



Terms and Conditions

Savings Accounts
Term Deposits

Your region, your money

Bananacoast Community Credit Union Ltd ABN 50 087 649 750 AFSL No. 241077

About this document

This document has been produced to provide you with important information about our savings accounts, term deposits and methods of access to those accounts.

The information enclosed is designed to help you make an informed decision about these products and their suitability for you.

This document is part 1 of the *BCU Terms and Conditions for Savings Accounts and Term Deposits (T&C)*. Other documents that make up the complete Terms and Conditions for Savings Accounts and Term Deposits are:

- *BCU Interest Rate Schedule - Part 2*
- *BCU Fees and Charges Schedule - Part 3*

This document is also available on our website at www.bcu.com.au at no cost.

Members are advised to read the terms and conditions carefully as it is important that you understand the products and services on offer from BCU. This will ensure that you select the most appropriate product and/or service for your needs.

This document together with the *Interest Rate and Fees and Charges Schedules* were together previously known as our *Product Disclosure Statement* - reference in other documentation to our *Product Disclosure Statement* is reference to this document, our *Interest Schedule* and our *Fees and Charges Schedule*.

PLEASE RETAIN A COPY OF THIS BROCHURE FOR FUTURE REFERENCE.

A separate brochure is available for retirement savings accounts and third-party products (eg insurance and travellers cheques).

Information about our products and services is available from any of our branches, our website www.bcu.com.au or by phoning 1300 228 228.

A current copy of our *Financial Services Guide (FSG)* is available on our website at www.bcu.com.au.

Bananacoast Community Credit Union Ltd
ABN 50 087 649 750
AFS Licence Number 241077

Registered Office address: 14 Cooper Street
Macksville NSW 2447

Date: July 2010

When arranging electronic debits and credits in Australia, please quote our BSB: 704 328 followed by your account number eg 123 456

BCU Savings Accounts at a glance

	Personal Savings Account	Business Account	Deeming Account
Account summary	Every day savings and transaction account for Individuals	Every day savings and transaction account for business	Every day savings and transaction account available to anyone in receipt of a Centrelink pension, Dept. of Veteran Affairs pension or self-funded retirees aged 55 years and over
Minimum balance	Nil	Nil	Nil
Interest calculated	Daily	Daily	Daily
Tiered interest rates	Yes	Yes	Yes
Interest credited	6 monthly (Jun, Dec)	6 monthly (Jun, Dec)	Monthly
Debit interest	Monthly	Monthly	Monthly
Funds availability	At call	At call	At call
Statement	Yes	Yes	Yes
Cheque facility	Available ¹	Available ¹	Available ¹
Overdraft facility	Available ¹	Available ¹	Available ¹
ATM access card	Yes	Yes ²	Yes
Internet banking	Yes	Yes	Yes
Phone banking	Yes	Yes	Yes
Counter transactions	Yes	Yes	Yes
Direct credit/debit	Yes	Yes	Yes
Periodical payments	Yes	Yes	Yes
BPAY	Yes	Yes	Yes
Sub accounts	Yes	Yes	Yes
Eligible for loyalty rebate	Yes	Yes	Yes
Visa Debit Card	Yes	Yes	Yes

BCU Savings Accounts at a glance

	Incentive Savings Account	55 Plus Account	Christmas Club Account	Club and Society Account
Account summary	Savings account with higher interest rate than personal savings account	Savings account with higher interest rate than personal savings account available to members aged 55 years and over	Account to save for the festive season	Savings and transaction account for clubs and societies or community groups
Minimum balance	\$5,000	\$5,000	Nil	Nil
Interest calculated	Daily	Daily	Daily	Daily
Tiered interest rates	Yes	Yes	No	Yes
Interest credited	Monthly	Monthly	Annually (Oct)	6 monthly (Jun, Dec)
Debit interest	Monthly	Monthly	Monthly	Monthly
Funds availability	At call	At call	Nov-Jan	At call
Statement	Yes	Yes	Yes	Yes
Cheque facility	No	No	No	Available ¹
Overdraft facility	No	No	No	Available ⁷
ATM access card	Yes	Yes	No	Yes ²
Internet banking	Yes	Yes	Yes ³	Yes
Phone banking	Yes	Yes	Yes ³	Yes
Counter transactions	Yes	Yes	Yes ³	Yes
Direct credit/debit	Yes	Yes	Yes ⁴	Yes
Periodical payments	Yes	Yes	No	Yes
B _{PAY}	Yes	Yes	No	Yes
Sub accounts	Yes	Yes	Yes	Yes
Eligible for loyalty rebate	Yes	Yes	Yes	Yes
Visa Debit Card	No	No	No	No

BCU Savings Accounts at a glance

	Direct Saver	CSA	Offset
Account summary	Online account with a higher interest rate than a transactional account	A tiered interest saving account from which BCU will donate the equivalent of 1% of the average annual balance to a nominated group ⁵	Savings account linked to an eligible BCU home loan
Minimum balance	\$1,000	Nil	Nil
Interest calculated	Daily	Daily	N/A
Tiered interest rates	Yes	Yes	N/A
Interest credited	Monthly	Monthly	N/A
Debit interest	Monthly	Monthly	Monthly
Funds availability	At call	At call	At call
Statement	Yes	Yes	Yes
Cheque facility	No	No	Available ¹
Overdraft facility	No	No	No
ATM access card	No	No	Yes
Internet banking	Yes	Yes	Yes
Phone banking	Yes	Yes	Yes
Counter transactions	No	Deposits only	Yes
Direct credit/debit	Direct credit only	Direct credit only	Yes
Periodical payments	Inward only	Inward only	Yes
BPAY	No	No	Yes
Sub accounts	No	No	No
Eligible for loyalty rebate	Yes	Yes	Yes
Visa Debit Card	No	No	No

1. Subject to approval

2. For accounts with "Any one to sign" only

3. Deposits at any time. Withdrawals in November to January only

4. Direct credit only

5. A nominated organisation must be a BCU member shareholder type 5 and be approved as a participating organisation

6. BCU Direct Saver accounts are only available to Personal Members. Refer to the Product Specific Terms and Conditions in this brochure for further information.

7. Available to Incorporated Associations only and subject to approval

BCU Term Deposits at a glance

	Standard Term Deposit	55-Plus Term Deposit	Farm management Term Deposit
Minimum investment	\$1,000	\$5,000	\$1,000 ⁴
Term of investment ¹	Various	Various	12 months
Interest calculated	Daily	Daily	Daily
Interest payment frequency ¹	Various	Various	Various
Tiered interest rates ¹	Yes	Yes	Yes
Interest payment method	Depending on your choice of interest payment frequency, interest can be credited to your nominated account or paid to you by cheque or added to your term deposit on maturity	Depending on your choice of interest payment frequency, interest can be credited to your nominated account, paid to you by cheque or added to your term deposit on maturity	Interest can be credited to your nominated account or paid to you by cheque on maturity
Statement	Yes	Yes	Yes
Early redemption ²	Subject to conditions	Subject to conditions	Subject to conditions
Account summary	Designed to provide flexibility and higher interest rates than an every day savings account over a set period of time	Designed to offer a bonus rate of interest for members aged 55 years and over	Designed to enable farmers to set aside cash reserves in good years to help meet costs during low income years
Things to remember	Market interest rates may rise or fall over the term of your investment, which may be to your advantage or disadvantage		
Costs ³	No entry/exit fees No monthly service fees or management fees		

1. Refer to current interest rate schedule - part 2
2. For early redemption reduced interest provisions and conditions apply, please refer to the Product Specific Terms and Conditions in this brochure for term deposits, and farm management deposits
3. Refer to current fees and charges schedule - part 3
4. Maximum investment \$400,000

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MEMBERSHIP

HOW DO I JOIN?

As set out in our constitution, you are required to become a member of our credit union before opening a BCU savings or investment account or before you borrow money. Membership is open to the general public and you are entitled to lifelong membership as long as you are a resident of Australia and have an active account with us. Terms and conditions apply to membership, which are available on application.

