

# Term Deposit Account

## Terms and Conditions

Effective from 11 October 2023



## **IMPORTANT INFORMATION**

### **Financial Claims Scheme**

The Financial Claims Scheme provides a guarantee of funds deposited with an authorised deposit-taking institution (ADI) such as Police & Nurses Limited. In the event that an ADI becomes insolvent, customers may be eligible to claim the amount of their deposits with that ADI from the Scheme.

Payments under the Scheme are subject to a limit for each depositor (please note joint account holdings are considered to be held in equal shares). For more information regarding the Scheme, see the Financial Claims Scheme website at

<http://www.fcs.gov.au>.

### **About these Terms and Conditions**

These Terms and Conditions apply to your Term Deposit account with us.

For each Term Deposit account that you open with us you will be given the bcu Term Deposit Interest Rate Schedule and these Terms and Conditions. Together with your Term Deposit Application/Rollover Instructions form and the Certificate of Term Deposit which you will receive when you open the account and when Rollover occurs, these form the terms of your bcu Term Deposit Account. You should read these documents and retain a copy for future reference.

Copies of these Terms and Conditions and the Term Deposit Interest Rate Schedule are available on request on 1300 228 228 or can be viewed at [bcu.com.au](http://bcu.com.au).

The information in this booklet has been prepared without taking into account your objectives, financial situation or needs. You should read the whole of this document, and the bcu Term Deposit Interest Rate Schedule and consider all the information in light of your own personal circumstances before deciding to obtain a Term Deposit Account.

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## Definitions

**Business Day** means any day we are open for business

**Maturity Date** means the day that your deposit investment finishes.

**Rollover** means the reinvestment of your deposit investment for a new investment term on the Maturity Date.

**Term Deposit account** means a bcu deposit account in which funds are deposited for a term which you have nominated.

**You** or **your** are references to you, the account holder, and if more than one person comprises the account holder, means each of them separately and all of them jointly.

**We, us, our, bcu** means Police & Nurses Limited, ABN 69 087 651 876 (trading as bcu) and its successors and assignees.

### 1. Your Agreement with us

When you open a Term Deposit account with us or when Rollover occurs, your agreement with us in relation to your account is made up of:

- (a) these Terms and Conditions;
- (b) the Term Deposit Interest Rate Schedule;
- (c) the Certificate of Term Deposit which you receive when you open the account and/or Rollover reinvestment occurs; and
- (d) the Term Deposit Application/Rollover Instructions form that you provide to us.

**You should read these documents carefully.**

### 2. Opening and Operating an account

- (a) At the time of opening an account, we will request that you nominate all people who will be authorised to operate the account (the signatory or signatories to the account).
- (b) If you do not indicate, on application, the account authorisation instructions (i.e. one to sign or two to sign), then we shall deem that any one of the signatories alone may operate the account (subject to any written instruction to the contrary).
- (c) You confirm that the authorised signatories have authority to act fully and effectively in all dealings, matters and transactions with respect to the account.
- (d) If you wish to alter the account authorisation instructions, then we must be notified in writing

and such notification is to be signed by the authorised account holders.

### **3. Joint Accounts**

- (a) If the account is a joint account the funds are held jointly. Upon the death of one of the account holders, the funds will automatically pass to the survivor/s.
- (b) If these Terms & Conditions are given to any of the joint account holders then they will be taken to have been given to all of you.
- (c) All account holders are jointly and severally responsible for any indebtedness in respect to any account within the membership.
- (d) We can send notices, or any other documents (including a notice of change to the terms and conditions) by issuing them to either of you at the current address recorded for the account. This may include an electronic address provided by you. Such notices will be taken to have been given to all of you.
- (e) Each of you must comply with the terms and conditions applicable to the account as if the account were in one name only.
- (f) Instructions in relation to the account can only be given in accordance with the Method of Operation made in the Term Deposit Application/ Rollover Instructions.

### **4. Trust Accounts**

If you open a Term Deposit account as a trustee, you represent and warrant that you have the authority and necessary power to open and operate the account. You confirm that you are the trustee of the trust and that no action has been taken to replace or remove you as trustee of the trust. You have an unrestricted right to be fully indemnified out of trust assets in respect of any liability that you may incur as a trustee.

### **5. Deposits to your Term Deposit account**

If the type of Term Deposit account chosen by you requires a minimum deposit amount, the Term Deposit account must have an opening balance of at least that amount.

If the type of Term Deposit account chosen by you states that there is a maximum deposit amount, the balance of the Term Deposit account must not exceed this value.

Subject to clause 10, after depositing the opening balance, you are unable to make further deposits to your Term Deposit account during its investment term.

When a cheque is deposited to a Term Deposit account the funds cannot be withdrawn until proceeds have been made available. If a cheque is dishonoured, we will debit the Term Deposit account with its amount together with any related charges.

