

Transactional and Savings Accounts

Combined Product Disclosure Statement
and Financial Services Guide

BOQ Specialist Transaction and Savings Accounts (with Overdraft)

Combined Product
Disclosure Statement and
Financial Services Guide

August 2014

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Purpose of this Product Disclosure Statement

This PDS provides information about Transaction and Savings Accounts offered through this Combined Product Disclosure Statement ('PDS') and Financial Services Guide ('FSG') issued by BOQ Specialist Bank Limited ACN 071 292 594, AFSL No. 234975 ('BOQ Specialist, We, Us, Our') to individuals, their businesses and trusts (including superannuation funds).

Financial products and services are provided by BOQ Specialist Bank Limited ABN 55 071 292 594 (BOQ Specialist). BOQ Specialist is a wholly owned subsidiary of Bank of Queensland Limited ABN 32 009 656 740 (BOQ). BOQ and BOQ Specialist are both authorised deposit taking institutions in their own right. Neither BOQ nor BOQ Specialist guarantees or otherwise supports the obligations or performance of each other or of each other's products.

This PDS is dated 1 August and replaces the PDS dated 1 March 2014.

This document consists of:

A PDS (issued by BOQ Specialist) setting out details of the One Accounts, Private Access Accounts, Term Deposit and Notice Accounts provided by BOQ Specialist and an FSG setting out details of the financial services provided by BOQ Specialist.

If you apply for a One Account with an Overdraft, your credit contract will comprise the Terms and Conditions for Transaction and Savings Account and the Terms and Conditions for Overdraft Account.

If the National Credit Code applies to you or if you are subject to any Special Terms and Conditions, you will also receive a BOQ Specialist One Schedule via email or via post setting out the specific details of the Overdraft Account. You should read this together with the Terms and Conditions for Transaction and Savings Account and the Terms and Conditions for Overdraft Account, as well as other relevant statements to the Overdraft Account, including the Information Statement. The BOQ Specialist One Schedule may require you to accept the terms of the Overdraft Account by signing and returning a specified document or may allow you to accept the terms in some other way.

If you elect to register for Online Banking services, the BOQ Specialist Online Banking Terms and Conditions will also apply to your agreement and are incorporated by reference into this document. You can obtain a copy of the BOQ Specialist Online Banking Terms and Conditions within Our Online Banking site, at boqspecialist.com.au under the 'other services' tab. You can also obtain a copy of the BOQ Specialist Online Banking Terms and Conditions from Us at no charge by calling Our Client Service Centre on 1300 160 160 or +61 2 9293 2121 if calling from outside Australia.

If you apply for a debit card in conjunction with your One Account, you will also be provided with Debit Card Conditions of use. You cannot apply for a debit card without applying for or holding a One Account with an Overdraft.

Please note that this is not a PDS for debit card, and the Debit Card Conditions of use are not incorporated by

reference into this PDS, as this is not a PDS for debit card. However, those Conditions of use are provided to you in conjunction with this PDS.

Our Products

The products offered through this Combined PDS and FSG are:

Transactional Accounts

- The One Account – an at call account with transactional and BPAY®* capability and the option (subject to credit approval) of an overdraft. This account has the option of a debit card.

Savings Accounts

- The Private Access Account – an 'at call account' which allows daily access to your funds subject to applicable cut-off times.
- The Term Deposit – offers the certainty of a fixed rate of return on your investment for the defined term of your deposit. Our Term Deposits range from 30 days to 5 years.
- The Notice Account – a Deposit Account offering a competitive variable rate of interest, which requires you to give a set notice period before making a withdrawal.

Foreign exchange

- You may enter into a same day foreign exchange contract with Us when converting your funds into/from a foreign currency in connection with your accounts. See specifically the Currency Conversion section and the Benefits and Risks section of this PDS.