FORMS OF SHAREHOLDING

There are three shareholder types within BCU:

Full shareholder

- Allocated to every person operating an individual account or the primary account holder of a joint account.
- Required to purchase one \$10 redeemable preference share.
- Shares are refundable on resignation of all accounts.
- Every business and corporate member including Non-Profit Associations must be allocated full shareholding.

Junior shareholder

- Allocated to any person under 18 years of age.
- Required to purchase one \$10 share paid to \$2.
- Shares are refundable on resignation of all accounts.
- On reaching the age of 18 years, the shareholding is automatically converted to a full shareholding and the outstanding \$8 payment falls due.

Linked shareholder

- Allocated to the secondary account holder of a joint account.
- Linked to the primary account holder of the joint account.
- A linked shareholder does not pay shares and therefore must be updated to a full shareholder to operate an individual account in his or her own name.

RESIGNATION OF MEMBERSHIP

To resign your membership, you must apply in writing for your membership to be closed. You must also have closed all your accounts with us (see 'Account closure' section).

Once all your accounts have been closed, the paid-up value of your redeemable preference share (if applicable) will be paid to you.

The redemption of bonus shares is subject to our constitution.

BCU's constitution sets out other circumstances which may cause your membership to cease.

ACCOUNT CLOSURE

You can close your account only if it is in credit or there is a \$0 balance.

To close an account, unless exceptional circumstances apply, all parties to the account must apply in writing by completing a withdrawal form for the account to be closed, and all unused cheques, deposit books, passbooks and cards must be returned.

The account will be closed when all outstanding cheques have been presented, uncleared funds have been cleared and all outstanding loans and overdrafts have been repaid. We can not accept any responsibility for any loss incurred by the improper or fraudulent use of any unused cheques which have not been returned to us.

If your account is closed:

- we may cancel any card and/or cheque facility linked to that account and disable your access to other payment facilities;
- you must return to us all cards and unused cheques linked to that account;
- you will be liable for any transactions that were not processed, or that occur on the account (including, but not limited to, outstanding merchant transactions and cheques presented) at the time the account is closed;
- you must pay us on demand all unpaid fees and charges and other costs arising from the operation or maintenance of the account prior to the closure of the account; and
- any cleared funds standing to the credit of the account will, after application of fees, charges and interest, be reimbursed to you.

We may close your account (s) even though the account may have a credit balance, if:

- it is being operated outside these terms and conditions,
- you have conducted the account in an unsatisfactory manner,
- we consider we have a valid reason to do so, or
- BCU's constitution allows us to do so.

If we exercise this right, we will promptly notify you in writing and will pay you any credit balance less any fees or charges due.

We can close your account with one month's notice to you, if it has been dormant for a period of 12 months or more.

If you do not use your account for seven years or more, we are required by law to send any credit balances held to the Commonwealth Government as 'unclaimed monies'.

ACCOUNT OPENING

Before you can open an account with us you must become a member of BCU (see 'Membership' section). We will then need to identify you in accordance with our identification requirements. We may refuse any application for an account.

Operation of an account is governed by the instructions we hold for the account which specify who is authorised to operate the account.

Subject to the B_{PAY} and EFT conditions, you are responsible for all liabilities incurred as a result of operation of the account.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

- You acknowledge that we are obliged to comply with anti-money laundering and counter-terrorism laws and regulations.
- You will provide us with all information that we reasonably require you to provide in order to comply with the laws of Australia or any other country.
- You must not instruct us in relation to a transaction that may be in breach of Australian law or the law of any other country and you warrant that any instruction you give us is not in breach of any such law.
- You agree and consent to us:
 - reporting certain transactions to the relevant authority;
 - conducting additional investigations on and/or delaying, blocking or refusing to execute certain transactions.
- You also agree that where transactions are delayed, blocked or refused, we are not liable for any loss that you may suffer as a result.

AUTHORISED USERS

You may give a person over the age of 18 authority to operate your account as an authorised user including by issue of a card to them.

To do this, you and the proposed authorised user must complete an authority form. Any authorised user must be identified in accordance with our requirements. We reserve the right to refuse any application or impose conditions. You may cancel the authority at any time by notifying us in writing.

Any authorised user can access, operate and transact on the relevant account in the manner authorised by you on the authority form. An authorised user can not close an account or change the signatories on the account.

These terms and conditions apply to any authorised user in the same way they apply to you, so you should ensure that they have read these terms and conditions and comply with them. If they do not comply with them, the result is the same as if you had not complied.

You can cancel the authority of the authorised user at any time. You remain responsible for all transactions made by the authorised user until we have received your written notice and you have returned any card or cheque book that we have issued to that person.

We are not required to make any inquiries into instructions received from an authorised user in relation to the operation of your account.

Subject to the B_{PAY} and EFT conditions, you are wholly liable for any loss or damage you or a third party suffers as a result of us acting upon those instructions.

You consent to us giving an authorised user information about the account to which they are a signatory.

B_{PAY}

B_{PAY} is an electronic payments scheme through which you can ask us to make payments on your behalf to organisations ('billers') who accept payments to them through the B_{PAY} scheme ('B_{PAY} payments'). BCU is an associate member of the B_{PAY} scheme.

We will tell you if we are no longer a member of the B_{PAY} scheme.

When you tell us to make a B_{PAY} payment, you must give us the information specified below. We will then debit your specified account with the amount of that B_{PAY} payment and make the payment on your behalf.

The information you must provide to instruct us to make a B_{PAY} payment is:

- the account from which the payment is to be made;
- a valid biller code;
- a valid reference number;
- the amount to be paid; and
- if the payment is to be a one-off, recurring payment or future payment.

You acknowledge that we shall not be obliged to effect a B_{PAY} payment if you do not give us all of the above information or if any of the information you give us is inaccurate.

B_{PAY} payments can be made from savings accounts nominated by BCU.

CUT-OFF TIMES

If you tell us to make a payment before our cut-off time, it will in most cases be treated as having been made on the same day. However, the payment may take longer to be credited to a biller if you tell us to make a payment on a Saturday, Sunday or public holiday or if another participant in the B_{PAY} scheme does not process a payment as soon as they receive details.

STOPPING PAYMENTS

We will not accept an order to stop a B_{PAY} payment once you have instructed us to make that B_{PAY} payment.

You should notify us immediately if you become aware that you may have made a mistake when instructing us to make a B_{PAY} payment, or if you did not authorise a B_{PAY} payment that has been made from your account.

TIMING OF PAYMENTS

Billers who participate in the B_{PAY} scheme have agreed that a B_{PAY} payment will be treated as received by the biller to whom it is directed:

- on the date you make that B_{PAY} payment before our payment cut-off time on a banking day;
- on the next banking day, if you tell us to make a B_{PAY} payment after our cut-off time on a banking day, or on a non-banking day.

WHEN THE PAYMENT MIGHT BECOME DELAYED

A delay might occur in the processing of a B_{PAY} payment where:

- there is a public or bank holiday on the day after you tell us to make a B_{PAY} payment; or
- you tell us to make a B_{PAY} payment either on a day which is not a banking day or after the payment cut-off time on a banking day;
- another financial institution participating in the B_{PAY} scheme does not comply with its obligations under the B_{PAY} scheme; or
- a biller fails to comply with its obligations under the B_{PAY} scheme.

MISTAKES IN PAYMENT INSTRUCTIONS

You must be careful to ensure that you tell us the correct amount you wish to pay. If you instruct us to make a B_{PAY} payment and you later discover that:

- the amount you told us to pay was greater than the amount you needed to pay, you must contact the biller to obtain a refund of the excess; or
- the amount you told us to pay was less than the amount you needed to pay, you can make another B_{PAY} payment for the difference between the amount actually paid to a biller and the amount you needed to pay.

LIABILITY FOR MISTAKEN PAYMENTS, UNAUTHORISED TRANSACTIONS AND FRAUD

You must tell us promptly if:

- you become aware of any delays or mistakes in processing your B_{PAY} payments; or
- if you did not authorise a B_{PAY} payment that has been made from your account; or
- if you think that you have been fraudulently induced to make a B_{PAY} payment.