## **6. Withdrawals from your Term Deposit account**

You can only make a withdrawal from your Term Deposit account on maturity of your deposit.

If you withdraw funds from your Term Deposit account before the Maturity Date of your Term Deposit your entitlement to interest on the account will be reduced in accordance with clause 8.

## **7. Interest**

- (a) The interest rate applicable to your Term Deposit account will be determined by the product type, amount invested, the investment term and the date that the investment is made.
- (b) The interest rate applicable to your Term Deposit account is stated in the Certificate of Term Deposit and is fixed for the term of the deposit.
- (c) Our current Term Deposit account interest rates are detailed in the bcu Term Deposit Interest Rate Schedule which is available upon request from any of our stores, by calling 1300 228 228 or by visiting [www.bcu.com.au](http://www.bcu.com.au).
- (d) We will tell you the interest rate for the particular Term Deposit account that you have chosen:
  - i. when you establish that account; and
  - ii. if applicable, after a maturing term deposit is reinvested in a new term deposit.
- (e) We calculate interest daily by multiplying the balance of your deposit by the daily interest rate.
- (f) The daily interest rate is the rate fixed for the term of your deposit divided by 365.
- (g) For Term Deposit accounts which have a term of investment of less than 12 months, interest is paid fortnightly, monthly, or on the Maturity Date in accordance with your instruction to us.
- (h) For Term Deposit accounts which have a term of investment of 12 months or more, interest is paid, fortnightly, monthly, quarterly, half yearly or

annually on the anniversary of lodging the deposit in accordance with your instruction to us. Interest must be paid at least once a year and cannot be paid only on the Maturity Date.

- (i) Any interest that is to be paid upon maturity of a term deposit can be reinvested together with the value of the term deposit by adding it to the balance of your Term Deposit account investment at maturity. Alternatively, you may ask us to pay your interest:
  - i. by crediting it to another of your bcu accounts;
  - ii. by crediting it to your account with another Australian financial institution electronically; or
  - iii. by mailing a cheque to you.

If you ask us to reinvest the interest amount that is payable on maturity, and doing so would take the balance of the Term Deposit account above the maximum investment allowed for that Term Deposit account, interest can instead be paid in accordance with clause i, ii, and iii above.

For Term Deposit accounts that may be invested for a term less or more than 12 months and interest is paid fortnightly, monthly, quarterly, half yearly or annually, interest will be added to the principal amount of your Term Deposit Account. Alternatively you may ask us to pay your interest as follows:

- i. by crediting it to another of your bcu accounts; or
- ii. by crediting it to your account with another Australian financial institution electronically.

You may find out the balance of your Term Deposit account through our Online Banking Services. We will not impose any fees for using this access method.

## **8. Early Redemption**

- (a) You may redeem a Term Deposit account you hold at any time prior to the Maturity Date. If you do so, your entitlement to interest on your account will be reduced as follows:
  - i. if the redemption occurs within 30 days of the most recent Rollover of your account or the opening your Term Deposit account, no interest will be paid; and

- ii. if the redemption occurs more than 30 days after the most recent Rollover of your account or the opening your account but before the Maturity Date, interest will be calculated on the date of your early redemption at the lower of either;
  - A. the current interest rate applied to your account when you established the account or applied to the most recent Rollover of your account; or
  - B. the interest rate most recently published by the Reserve Bank of Australia or the interest rate applied at the most recent Rollover of your account on its website as being the "Cash Rate Target"
- (b) If any interest has been paid prior to early redemption of your term deposit, then any shortfall arising from the recalculation of interest in accordance with the previous paragraph will be deducted from the principal amount.
- (c) bcu will not allow withdrawals unless acceptable proof of identity of the person making the withdrawal is provided. To determine the value of principal and interest you will receive on a particular day if you redeem your investment on that day (prior to maturity), please contact bcu.

## 9. Rollover Instructions

You can provide us with instructions for Rollover of your Term Deposit into a new term on its Maturity Date at any time during the investment term of your Term Deposit account. Rollover will be at the current interest rate applicable to the Term Deposit account in your instructions by reference to the product type, amount invested, the investment term chosen and the date that the investment is made. The new term will be subject to the terms and conditions then applicable to bcu Term Deposit accounts.

We will send you a Certificate of Term Deposit confirming details of the Rollover. That document will form part of our agreement with you in respect of the rolled over deposit.

## 10. Rollover Maturity

- (a) Rollover of your Term Deposit (including interest if applicable) will automatically occur if by the Maturity Date we have not received your Rollover



instructions. The Rollover will be for the same investment term as the preceding term, at the rate applicable to the product type, amount invested, the investment term and the date that the investment is made. The new term will be subject to the terms and conditions then applicable to bcu Term Deposit accounts. Details of the rolled over deposit will be set out in the Certificate of Term Deposit provided to you, which will form part of your agreement with us in respect of the rolled over deposit.

