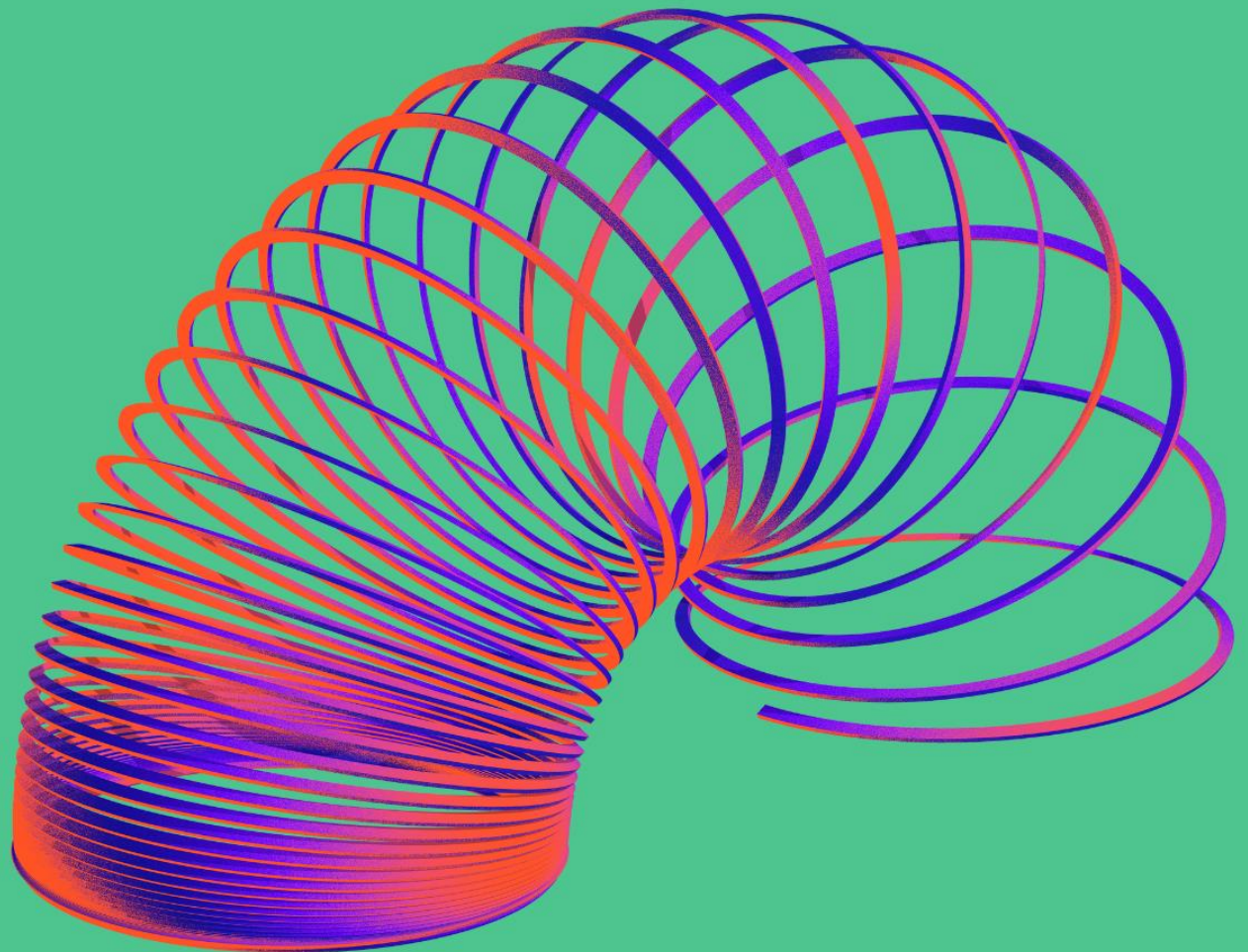



Online Small Business Lenders Code of Practice Smart Box™



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 <p>SMARTBOX Loan Comparison Tool</p>	<p>The SMART Box™ is a tool for standardising pricing disclosure. It provides multiple pricing metrics to help you better understand and assess the cost of your small business loan. The calculations below involve certain key assumptions, including that the Loan is paid off in its entirety according to the agreed payment schedule and that no repayments are missed.</p>		<p>[insert lender logo here]</p>
<p>Loan Amount \$[0]</p>	<p>Disbursement Amount (Loan Amount less Origination Fee)¹ \$[0.00]</p>	<p>Total Repayment Amount (including Loan Amount, Interest Expense and Other Fees) \$[0.00]</p>	<p>Term [00.0] Months (repaid [daily/weekly/fortnightly/monthly])</p>
<p>Metric</p>	<p>Metric Calculation</p>		<p>Metric Explanation</p>
<p>Total Cost of Credit \$[0.00]</p>	<p>Interest Expense: \$[0.00] Origination Fee: \$[0.00] Other Fees: \$[0.00] Total Cost of Credit: \$[0.00]</p>		<p>This is the total amount you will pay in interest and other fees for the Loan. The amount does not include fees and other charges you can avoid, such as interest at a default interest rate on overdue amounts, late payment fees and dishonour fees. See the agreement for details on these fees and charges (see [cross reference]).</p>
<p>Average Monthly Payment \$[0.00]</p>	<p>Total Repayment Amount: \$[0.00] Term (in months): ÷ [00.0] Average Monthly Payment: \$[0.00]</p>		<p>This is the Total Repayment Amount divided by the Term. The amount does not include fees and other charges you can avoid, such as interest at a default interest rate on overdue amounts, late payment fees and dishonour fees. See the agreement for details on these fees and charges (see [cross reference]). This is an estimate for comparison purposes only.</p>
<p>Total Interest Percentage (TIP) [0.00]%</p>	<p>Interest Expense: \$[0.00] Loan Amount: ÷ \$[0.00] Total Interest Percentage: [0.00]%</p>		<p>This is the Interest Expense expressed as a percentage of the Loan Amount. This metric is exclusive of fees.</p>
<p>Annual Percentage Rate (APR)² [0.00]%</p>	<p>Your Loan will have [daily/weekly/fortnightly/monthly] payments of: \$[0.00] APR: [0.00]%</p>		<p>This is the rate that can be used to calculate the cost of the Loan, taking account of the reducing balance of the Loan Amount, expressed as an annual rate. This metric is exclusive of fees.</p>