We will attempt to rectify any such matters in relation to your B_{PAY} payments in the way described in this clause. However, except as set out in this section and the section relating to

the EFT code, we will not be liable for any loss or damage you suffer as a result of using the B_{PAY} scheme.

If a B_{PAY} payment is made to a person or for an amount, which is not in accordance with your instructions (if any), and your account was debited for the amount of that payment, we will credit that amount to your account.

However, if you were responsible for a mistake resulting in that payment and we cannot recover within 20 banking days of us attempting to do so the amount of that payment from the person who received it, you must pay us that amount.

If a B_{PAY} payment is induced by the fraud of a person involved in the B_{PAY} scheme, then that person should refund you the amount of the fraud-induced payment, you must bear the loss unless some other person involved in the B_{PAY} scheme knew of the fraud or would have detected it with reasonable diligence, in which case that person must refund you the amount of the fraud-induced payment.

You indemnify us against any loss or damage we may suffer due to any claim, demand or action of any kind brought against us arising directly or indirectly because you:

- did not observe any of your obligations under these terms and conditions; or
- acted negligently or fraudulently in connection with this agreement.

If you tell us that a B_{PAY} payment made from your account is unauthorised, you must first give us your written consent addressed to the biller who received that B_{PAY} payment, consenting to us obtaining from the biller information about your account with that biller or the B_{PAY} payment, including your customer reference number and such information as we reasonably require to investigate the B_{PAY} payment. We are not obliged to investigate or rectify any B_{PAY} payment and/or the biller may not be permitted by law to disclose the information if you do not give us this consent.

SUSPENSION

We may suspend your right to participate in the B_{PAY} scheme at any time. Suspension may apply if you do not make a payment in accordance with the terms and conditions for B_{PAY}, iBank or your deposit accounts or if the payer or someone acting on their behalf is suspected of being fraudulent.

WHEN A BILLER CANNOT PROCESS A PAYMENT

If we are advised that your payment cannot be processed by a biller, we will advise you of this;

- credit your account with the amount of the B_{PAY} payment; and
- take all reasonable steps to assist you in making the B_{PAY} payment as quickly as possible.

ACCOUNT RECORDS

You should check your account records carefully and promptly report to us, as soon as you become aware of them, any B_{PAY} payments that you think are errors or are B_{PAY} payments that you did not authorise or you think were made by someone else without your permission.

CONSEQUENTIAL DAMAGE

We are not liable for any consequential loss or damage you suffer as a result of using the B_{PAY} scheme, other than due to any loss or damage you suffer due to our negligence or in relation to any breach of a condition or warranty implied by law in contracts for the supply of goods and services and which may not be excluded, restricted or modified at all or only to a

limited extent.

B_{PAY} VIEW

B_{PAY} View is a way for you to be sent your bills through iBank.

Once you have registered for B_{PAY} View, you can view, pay and track payments of bills received from nominated billers via one log in - making management of your bills easier.

To register to receive a bill via B_{PAY} View:

- > Log on to iBank.
- > Go to the "Maintain B_{PAY} View" section under the "Other Functions" drop down menu.
- > Follow the prompts to register - you will need your paper bill with you when you register.
- > You can elect to receive notification that the bill has arrived via an email being sent from the BCU website. Alternatively, you will be notified if a bill has arrived the next time you log on to iBank.
- > Once you have registered, your request will be processed - normally within two working days and you will be notified electronically if your request has been successful.

If you register for B_{PAY} View, we recommend:

- > Always save and store your bills electronically and back up your data regularly.
- > Print out a hard copy of your bill as well.
- > Log onto iBank regularly to check whether any bills have arrived, or sign up for email notification.
- > Always log on to iBank by entering the full web address in your internet browser - never follow a link.
- > Protect your PIN or password at all times - never disclose them to anybody. No BCU staff member will ever ask you to disclose your PIN or password.

If you wish to dispute a B_{PAY} View bill, please contact the biller directly using the contact details on the bill.

For more information about using B_{PAY} View, please log on to www.bpay.com.au.

CARDS

If we issue you with a Cuecard or Visa Debit Card to access your account, this section applies.

Any card must be signed by the cardholder as soon as it is received.

Each card we issue always belongs to us. We may retain or require you to return your card at any time. If we ask you to return your card, you must do so immediately. If we issue a replacement card to you, you must not use the card it replaces and you remain liable for any use of the replaced card.

You must not use your card after the expiry date printed on it.

We can refuse to authorise a proposed transaction if:

- the transaction exceeds the cleared funds;
- your card has been reported lost or stolen; or
- we have other good reason to do so, such as we think a fraud may be being committed.

We do not guarantee that any merchant will accept your card or allow you to purchase goods or services using their EFTPoS facility.

We are not responsible for the following, unless the law says we are:

- any goods or services which you have obtained from a merchant using your card; or
- any refund by a merchant.

All disputes must be settled directly with the retailer.

ADDITIONAL CARDHOLDERS

Where you can have a card linked to an account, any authorised user can apply to have a card issued to them. If we agree to their request, they will receive an additional card and PIN to use on the account.

You are liable for any use of the additional card and your account by the authorised user as if it had been used by you.

You can cancel any additional card by calling us on 1300 228 228 or visiting any branch during normal business hours. We will only cancel the card when it is returned to us or you tell us in writing that you have taken all reasonable steps to return the additional card to us. You should note that in cases where you can not destroy the additional card, although a stop can be placed on the additional card, it could still be used in some circumstances and you remain responsible for any transaction authorised (for example some purchase below floor limits where no electronic approvals are in place).

CANCELLATION OF YOUR CARD

You may cancel your card at any time. You can do this by:

- cutting the card in half and returning it to us; and
- completing the prescribed cancellation form.

We may cancel your card at any time. We may cancel your card without telling you first (for example when we think a fraud may have been committed with the card or you have been using the card outside of these terms and conditions) however; we will notify you as soon as possible afterwards. If a card is cancelled:

- you must return the card (cut in half) to us immediately; and
- you must still comply with these terms and conditions.

CHARGEBACK

In some circumstances, the rules of the card scheme may entitle you to request a reversal (chargeback) of a transaction on your Visa Debit Card if you have a dispute with a merchant about it.

If you believe that you are entitled to a chargeback, you must notify us as soon as possible as the operating rules of the card scheme impose time limits for chargebacks. Once these time limits have expired, any chargeback rights may be lost. Where the *EFT Code* applies to the transaction, its time limits may apply and not those of the card scheme.

If you notify us in time, and we are satisfied that you are entitled to a chargeback, we will credit your account for the amount initially debited for the transaction. However, you should note that the merchant also has rights to have the transaction further investigated and re-debited if appropriate.

CHANGE OF NAME OR ADDRESS

If you change your name, address or contact details, you should promptly tell us and complete the appropriate form. We will not be responsible for errors or losses to do with changes where you have not promptly told us about those changes.

CHANGES TO OUR TERMS AND CONDITIONS

With the exception of interest rates on savings accounts, we will notify you 30 days prior to any change in BCU's terms and conditions and fees and charges.

Interest rates on savings accounts are variable. We will notify you of changes to rates of interest on or before the day the

change takes place (other than interest rates linked to money market rates).

In either case, notification may be either by mail, an advertisement in the media, in your statement, or in a newsletter.

CHEQUES

This section tells you about all matters that relate to cheques.

CASHING CHEQUES

BCU is authorised to pay a cheque that is either made payable to cash or a person, and the words "or bearer" have not been crossed out, and there are no other restrictive markings on the cheque, to the person who presents it, whether or not that person is the person named on the cheque as the payee. We may refuse to accept/pay a cheque if we have reason to suspect that the cheque is not validly held by the person who presents it.

No cheques will be cashed unless prior arrangements have been made between you, us and the relevant bank.

CANCELLATION OF AUTHORITY

Any cheque received by us before we receive a written notice of cancellation or variation of authority may be paid by us in the normal course of business.

CHEQUE BOOKS

You must only write cheques on the cheque forms that are provided by us, or on forms that have been approved by us.

We can withdraw or stop the issue of a chequebook or demand that it be returned to us.

CROSSING A CHEQUE

When writing a cheque, you can cross it by drawing two parallel lines from the top to the bottom on the face of the cheque.