- (b) Any Term Deposit interest rates advised prior to the Maturity Date are subject to change and you should refer to the bcu Term Deposit Interest Rate schedule available upon request from any of our stores, by calling 1300 228 228 or by visiting [www.bcu.com.au](http://www.bcu.com.au).
- (c) We will send you a Certificate of Term Deposit confirming details of the Rollover. This will form part of our agreement with you in respect of the rolled over deposit. You have a 7 calendar day grace period from the Maturity Date of the prior deposit to instruct us to change any details of the Rollover.
- (d) If you increase the amount of the Term Deposit after the Maturity Date, interest will only accrue on those additional funds from the date the additional funds are deposited into the Term Deposit account. The original value of the Term Deposit will accrue interest from the Maturity Date. Additional funds can only be deposited up to 7 calendar days after the Maturity Date (including the Maturity Date).

If you reduce the amount of the Term Deposit after the Maturity Date within the 7 calendar day grace period, interest will accrue on the daily balance of the Term Deposit account at the prevailing interest rate. Funds can be withdrawn without invoking clause 8 up to 7 calendar days after the Maturity Date (including the Maturity Date).

## **11. Fees and Charges**

You must pay bcu the fees and or charges that are or become payable in relation to your Term Deposit account. You authorise us to debit these fees to the Term Deposit account.

Should bcu incur any government duty, tax or other charge imposed by law in respect of your Term Deposit account or its operation, you must pay us an amount equal to the charge in accordance with the relevant

legislative obligation and you authorise us to debit any such duty, tax or charge to the Term Deposit account.

Current information on fees and charges that may apply to your Term Deposit account such as Bank Cheques can be found in bcu's Fees and Charges.

## **12. Withholding Tax**

Where no tax file number has been lodged with us and where no exemption applies or for members who reside permanently overseas or who are non-residents, withholding tax will be debited from your account in accordance with current government rates.

## **13. Additional Obligations**

bcu may be subject to laws and regulations in Australia or another country that may affect your relationship with us (e.g. laws that effect tax obligations). In order that we can comply with these laws and regulations we may:

- (a) Disclose information about you where required (including sending information overseas);
- (b) Require you to provide information about you and your product; and
- (c) Take such action as is reasonably required which may include withholding an amount from a payment to you (if this occurs we will not reimburse you with the amount withheld) or close your account.

## **14. Changes to Terms & Conditions**

- (a) bcu can at any time change the terms and conditions applicable to your Term Deposit account for one or more of the following reasons:
  - i. to comply with any change or anticipated change in any relevant law, code of practice, guidance or general banking practice;
  - ii. to reflect any decision of a court ombudsman or regulator;
  - iii. to reflect a change in our systems or procedures, including for security reasons;
  - iv. to respond to changes in the cost of providing the Term Deposit account;
  - v. to discontinue a product in which case we may change the terms of your product to reflect a different product with similar features to the discontinued product; or

- vi. to make the terms and conditions clearer or to add features;

but will only do so in order to protect bcu's legitimate business interests, and only to the extent reasonably required to do this.

- (b) We will notify you of the change at least 30 days before the effective date of changes by advertisement in the national or local media or by writing to you (including to an electronic address) or in any other way permitted by law if the change to the Terms & Conditions will:
  - i. increase or introduce a new fee or charge; or
  - ii. vary the method by which interest is calculated or paid or vary the circumstances when interest is credited or debited to your account

A reference to a fee or charge does not include fees or charges payable under a law of the Commonwealth or of a State or Territory.

If we make any other changes we will give you notice of the change no later than the day the change takes effect, by advertisement in the national or local media, by writing to you (including to an electronic address) or in any other way permitted by law, except where the change is adverse to you in which case we will notify you at least 30 days before the effective date of the change by advertisement in the national or local media or by writing to you (including to an electronic address) or in any other way permitted by law.

We will not change the interest rate applying to your Term Deposit account during its term, except where you withdraw an amount or redeem your Term Deposit early in which case clause 8 applies.

Any commitment we may make to notify you at your postal or electronic address of changes to your account is subject to your keeping us informed of, as applicable, your current postal or electronic address.

If you are unhappy with the changes we have made to these terms and conditions and the change is adverse to you, you may close your Term Deposit account without penalty by telling us before the change takes effect.

## **15. Changes in your details**

- (a) You must inform us upon a change in your name or address.
- (b) bcu will not be responsible for any loss or error arising out of a change in your details if we do not receive notice or sufficient notice of the change.

