contract.

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

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement. If that is not successful, you could apply to the court. Contact the Government Consumer Agency or get legal advice on how to go about this.

INSURANCE

12.10 Do I have to take out insurance?

Your credit provider can insist you take out or pay the cost of types of insurance specifically allowed by law. These are compulsory third-party personal injury insurance, mortgage indemnity insurance or insurance over property covered by any mortgage. Otherwise, you can decide if you want to take out insurance or not.

12.11 Will I get details of my insurance cover?

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by your credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal. Also, if you acquire an interest in any such insurance policy which is taken out by your credit provider then, within 14 days of that happening, your credit provider must ensure you have written notice of the particulars of that insurance.

You can always ask the insurer for details of your insurance contract. If you ask in writing, your insurer must give you a statement containing all the provisions of the contract.

12.12 If the insurer does not accept my proposal, will I be told?

Yes, if the insurance was to be financed by the credit contract. The insurer will inform you if the proposal is rejected.

12.13 In that case, what happens to the premiums?

Your credit provider must give you a refund or credit unless the insurance is arranged with another insurer.

12.14 What happens if my credit contract ends before any insurance contract over mortgaged property?

You can end the insurance contract and get a proportionate rebate of any premium from the insurer.

MORTGAGES

12.15 If my contract says I have to give a mortgage, what does this mean?

A mortgage means that you give your credit provider certain rights over any property you mortgage. If you default under your contract, you can lose that property and you might still owe money to the credit provider.

12.16 Should I get a copy of my mortgage?

Yes. It can be part of your credit contract or, if it is a separate document, you will be given a copy of the mortgage within 14 days after your mortgage is entered into.

However, you need not be given a copy if the credit provider has previously given you a copy of the mortgage document to keep.

12.17 Is there anything that I am not allowed to do with the property I have mortgaged?

The law says you cannot assign or dispose of the property unless you have your credit provider's, or the court's, permission. You must also look after the property. Read the mortgage document as well. It will usually have other terms and conditions about what you can or cannot do with the property.

12.18 What can I do if I find that I cannot afford my repayments and there is a mortgage over the property?

See the answers to questions 12.22 and 12.23.

Otherwise you may –

- if the mortgaged property is goods – give the property back to your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if your credit provider gives permission first;

or

- Give the property to someone who may then take over the repayments, but only if your credit provider gives permission first.

If your credit provider won't give permission, contact your Government Consumer Agency for help.

If you have a guarantor, talk to the guarantor who may be able to help you. You should understand that you may owe money to your credit provider even after mortgaged property is sold.

12.19 Can my credit provider take or sell the mortgaged property?

Yes, if you have not carried out all of your obligations under your contract.

12.20 If my credit provider writes asking me where the mortgaged goods are, do I have to say where they are?

Yes. You have 7 days after receiving your credit provider's request to tell your credit provider. If you do not have the goods you must give your credit provider all the information you have so they can be traced.

12.21 When can my credit provider or its agent come into a residence to take possession of mortgaged goods?

Your credit provider can only do so if it has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the Consumer Credit Code.

GENERAL

12.22 What do I do if I cannot make a repayment?

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider to change your contract in a number of ways, for example:

- to extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; OR
- to simply defer payments for a specified period.

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

If you have been unemployed, sick or there is another good reason why you are having problems with your contract, then your contract may be able to be changed to meet your situation.

You may be able to apply to the court. Contact your Government Consumer Agency or get legal advice on how to go about this.

There are other people, such as financial counsellors, who may be able to help,

12.24 Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact your Government Consumer Agency or the Trade Practices Commission, or get legal advice.

12.25 Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations.

You should also **READ YOUR CONTRACT** carefully.

IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT YOUR GOVERNMENT CONSUMER AGENCY OR GET LEGAL ADVICE. PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

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