Crossing a cheque means that the cheque must be paid into an account and not cashed over the counter.

CHEQUE DEPOSITS

We may refuse to accept any cheque for deposit at our absolute discretion.

You may not withdraw the proceeds of a cheque deposited to your account until it is cleared. It usually takes three business days for a cheque to clear. If we allow you to draw on the cheque before it has cleared, you will be liable for the amount of the cheque if it is subsequently dishonoured.

A cheque will not be accepted if it is 'stale' (ie the date of the cheque is more than 15 months ago).

DELETING THE WORDS "OR BEARER"

If you do not delete the words "or bearer" you are authorising the amount of the cheque to be paid to any person who is in possession of the cheque.

DISHONOURING A CHEQUE (INCLUDING POST DATED AND STALE CHEQUES)

We may at our discretion dishonour any cheques presented for payment which:

- exceed your available account balance; or

- have not been completed correctly or are incomplete (eg unsigned or undated); or
- have unsigned alterations or a variance between the amount expressed in words and figures; or
- are post dated or stale (more than 15 months old).

We also reserve the right to dishonour a cheque without reason if the terms of our agreement with Indue Limited and Westpac Banking Corporation require us to do so.

We may also charge you a fee.

GENERAL TERMS THAT APPLY TO ALL CHEQUE ACCOUNTS

When you apply for a cheque book, you agree to these terms and conditions and you appoint both us and Indue Limited as your agent and that you have authorised each of us to:

- Conduct accounts (the 'bank account') with Westpac Banking Corporation (the 'bank') or such other bank or banking organisation as we may, from time to time, make arrangements with on the same or substantially similar to these terms and conditions to enable you to draw cheques for payment for goods and services out of the funds in your account with us which is dedicated either exclusively or otherwise to the members' cheque scheme (the 'scheme') and make deposits to the bank in accordance with these terms and conditions.
- Transfer funds to the bank account from your account to meet the amount of cheques that you or your authorised user have signed and to meet the value of all costs, taxes or charges made or incurred by us or the bank;
- Disclose to the bank such information relating to your account as is necessary to process all transactions carried out by you.

The bank may disclose to BCU and Indue Limited all information relating to your participation in the scheme and the transactions effected on your behalf.

NOT NEGOTIABLE

Adding the words "not negotiable" between the two parallel lines protects the true owner of a lost or stolen cheque as these words ensure that the recipient of such a cheque obtains no better rights to the cheque than the person who passed the cheque.

SECURITY OF YOUR CHEQUE BOOK

Because your account can be accessed by your cheque book, you must always keep it in a safe place. You must not leave signed blank cheques in your cheque book. If your cheque book is lost, stolen or misused, you must contact us immediately and follow up with the details in writing on a form approved by us.

SPECIAL CLEARANCE OF A CHEQUE

You may ask us to clear a cheque in less than the usual time. To do this, you must complete the relevant form and we may charge a fee for this service.

STOPPING A CHEQUE

You may ask us to stop a payment on a cheque if it has not yet been presented for payment. To do this, you must complete the relevant form. We may charge a fee for this.

WITHDRAWAL OF CHEQUE FACILITY

BCU reserves the right to withdraw the cheque drawing and

deposit facility at any time. No cheques may be issued by you after the facility has been withdrawn.

WRITING CHEQUES

All cheques must be completed clearly, dated and signed by you. If you do not correctly complete a cheque, we may refuse to honour it.

Never write a cheque using pencil or erasable ink.

Always write the amount in words as well as figures; begin the amount in words as close as possible to the left hand side and add "only" to the end of the amount and begin the amount in figures as close as possible to the dollar sign.

COMBINING ACCOUNTS

We reserve the right to combine balances of two or more of your accounts (including your share account) to repay any sums you owe us. We may do this by a transfer from an account in joint names to an account held in the name of only one of the account holders to repay the sums owed by the single account holder. We can do this even if the Joint Account has an "All to Sign" authority and we may do this without prior notice to you. Where possible, we will notify you if we have done this.

COMPLAINTS AND FEEDBACK

We value, encourage and learn from your feedback.

At BCU we have an internal dispute resolution scheme for handling complaints.

BCU is a member of the Credit Ombudsman Service Limited (COSL) established to assist participating credit unions and their members resolve complaints in a fair, timely and cost-effective manner.

For more information about BCU's internal dispute resolution scheme or COSL and how it works, contact us during business hours. Alternatively, our Dispute Resolution Policy can be found on our website at www.bcu.com.au.

CONTACTING BCU

You can contact BCU:

- in person at any of our branch locations
- by telephone on 1300 228 228 or 1300 BCU BCU
- in writing addressed to PO Box 198, Macksville NSW 2447
- through our website www.bcu.com.au, or
- via email at: mail@bcu.com.au

DEATH OF A MEMBER

When we receive notification of the death of a member, any:

- account in their name is immediately frozen to withdrawals;
- power of attorney or authority to operate given by them or in their favour automatically ceases;
- periodical payments authorised by them will be cancelled;
- cards in their name will be cancelled;
- sums standing to the credit of their account may be set-off against sums owed to us by the deceased.

The deceased's next of kin or executor (as appropriate) may access any remaining funds on completion of appropriate paperwork.

Please see the joint accounts section for details of how we deal with accounts in joint names.

DEPOSITING FUNDS AUSTRALIA-WIDE

If you are unable to go to your local BCU branch, manual deposits may be made through any branch of Westpac (Westpac may charge a fee for this service). You will need to quote our BSB number 034 813 and your link number, which can be obtained by contacting any BCU branch or by phoning 1300 228 228.

We can arrange for a Westpac deposit book should you need to make regular deposits into your account in this manner.

DEPOSITING INTO YOUR BCU ACCOUNTS

Unless otherwise indicated, you can deposit money into your accounts:

- in person at any branch, appointed agency of BCU, or at a bank nominated by us;
- by mail (for cheques only);
- via direct credit (electronic transfer); or
- through internet banking or phone banking to transfer funds between accounts.

Any deposits made to your accounts are not available until processed by us and cleared, may at our discretion allow you to access funds before they are cleared. If we allow you to draw on a cheque before it has cleared, you will be liable for the amount of the cheque if it is subsequently dishonoured.

DIRECT CREDIT

A direct credit to your account may occur where you nominate to your payroll officer or other organisation that you require your funds to be credited directly to your account with us.

We may reverse a direct credit to any of your accounts that we have received on your behalf if we, for any reason whatsoever, do not receive value for the direct credit.

DIRECT DEBIT AND PERIODICAL PAYMENTS

A direct debit is a debit from your account with us that you arrange through a merchant or other service provider. A periodical payment is where you give us authority to make regular payments from your account to another account with us or with another financial institution or to a third party on a 'pre-set payment date' (eg: Monday).

DIRECT DEBITS

Any direct debit authority given by you will remain in force until the third party has received written instructions from you to cancel the authority. You may also lodge with us a stop payment in respect of a direct debit, by completing our form and we will use all reasonable endeavours to notify the third party.

Payment of a direct debit authority will only be made if there are sufficient 'available' funds in your account. We are not required to advise you if a direct debit is not made from your account.

We may at our discretion honour a direct debit request where there are insufficient funds in your account. We may however charge you a fee. In addition, the section entitled 'overdrawn accounts' will then apply to your account. You must ensure that you have sufficient cleared funds available in your account, from which a payment will be made, to enable that payment to be made. If the payment date falls on a day other than a business day, those funds must be available two business days prior to the day the payment is due.

PERIODICAL PAYMENTS

This clause applies to accounts which allow you to make payments from your account to any account held by us, or an account held by you or a third party with another financial institution.

You must give us the information we require to enable us to make a payment.

You must check that all information you give us is correct; we are not responsible for checking that the information you give us is correct. You are liable for any payment we carry out in accordance with your instructions.

If you have insufficient funds in your account at the time the periodical payment falls due we will attempt to make the periodical payment from your account before 7:30 am for 3 consecutive banking days (eg: Monday, Tuesday, Wednesday). If after the third attempt there are still insufficient funds to make the payment no more attempts will be made and a fee will apply. Please refer to our current *Fees and Charges Schedule*.