<p>Cents on the Dollar [0.00]¢</p>	<p>Interest Expense and Other Fees: \$[0.00] Loan Amount: ÷ \$[0.00] Cents on the Dollar: [0.00]¢</p>	<p>This is the amount of the Interest Expense and Other Fees (if any) that is payable for each dollar borrowed. This metric is exclusive of Origination Fee.</p>
<p>Early Repayment</p>	<p>Does the early repayment of this Loan result in any new fees or charges?</p>	<p>[Yes/No] (if yes – refer to [cross reference])</p>
	<p>Does the early full repayment of this Loan result in a reduction in the Total Repayment Amount?</p>	<p>[Yes/No] (if yes – refer to [cross reference])</p>
<p>¹The Disbursement Amount is the amount of the Loan that is available for you and may be less than the Loan Amount. A portion of the Disbursement Amount may be used to pay off any amounts owed from a prior loan or an amount owed to a third party.</p> <p>² APR should be considered in conjunction with the Total Cost of Credit. For a particular loan, the APR is that APR required to solve the loan amount calculation formula made available on the AFIA Code of Lending Practice webpage (see www.afia.asn.au/aosbl).</p> <p>© 2018 Innovative Lending Platform Association (ILPA). All rights reserved. All numbers, calculations and information in this SMART Box™ have been prepared by the Lender without validation or verification by ILPA or the Australian Finance Industry Association (AFIA). ILPA and AFIA are not responsible for any misuse of the SMART Box™ and have no responsibility or liability for any inaccuracies in the numbers, calculations or information included therein.</p>		

For the purpose of SMART Box™, APR is an annualised percentage rate that is calculated using the underlying principles in the equation below. Variations in output may occur due to other variables, including but not limited to day count convention, treatment of weekend and treatment of public holidays.

$$L = PMT \left[\frac{1 - \left(1 + \frac{i}{m}\right)^{-nm}}{\frac{i}{m}} \right]$$

Where:

L = Loan Amount

PMT = Repayment Amount

i = annualized percentage rate (APR)

m = number of periods in a year repayments occur

n = term of loan in years





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