## **16. Electronic communication**

When the law permits us to do so, we may communicate information about your products with us electronically rather than in paper form. We may do this:

- (a) by sending the information to an electronic address you nominate;
- (b) by notifying you that we have made the information available electronically (e.g. on a website) and how you may retrieve the information; or
- (c) in another manner agreed with you.

## **17. Customer Owned Banking Code of Practice**

If you are an individual, and use your account alone or jointly with another individual or individuals, then the provisions of the Customer Owned Banking Code of Practice will apply to the account. You may obtain a copy of the Customer Owned Banking Code of Practice by contacting us on 1300 228 228 or visiting [www.bcu.com.au](http://www.bcu.com.au).

## **18. Feedback and Complaints**

Our goal is member satisfaction and we have established procedures for internal and external dispute resolution. If you have feedback in relation to our services or products we would like to hear from you.

You can contact your nearest bcu store or call us on 1300 228 228 to provide your feedback or discuss your complaint or visit [www.bcu.com.au](http://www.bcu.com.au).

We will endeavour to resolve any complaint that you may have as quickly as possible, and wherever possible within 5 working days. If your complaint is not satisfactorily resolved during that discussion, we will refer you to our Member Advocate, who will discuss the issue with you and attempt to resolve your complaint.

Name: Member Advocate

Mail: bcu,  
PO Box 1563  
Coffs Harbour, NSW 2450

Ph: 1300 228 228

Fax: 02 6690 3772

Email: [member.engagement@bcu.com.au](mailto:member.engagement@bcu.com.au)

We will advise you of the details (including timeframes) of our internal dispute resolution process. We will do our best to ensure that our investigation is completed, and a decision on your complaint is communicated to you, within 21 days of our being advised of the complaint. We will inform you if we need more time.

If we are not able to resolve your complaint to your satisfaction within 45 days you may take the complaint to our External Dispute Resolution scheme, The Australian Financial Complaints Authority Limited (AFCA), even if we are still considering it. We will inform you that you have this right within 5 Business Days after the end of the 45 day period.

AFCA provides a free independent dispute resolution process which is approved by the Australian Securities and Investments Commission (ASIC) as an external dispute resolution scheme. AFCA's contact details are as follows:

Name: The Australian Financial Complaints  
Authority Limited (AFCA)

Mail: GPO Box 3  
Melbourne VIC 3001

Telephone: 1800 367 287

Fax: (03) 9613 6399

Email: [info@afca.org.au](mailto:info@afca.org.au)

Website: [afca.org.au](http://afca.org.au)

## Appendix 1 - Farm Management Deposit Account (FMD)

The following terms and conditions apply in respect of the Farm Management Deposit (FMD). These terms and conditions apply in addition to, and to the extent of any inconsistency, will prevail over, the terms and conditions in the Term Deposit Account Terms and Conditions.

### Eligibility

- The owner of the deposit must be an individual who is carrying on a primary production business in Australia when the deposit is made.
- The deposit must be made by only one person and on behalf of only one person.
- The deposit must not be made by a trustee on behalf of a beneficiary unless the beneficiary is under a legal disability and is presently entitled to a share of the income of the trust.

### Amount of deposit

- The deposit must be at least \$1,000 unless:
  - it is the immediate reinvestment of another FMD you had with us; or
  - it is an extension of the term of the FMD (even if other terms such as those relating to interest payable are also varied).
- The deposit must not be more than \$800,000. You can own more than one FMD, with us or with other financial institutions, but the sum of all your FMDs must not exceed \$800,000.

### Interest payments

- Interest on the deposit must not be invested as an FMD with us without having first been paid to the depositor.

### Fees

- We will not deduct any fees from the principal of the FMD, however we may charge fees on the deposit.

### Transfer or repayment

- If you request in writing and provide any information that we deem necessary to carry out a transfer, we will electronically transfer the deposit, or part of the deposit, to another financial institution if that financial institution agrees to accept the deposit as an FMD.

- The deposit must be repaid if you:
  - i. die, or
  - ii. become bankrupt, or
  - iii. cease to carry on a primary production business in Australia and do not begin to carry on such a business again within 120 days.
- Any repayment of the deposit must be at least \$1,000, except where the entire amount of the deposit is repaid.

**Additional limitations**

- Rights of the depositor are not and must not be transferable to another person.
- The deposit must not be used as security for any amount owed to us or any other person by the depositor or any other person.
- The deposit cannot be used as a mortgage offset account

## Contact US

**bcu, a division of Police & Nurses Limited**

ABN 69 087 651 876 AFSL 240701

Australian Credit Licence 240701

PO Box 1563, Coffs Harbour, NSW 2450

**Tel: 1300 228 228**



**1300 228 228 | [bcu.com.au](http://bcu.com.au)**