If there are insufficient funds in your account on three consecutive pre-set payment dates (eg: three Mondays in a row) the periodical payment authority will be cancelled.

ELECTRONIC COMMUNICATION

Except where the *EFT Code of Conduct* otherwise permits and subject to the requirements of any applicable law, we may use electronic means to communicate with you instead of written communications, for example, to provide you with statements, notices, transaction confirmations or receipts electronically.

Where you agree to this:-

- you will not receive paper copies of relevant information;
- you agree to check regularly to see if you have received any electronic communication from us;
- you will be responsible for maintaining and checking your electronic equipment; and
- you will be responsible for printing or saving important information and we strongly recommend that you do so.

Subject to the requirements of any applicable law, where you carry out a transaction through iBank on our website and we make a transaction record or receipt (which you save or print) available to you on our website immediately on completion of the transaction, we will not provide you with a paper transaction or receipt.

ELECTRONIC TRANSACTIONS (EFT)

BCU warrants that it will comply with the *EFT Code of Conduct*.

LIABILITY FOR UNAUTHORISED ELECTRONIC TRANSACTIONS

Unauthorised transactions do not include any electronic transactions carried out by you or anyone performing a transaction with your knowledge and consent.

Your liability for unauthorised electronic transactions will normally be limited to:

- \$150.00, or
- the balance of the relevant account, or
- the actual loss incurred, whichever is the smallest amount.

You are not liable for any losses:

- where it is clear that you have not contributed to those losses,

- that are caused by the fraudulent or negligent conduct of BCU employees or agents,
- that result from unauthorised transactions occurring with your previous access code after you change it to a new access code.

You will not be liable for any unauthorised electronic transactions if we have confirmed in writing that your access has been cancelled. However, if you have contributed to the unauthorised use because you:

- recorded or indicated your access code on any item that is liable to loss or theft;
- disclosed your access code (including to a family member, or friend);
- allowed someone else to use your access code;
- did not sufficiently disguise your access code;
- allowed someone else to access your accounts by not logging off from iBank.

Your liability will not exceed the lesser of:

- the balance of the accounts, or
- the actual loss incurred, whichever is the smaller amount.

LOSS AT MALFUNCTIONING TERMINALS

We are responsible for any loss from a transaction at a terminal where our investigations show that the loss is directly caused as a result of terminal malfunction and the claim is substantiated by investigation. In these circumstances, we will correct the loss by making the appropriate adjustment to the account. If you suffer a loss arising from a malfunction or breakdown of an ATM or any other system or equipment and you should have been aware that the machine was malfunctioning or was not able to be used, our liability is limited to the correction of any errors on your account and the refund of any charges or fees imposed as a result.

EXPRESS BANKING

EXPRESS DEPOSIT BAGS AND NIGHT SAFE FACILITIES

You must make an application at your branch and sign an indemnity form to use the express deposit bag and night safe facilities. Terms and conditions are issued on application.

EXPRESS DEPOSIT ENVELOPES

Only the following are to be placed in the envelope:

- Cheques: All cheques must be accompanied by a completed deposit slip. You must keep a copy of the cheque listing including the drawer of the cheque/negotiable instrument and bank and branch on which it is drawn.
- B_{PAY} bill payments: These must be accompanied by a completed withdrawal/B_{PAY} slip. Delays in processing the contents of the envelope (and therefore, in crediting or debiting your account) may occur in the event of incorrect completion of deposit/B_{PAY} details.

PROCESSING YOUR DEPOSIT

If you deposit an envelope with a BCU branch, you authorise us to deal with the deposit on your behalf.

If the deposit slip which you enclose in your envelope, does not correctly record the amount in your envelope and we have credited your account with the amount recorded on the deposit slip, you authorise us and we are entitled to:

- debit your account with any shortfall we establish; or
- credit your account with any excess we count.

In any event, our count will be deemed accurate and will prevail over your count.

If you do not enclose a deposit slip recording an amount in the envelope, we will process the contents of the envelope and credit your account.

If any of the things above happen we will notify you of what we have done by either:

- telephoning you at your latest telephone number recorded with us; or
- mailing a statement identifying the discrepancy; or
- mailing a notice to your latest address recorded with us.

THIRD PARTY CHEQUES

You must ensure that all cheques that are made payable to a third party are correctly endorsed prior to inclusion in the envelope.

We may deduct the value of improperly endorsed third party cheques not presented in accordance with any specific arrangement with us from the amount of the deposit and return these cheques to you. Our determination of whether a cheque is properly endorsed is final.

EXTERNAL TRANSFERS

(TRANSFERS TO OTHER ACCOUNTS THAT ARE NOT HELD AT BCU)

External transfers can be made over the counter and through iBank as well as by way of a periodical payment.

Where you ask us to make any payment from your account to any other account held with us, or an account held by you or a third party with another financial institution, it is your responsibility to ensure that all the information you give us in relation to the transfer is correct. This means that if a mistake is made when entering the details, the money may go to the wrong account.

You should also check with the intended recipient that they have received the funds. If the payment has gone astray, you should notify us immediately so that we can help you try and recover the funds.

Payments made to incorrect accounts can take a long time to recover and in some instances recovery is not possible. Generally, in these instances, the loss is borne by you. BCU will take all reasonable steps to assist you to recover your money however as the mistake was yours and not ours, we can not accept responsibility for the return of your lost funds.

We reserve the right, at our discretion, to place a limit on the amount you can transfer at any one time - see the external transfer limit paragraph in the 'Internet and phone banking' section.

When making electronic transfers via iBank, the account name of the recipient does not form part of your payment instructions to us. We will NOT use or check the account name information in making the payment. It is your responsibility to make sure the recipient's account number and BSB number are correct.

FEES AND CHARGES

Current fees and charges, including non-standard fees and charges, are set out in the separate fees and charges brochure. You authorise us to debit to your account (s) when due all applicable fees and charges.

Any failure by us to charge a fee shall not constitute a waiver of that fee or the right to charge that fee in the future.

FOREIGN CURRENCY PAYMENTS INTO YOUR ACCOUNT

Cheques and payments in foreign currency will be converted to Australian dollars at the time of clearance using the exchange rate prevailing on that day. If the cheque is in a foreign currency, clearance will not be for at least 45 days after you lodge the cheque with us.

We will not be responsible for any losses as a result of fluctuations in exchange rates between when the cheque or payment is lodged with us and when the exchange rate is applied.

In certain circumstances, we may be able to credit your account prior to full clearance of a foreign currency cheque but, if the cheque subsequently fails to clear you will be responsible for refunding any losses incurred on your account.

We reserve the right to reject any payment from a country that is subject to sanctions or does not contain all information required by law.

FREEZING YOUR ACCOUNT

We may freeze your account to further activity:

- if it is being operated outside these terms and conditions;
- if you have conducted the account in an unsatisfactory manner; or
- where it is considered there is valid reason to do so (for example when we suspect a fraud or where a cheque deposited to the account has been dishonoured).

You may freeze your account by phoning or visiting any branch on a normal working day and telling us why you wish to freeze your account (e.g. you suspect fraud).

Where an account has been frozen at your request, you may ask us to restore it to normal operating status at any time by completing the appropriate form. We may refuse the request if we believe that there is a dispute between the owners of the account.

IDENTIFICATION REQUIREMENTS

We are required to identify all account holders and signatories to accounts. Information on our identification requirements can be obtained from any branch or by telephoning 1300 228 228.

No withdrawals are permitted on any accounts until all signatories are identified.

You are required to provide proof of your identify to a member of BCU staff. In certain circumstances we may allow this to be done via an agent eg: Australia Post.

INTEREST RATES

Interest on all accounts is calculated by multiplying the daily closing balance of the account by the daily interest rate (ie: the annual interest rate divided by 365). The current interest rates are set out in our *Interest Rate Schedule*.

Where you have a term deposit we will not change the rate of interest during the term of your deposit unless you ask to end the term early.

INTERNET AND PHONE BANKING

This part only applies if you register for internet or phone banking for your account and will apply the first time you use either service. Approval of an application to access internet or phone banking is at our discretion.

