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## Default notice (not an on demand facility)

**Description:** This is a precedent notice of default under a credit contract regulated by the National Credit Code. The notice is tailored for a contract that is not “on demand facility” (as that term is defined in s 92(2) of the Code).

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**Default notice<sup>i</sup> (not an on demand facility)<sup>ii</sup>**

To: *[Full name and address of each debtor]*

1. You are in default under credit contracts. The defaults are:
  - (a) *[list separately all defaults]*
2. The action necessary to remedy the default is:
  - (a) *[specify separately the action]*
3. If the default(s) specified above (or any of the defaults specified above) is not remedied within the period specified above:
  - (a) your liabilities under the Contract will be increased by the provisions of the Contract to the effect of requiring you then to pay the amount you will have to pay under the Contract as at \_\_\_\_\_ (including any amount paid);<sup>vi</sup> and
  - (b) we intend to begin enforcement proceedings, including beginning court proceedings, as contemplated by the National Consumer Credit Protection Act 1988.
4. The repossession and sale of motor vehicles is permitted.
5. A subsequent default of the same kind within a period of 30 days from the date of the first default against you without further notice will result in the same period.
6. Under the Privacy Act 1988 (Cth) we will create an information file about you after we have notified you of the debt and the debt remains overdue.

.....

For and on behalf of  
*[Name of credit provider]*

.....

Date

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