Our internet banking system is called iBank.

REGISTRATION AND CODE SELECTION

When you register to use internet or phone banking, you may be given or will be asked to select a code which you will be asked to change the first time you use the facility. If you use a token for internet banking you will also be required to enter the security code generated by the token.

EXTERNAL TRANSFER LIMIT

Where you wish to make transfers to non-BCU accounts using iBank, you must notify us of your required limit for such transfers otherwise it will be set at \$2000. At our discretion, we may limit the amount that may be transferred to non-BCU accounts or require you to put additional security in place eg by the utilisation of tokens or additional security software.

ACCESS AND PROCESSING

- on accounts requiring two or more signatures to transact, each signatory must enter their individual code before a transaction can be undertaken. Transactions on accounts requiring more than one signature can not be undertaken using telephone banking;
- we may deny access to iBank or phone banking without prior notice to you for reasons of security or quality of data transfer service, or to perform maintenance to, or upgrade the service;
- we may cancel your access to iBank or phone banking at any time without notice;
- we may delay processing an instruction received by iBank pending a request to you to validate the instruction; and
- any transaction you request by iBank may be refused by us without giving any reason or advance notice to you.

AVAILABILITY

We will make reasonable efforts to ensure the availability of iBank and phone banking at all times and ensure that information we make available to you through these facilities is correct.

EQUIPMENT MAINTENANCE

It is your responsibility to obtain and maintain any electronic equipment (e.g. personal computer or touchtone telephone) which you may need to have to use iBank or phone banking.

It is also your responsibility to ensure the security of any computer you use to access iBank (see below for some security tips).

CONFIRMATION OF TRANSACTIONS

We will provide you with a transaction receipt number every time you make a transaction using iBank or phone banking. You should record the transaction receipt number and it should be quoted if you have any queries in relation to that transaction.

CUT-OFF TIMES

If you instruct us to transfer funds to an external party before the time specified (see 'Processing - cut-off time' section), it will, in most cases, be treated as having been made on the same day.

PROCESSING - CUT-OFF TIME

- Monday to Friday - before 3.00pm NSW time
- Saturday, Sunday and public holidays - the next banking day.

WHAT YOU CAN DO TO PROTECT YOURSELF WHEN USING INTERNET BANKING

It is important that you take positive steps to protect your computer if you use it for internet banking (or any other form of e-commerce). It is important to use only a trusted and secure computer to access your internet banking account. Using publicly shared computers, such as those at internet cafes, is strongly discouraged. If you use your home computer to access your internet banking account, we recommend you:

- Install reputable anti-virus and firewall protection on your computer because this provides additional layers of protection that you need to reduce your risk of exposure from viruses that can rob your computer of valuable personal information.
- Remember that after you install virus protection you will need to regularly update the software, usually by installing patches (used to update or fix a bug in a computer program), so the protection remains current.
- Install any security patches for your operating system and other software installed on your computer and keep these up-to-date.

PROTECT YOUR ACCESS DETAILS

- Avoid using passwords or PINs that are relevant to your personal situation. Passwords with telephone numbers, postcode, your name, or the name of a close relative and dates of birth are simple for criminals to trace. Create passwords with letters and numbers that cannot be easily attributed to you.
- Always memorise your password or PIN and do not write it down or store it on your computer. You are responsible for keeping this information confidential.
- Change your password regularly and don't use the same password for other services such as your video store.
- We will never send you an email asking you for your PIN.

CANCELLING REGISTRATION

You may request BCU to cancel your registration to use iBank.

If your registration is cancelled, any future dated payments that you have authorised using iBank will not be cancelled. These can be cancelled by contacting your nearest BCU branch or by calling 1300 228 228.

JOINT ACCOUNTS

You can open a joint account if you and other applicants complete an application. However, only one applicant needs to pay \$10.00 as a full member shareholder. Identification will be required for all applicants as set out in the section entitled "Identification Requirements" in this brochure.

All members to a joint account are jointly and severally liable for any liabilities incurred and entitled to credit balances on the account.

Each account holder may operate the account independently of each other unless all account holders instruct us otherwise eg by making the account "all to sign". Even where the account is made "all to sign" or "two to sign", where signatories have card access to the account, transactions can occur on the account by use of that card without the express consent of other account holders.

Cheques made payable to any one or more of you may be deposited into your account.

When one joint account-holder dies, the balance is automatically transferred to the surviving account holder/s

after deduction of all sums due to BCU by the deceased. If a secondary account holder dies, the account name maybe changed to the survivor's sole name and use of the account may continue as before. BCU reserves the right to set-off any sums due to the deceased against sums owed to us by the deceased.

By delivering copies of this document, statements and notices by handing them to any joint shareholder or by mailing them to any joint shareholder at the mailing address shown in our records, the documents are deemed to have been received by all joint shareholders.

OVERDRAWN ACCOUNTS

When a withdrawal or other transaction is more than the available balance in your account, your account is overdrawn.

Unless you have our prior agreement, you must not allow your account to become overdrawn.

If your account becomes overdrawn, you must repay the overdrawn amount immediately and, if you do not, you will be in default under your agreement with us. Please refer to the section entitled "Combining Accounts" in this brochure for details of our right to transfer funds from another account to clear your overdrawn amounts.

We may charge interest on the overdrawn amount at the rate shown in our *Fees and Charges Schedule*.

We may debit any relevant fee each time you overdraw your account or continue to transact on your account while it is overdrawn. You are liable for, and authorise us, to debit to your account any legal fees we incur in recovering any overdrawn amount from you.

In the event that you fail to repay the overdrawn amount within 60 days of an amount overdrawn in excess of \$100, and we have given you written notice, we may report the default to a credit reporting agency.

POWER OF ATTORNEY

If you appoint someone an attorney on your behalf, you authorise us to give them access to your account details and to permit them to have access and control your account on presentation of an original or certified copy of a valid and current power of attorney. We must also have satisfactorily identified the attorney. We are not responsible for the attorney's conduct on your account.

If you revoke the power of attorney, you must notify us immediately so that we may cancel that person's access as an attorney to your account. We will ask you to promptly confirm that instruction in writing.

PRIVACY

BCU respects your privacy by fully complying with our obligations under the *Privacy Act 1988*.

We collect your personal information to provide you with information we are required by law to give you, to provide you with our products or services as requested by you, or to provide you with information about our products and services.

For further information, or a copy of our *Privacy Policy*, contact us during business hours. Alternatively, our *Privacy Policy* is also available on our website at www.bcu.com.au.

PRODUCT-SPECIFIC TERMS AND CONDITIONS

DIRECT SAVER

This account type is only available to individual members (including joint accounts) and cannot be opened or operated for business, trade, superannuation or trustee purposes or on behalf of a deceased estate or a Junior Account which operates with the parent as the sole signatory.

When opening a Direct Saver account, an account must be nominated which is the account to and from which money is transferred and must be opened prior to opening a BCU Direct Saver account.

A nominated account must be another BCU transactional savings account held in the same name as your Direct Saver.

Withdrawals and deposits on a BCU Direct Saver account can only be made by moving funds between the BCU Direct Saver account and the nominated BCU transactional account using iBank internet banking or phone banking.

CHRISTMAS CLUB ACCOUNTS

If you wish to make an early withdrawal from a Christmas Club Account (ie: a withdrawal outside the months of November to January) the account will be closed and cannot be re-opened until the following February.

COMMUNITY SAVER ACCOUNTS (CSAS)

BCU will make an annual donation of 1% of the average annual balance held in this account to the account holder's nominated community group.

The nominated community group must be selected from BCU's approved list. The account holder may change their nomination at anytime by notifying BCU in writing. The donation will be made to the nominated recipient at the time of calculation.

If the account holder does not nominate a recipient community group, the 1% donation will be paid by BCU to community organisations of BCU's choice and will not be paid to the account holder.

The annual donation calculation is based on the average balance held each month and the number of days as follows:

- Average balance for the month multiplied by contribution percentage divided by the number of days in the year multiplied by the number of days in the months.

FARM MANAGEMENT DEPOSITS (FMDS)

Eligibility for Farm Management Deposits

The owner of the FMD must be a primary producer when the deposit is made.

The FMD must be in the name of an individual, not a company.

Terms and deposit amounts

The FMD must be at least \$1000 and not more than \$400,000 at any time in any year of income.

A person can own more than one FMD but they must all be with the same financial institution and must not total more than \$400,000.

Interest

Interest rates vary according to the amount on deposit.

Interest is paid on maturity and must not be reinvested as a FMD without having first been paid to the depositor.

Redemption

Except where the entire amount of the FMD is repaid, any repayment of the FMD must be at least \$1000.

Redemption of the FMD is subject to requirements in accordance with the *Income Assessment Act 1936* and the *Income Tax (Farm Management Deposits) Regulations 1998*.

If requested, we agree to transfer the FMD to another financial institution electronically if that financial institution agrees to accept the deposit as a FMD.

Exceptional circumstances

The Minister for Agriculture, Fisheries and Forestry is able to declare an area as being in exceptional circumstances. An exceptional circumstances declaration will enable eligible primary producers, who have an Exceptional Circumstances Certificate, access to their FMD within 12 months of deposit and retain their tax benefits.

Taxation implications

The taxation position of a member applying for a FMD depends on the tax profile of the individual. We strongly recommend that members consult their accountant, lawyer or tax advisor for specific advice.

Other

Rights of the depositor are not, and must not be, transferable to another person.

The FMD must not be used as security for any amount owed to BCU or to any other person by the depositor or any other person.

The FMD cannot be used as a mortgage offset account.

BCU agrees not to deduct any fees from the principal.

If the FMD is repaid within 12 months because of bankruptcy, the deposit will still be a FMD, but there will only be an income tax deduction if the bankruptcy occurs after the year of income in which the deposit is made.

If the FMD is repaid within 12 months because of death, the deposit will still be a FMD, but there will only be an income tax deduction if the death occurs after the year of income in which the deposit is made.

If the FMD is repaid within 12 months because primary production activities cease, the deposit will still be a FMD, but there will only be an income tax deduction if the activities ceased after the year of income in which the deposit is made.

Transfer of a FMD to another institution does not constitute a repayment of the deposit or the making of a deposit. This means that you will not be assessed on the amount transferred and the transfer will not give rise to an income tax deduction.

As from 1 July 2002 if you withdraw part of a FMD within 12 months, any amount remaining will continue to qualify for a deduction providing:

- it remains in the account for at least 12 months; and
- the residual amount does not fall below \$1000.

In making a FMD, you acknowledge that specific laws apply to this kind of investment which may change from time to time.

TERM DEPOSITS

No Additional Deposits

You cannot add to your term deposit before the end of the term. You can, however, open another separate term deposit.

Early Withdrawal

Full or partial withdrawal of the term deposit before maturity

for terms 1 to 24 months are at BCU's discretion. For terms greater than 24 months 7 days notice for the full or partial withdrawal of the term deposit before maturity must be given. If withdrawn early, the rate of interest payable on the amount redeemed, for the whole of the term to the date of the withdrawal, will be the rate applying to the Christmas Club Account at the time of the withdrawal and may result in the recovery of interest already paid.

We reserve the right to vary the interest rate adjustment applicable for early redemptions at any time.

No interest will be paid if the term deposit is repaid within the first seven days of a term.

Note: For early partial redemptions of a term deposit, we shall recalculate the interest payable on the remaining balance of the deposit over the term of the investment at the original term deposit rate that would have applied for that amount at the date of original deposit.

For example

\$100,000 is deposited on 1st Feb 2009 for 6 months (181 days) at 5.25% p.a. If the full deposit is kept in the account for the full term, the interest earned on 1st August 2009 would be:

$$181/365 \times 5.25\% \times \$100,000 = \$2603.42.$$

On 1st June 2009, we agree to the account holder's request that \$60,000 is withdrawn leaving a balance of \$40,000. The interest applied to the withdrawn \$60,000 is the interest rate of the Christmas Club Account on the date of early withdrawal (1st June 2009) which in this example we will say is 3% p.a., applied for the whole time it was in the account (120 days), as follows:

$$120/365 \times 3\% \times \$60,000 = \$591.78$$

The interest rate on the \$40,000 remaining in the account will be reduced to the interest rate applicable on the original date of deposit (1st Feb 2009) for a deposit of \$40,000 for 6 months, which in this example we will say is 4.25% p.a., applied from the date of deposit until the end of the 6 month term, as follows:

$$181/365 \times 4.25\% \times \$40,000 = \$843.01$$

After early withdrawal the total interest earned by the end of the term (1st August 2009) would be: \$591.78 + \$843.01 = \$1,434.79

Maturity

At maturity we will, depending on your instructions, either:

- pay the balance of the term deposit account and any accrued but unpaid interest to you; or
- re-invest the balance of the term deposit account and any accrued but unpaid interest on the same or similar terms as the original term deposit at the interest rate current on the date of renewal for that amount and term.

If you have not provided us with instructions we will re-invest the balance and unpaid interest. For the same term as the original deposit at the rate applicable on the maturity date. If a "special" rate applies to the term of your investment, you will receive that rate but not otherwise. You have 7 days from the date of the re-investment to change your deposit instructions.

Interest payments and principal repayments, may be made either directly to an account with us, by BCU cheque or by transfer to an external account.

We will write to you to remind you of the maturity date of your investment at least seven days prior to the date of maturity.

REGULAR PAYMENTS FROM A VISA DEBIT OR CREDIT CARD

A Regular Payment is one where you authorise a merchant (such as a retailer or insurer) to debit your card account at regular intervals (eg. monthly). For example, you might agree that your local gym can charge your monthly membership to your card account.

Regular payments like this can be useful as they help you make your payments on time and avoid late payment fees as they are processed automatically.

1. You should keep a record of any "Regular Payment Arrangements" you enter into with a merchant and any correspondence you have with the merchant. You can find a template for recording such details on our website.
2. To either change or cancel any "Regular Payment Arrangement" you should contact the merchant at least 15 days prior to the next scheduled payment. Until you cancel the Regular Payment Arrangement, we must process the merchant's request to debit your account if possible you should retain a copy of your change/cancellation request. Should the merchant fail to act in accordance with these instructions you may have rights to dispute any incorrectly charged payments.
3. Any dispute, including the failure of the merchant to act on a change in details, should be taken up with the merchant in the first instance.
4. Should your card number be changed i.e. as a result of a lost or stolen card you must also request the merchant to change the details of your existing "Regular Payment Arrangement" to ensure arrangements continue. If you fail to undertake this activity your "Regular Payment Arrangement" either may not be honoured by us or the merchant may stop providing the goods and/or services.
5. If you or we close your card account or your account details change it is your responsibility to contact the merchant to alter your "Regular Payment Arrangement" as the merchant may stop providing the goods and/or services if payments are no longer received because the account is closed or they have incorrect details.

SECURITY OF ELECTRONIC TRANSACTIONS

YOUR ACCESS CODE

In these terms and conditions, 'access code' means the password or personal identification number (PIN) or identification number that is issued to you on registering to use iBank, telephone banking or when you are issued with a card and includes any code generated by a token issued for use with iBank.

CHANGING YOUR PIN

You can change your PIN to a PIN of your choice. To do that, you need to come into one of our branches that have a PIN change machine. A list of such branches can be found on our website.

SECURITY OF YOUR ACCESS CODE

The security of your access code is very important. You must make every effort to ensure that any record of your access code is not misused, lost or stolen. If you fail to observe the security requirements, you may incur increased liability for

unauthorised use of your access code.

- Do not record your access code on any item that is liable to loss or theft.
- Do not permit any other person to use your access code.
- Do not disclose your access code or make it available to any other person (including a family member or friend).
- Take care to prevent anyone else seeing your access code being entered into a terminal.

If you require a memory aid to recall your access code, you may make such a record provided the record is reasonably disguised.

The following actions do not represent reasonable disguise:

- Recording your access code on any item that is liable to loss or theft.
- Disguising your access code by reversing the number sequence.
- Using the word 'password' or similar as your access code.
- Disguising your password by using alphabetical characters or numbers: A = 1, B = 2, C = 3, etc.
- Using any of the following combinations (or parts of them) as your access code:
 - date of birth
 - personal telephone numbers
 - family members' names
 - social security numbers
 - licence numbers
- Storing your access code in a low-security electronic device, such as (but not limited to):
 - calculators
 - personal computers
 - electronic organisers and mobile phones.

There may be other forms of disguise which may also be unsuitable because of the ease with which another person can discern your access code. You must use extreme care if you decide to use a memory aid for your access code.

LOSS OF ACCESS CODE

If your access code is stolen or you suspect your access code is known to someone else, or you suspect any unauthorised use of your access code, you must:

- If your access code relates to use of iBank, immediately log on to iBank and change your access code.
- If your access code relates to a card, inform BCU as soon as possible.

SECURITY OF YOUR COMPUTER

When banking on the internet it is important that you always follow these steps:

- Only access our website by typing the address into the browser. Never log on by clicking a link embedded in an email.
- Keep your computer up-to-date with anti-virus, firewall software and the latest patches.
- Confirm that your data is encrypted between your computer and BCU by looking for the Verisign secured symbol on the bottom left hand corner of the browser window.
- Always log out from the internet banking menu when you finish all your banking.
- Close your internet browser after logging out at the end of each internet banking session.

Beware of any windows that 'pop up' during an internet banking session and be very suspicious if it directs you to another website which then requests your customer identification or password.

We may from time to time make software available for you to

use to assist you in ensuring that your computer is safe from viruses. Use of any software made available by BCU does not guarantee that internet frauds will not occur. BCU is not liable or responsible, directly or indirectly, for any such software and does not represent or warrant that the software is free from viruses, meets your requirements or will provide uninterrupted access.

STATEMENTS

You must check your statements or transaction history on iBank carefully and promptly and tell us if you become aware of any payments that you think are errors or made by someone else without your permission.

SECURITIES AND MORTGAGES

Where permitted by law, we can use any mortgage or other security we hold to secure any overdrawn amount. We do not have to release that mortgage or security until the overdrawn amount is repaid.

STATEMENTS

We will send you a statement of account at least once every six months. For joint accounts, we will send the statement to the primary joint account-holder. Other account-holders (secondary joint account-holders) may request a copy of the statement.

TAX FILE NUMBER

Under Commonwealth law, accounts earning interest are subject to tax file number (TFN) legislation. It is not compulsory to provide your TFN; however, if you choose not to do so, or are a non-resident, BCU is required by law to deduct withholding tax.

TOKENS

We may make available to you security tokens to use when you log in to iBank. We may charge you a fee for this. You may apply for a token online via iBank or by calling in at any branch.

ACTIVATION OF YOUR TOKEN

Before you use your token for the first time, you must activate it. You can do this by logging in to iBank and following the prompts. If you do not activate your token within 21 days of receiving it, you will no longer be able to use iBank.

USE OF YOUR TOKEN

Once you have activated your token, you must use it each time you log onto iBank.

REPLACEMENT OF YOUR TOKEN

If you lose your token or it becomes damaged, you must telephone BCU and a stop will be placed on your token and a new one ordered. Until you receive your new token, you will be able to use iBank without a token.

TRUST ACCOUNTS

If you are a trustee of an account held in trust, you must:

- act according to the terms of the trust and for the benefit of the trust and its beneficiaries; and
- not misuse the trust funds or misuse any rights you have against the trust.

We do not have to verify that any transactions you carry out on the account are authorised by the trust.

TRUSTDEFENDER

BCU is providing a link to the Symbiotic Technologies website free of charge to assist in protecting you and us against internet fraud while you are using iBank however use of the TrustDefender software or any other software provided by Symbiotic Technologies Pty Ltd does not guarantee that internet fraud will not occur.

BCU will not be liable or responsible, directly or indirectly, for any software downloads available from this site. Whilst BCU endeavours to select reputable providers, it does not guarantee that TrustDefender or any software purchased from Symbiotic Technologies will be free from viruses, meet your requirements or that access will be uninterrupted.

Use of the free TrustDefender software is intended to offer protection in relation to your use of iBank - it will not offer any protection in relation to any other online banking system or online purchases you may undertake from your computer. To the extent permitted by law, we accept no liability in respect of the product and we provide no warranty and give no endorsement in respect of the product.

We are not responsible for any difficulties in downloading the software or for any damage to your computer system or loss of data that result from your doing so.

VISA DEBIT

We may at our discretion make a Visa Debit Card available for use in relation to certain accounts.

If you are an individual, in order to apply for a Visa Debit Card, you must:

- be over 18 years of age;
- be in full or part time permanent employment; and
- have regular income paid to the account.

You must apply for a Visa Debit Card using the relevant form. We may refuse any application at our discretion.

You may use your Visa Debit Card to access your account to pay for goods and services over the counter via an EFTPoS terminal where the Visa symbol is displayed or using internet or phone banking to pay bills (such as gas or electricity) or purchase items (such as flights).

You can also use your Visa Debit Card to make purchases (and withdraw cash) while you are overseas. Foreign currency conversion fees are charged on all foreign currency transactions on a Visa Debit Card (see our fees and charges brochure).

When you make purchases on your Visa Debit Card, most merchants will allow you to press either the 'cheque', 'savings' or 'credit' button. We recommend you press the 'credit' button where available. You will then be asked to either enter your PIN or sign the transaction receipt.

When you press the credit button or use the card number to purchase or pay for goods and services (eg: over the phone or internet) we may need to authorise the transaction. We will reduce the available funds on your account by the amount of the authorisation even though it may take some weeks for the transaction to be processed and debited to your account.

WITHDRAWALS FROM YOUR BCU ACCOUNT

Unless otherwise indicated, withdrawals can be made by you or any authorised users to your account by any access method we authorise from time to time.

We may not allow a withdrawal unless we have proof of identity of the member making the withdrawal that is acceptable to us.

You agree that we can allow someone who is not an authorised signatory on your account to withdraw cash from or otherwise transact on the account provided they present a completed withdrawal slip that you have signed on the front and on the back of which you have written: "I authorise [name of third party] to [describe transaction]." You must also sign the back of the withdrawal slip. After identifying the third party, we will process the request.

BCU has the right to determine the order in which payments are made from any deposit to your account (eg: interest, fees and charges, periodical payments, cheques, etc).

WITHDRAWAL LIMITS TABLE

Over the counter	\$2000 per day*
ATM/EFTPoS - Cuecard	\$1000 per day*
ATM/EFTPoS - Visa Debit	The available funds in your account if you select the "Credit" option
External transfers using <i>iBank</i>	\$2000 (unless approved otherwise)
Phone banking	\$2000 (unless approved otherwise)

*daily limit is per card

If you require a larger amount, you must give the branch from where you wish to make the withdrawal, 24 hours advance notice (verbal or written). We may charge a fee for large cash withdrawals.

BCU may reduce the withdrawal limits without notice to you should circumstances require for example for your protection if electronic approval mechanisms are temporarily unavailable.

DEFINITIONS

In these terms and conditions, the following words and phrases have the following meanings:

- ATM** means Automated Teller Machine
- Banking day** means any day on which banks in Sydney are open for business and excluding Saturdays, Sundays and national public holidays.
- Card Scheme** means the Visa card scheme operated and maintained by Visa International Service Association ABN 70 007 507 511
- Chargeback** means the Visa Card operating rules for transferring the amount of a disputed card transaction from the merchant's financial institution to your card account
- EFT Code** means the *Electronic Funds Transfer Code of Conduct*
- EFTPoS** means Electronic Funds Transfer at Point of Sale
- PIN** means your secret personal identification number
- You and your** means the account holder
- We, us, our and BCU** means Bananacoast Community Credit Union Ltd.

TELEPHONE NUMBERS FOR LOST AND STOLEN CARDS

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|--------------------------------------|----------------|
| CueCards and Visa (within Australia) | 1800 621 199 |
| CueCards and Visa (overseas) | +612 9959 7686 |
| | +612 8912 2807 |