* ® Registered to BPAY Pty Ltd ABN 69 079 137 518

Key features

	One Account	Private Access	Term Deposit	Notice Account
Approved currencies	Australian Dollars ('AUD')*	Australian Dollars ('AUD')*	Australian Dollars ('AUD')*	Australian Dollars ('AUD')*
Minimum investment amount	No minimum	No minimum	AUD 10,000	AUD 10,000
Available credit limits	Subject to Credit Approval			
Investment term	Daily access (subject to applicable cut-off times)	Daily access (subject to applicable cut-off times)	30 days through to 5 years (or tailored terms on application)	Ongoing investment, subject to the requisite notice period
Interest rate	Overdraft interest rate: Variable** Deposit interest rate: Variable**	Variable**	Fixed for the investment term	Variable**
Deposit interest payments	For any amount in credit, interest is calculated on the daily balance and is capitalised at month end to your account	Capitalised monthly or paid at month end	Capitalised at term end or paid periodically per your Instructions	Capitalised monthly or paid at month end
Overdraft interest payments	For the balance of overdraft in debit, interest accrues daily and is payable by you in full in arrears within 30 days of interest being charged			
Transacting on your account	Online, telephonic, email or fax	Online, telephonic, email or fax	Online, telephonic, email or fax	Online, telephonic, email or fax
Reinvestment on maturity	N/A	N/A	Automatic unless advised otherwise	N/A
Deposits	Direct Debit, Electronic Funds Transfer or cheque For accounts issued with a debit card, cash and cheque deposits may be made in ANZ branches.	Direct Debit, Electronic Funds Transfer or cheque	Direct Debit, Electronic Funds Transfer or cheque	Direct Debit, Electronic Funds Transfer or cheque
Withdrawals	Instructions received via email, fax, Online Banking secure message, telephone or post must be received by 1pm on a Banking Business Day to be processed on the day of receipt Transfers made (including BPAY*) through BOQ Specialist Online Banking by 4pm on a Banking Business Day will be processed on the day of receipt For accounts issued with a debit card, withdrawals may be made at ATMs, by way of EFTPOS or by other transactions effected with the use of the debit card.	Instructions received via email, fax, Online Banking secure message, telephone or post must be received by 1pm on a Banking Business Day to be processed on the day of receipt Transfers made through BOQ Specialist Online Banking by 4pm on a Banking Business Day will be processed on the day of receipt	Instructions received via email, fax, Online Banking secure message, telephone or post must be received by 1pm on a Banking Business Day to be processed on the day of receipt	Instructions received via email, fax, Online Banking secure message, telephone or post must be received by 1pm on a Banking Business Day to be processed on the day of receipt. You must give Us the required notice to withdraw funds from your account.
Online Banking	View account balances Download statements Transfer funds to designated and third party accounts. Scheduled Payments Deposit via Direct Debit. Capture BPAY biller details and make payments to BPAY billers	View account balances Download statements Transfer funds to designated account(s) Schedule payments Deposit via Direct Debit	View term deposit details Provide rollover Instructions via Online Banking secure message	View account balances Download statements Provide notice of a withdrawal via Online Banking secure message Deposit via Direct Debit
Fees and charges	Please refer to 'Fees and charges' section in this PDS	No upfront or ongoing charges For fees that may be applicable under certain circumstances see 'Fees and charges' section in this PDS	No upfront or ongoing charges For fees that may be applicable under certain circumstances see 'Fees and charges' section in this PDS If you break your Term Deposit prior to maturity We may reduce the amount of interest payable to you (see 'Term Deposit – early withdrawal interest adjustment')	No upfront or ongoing charges For fees that may be applicable under certain circumstances see 'Fees and Charges' section in this PDS If We agree to an early withdrawal prior to the expiry of the requisite Notice period We may reduce the amount of interest payable to you (see 'Notice Account – early withdrawal interest')

* BOQ Specialist also offers Foreign Currency Deposit Accounts. Please see our Foreign Currency Deposit Accounts PDS in deciding whether or not to acquire or to continue to hold these products. To obtain a copy please see our contact details in this PDS.

** Details of current interest rates are available from our offices on request.

Benefits and risks

Benefits

BOQ Specialist offers you competitive rates, personalised service and expertise. In addition the benefits of having a One Account, Private Access Account, Term Deposit Account or Notice Account with Us are:

For One Accounts

- You have an at-call deposit facility and an overdraft facility (subject to credit approval) in one account.
- If you have a debit card issued in conjunction with your One Account, you may use your debit card at ATMs, EFTPOS terminals, make online purchases and for other transactions which may be effected by way of debit card.
- Your money can be readily accessed (subject to funds being cleared and relevant cut-off times for Instructions).
- You can make payments to third parties using BPAY functionality.
- You earn interest on any amounts which are in credit, in the same manner as a Private Access Account.
- The overdraft allows you to access funds for business or consumer purposes (up to the agreed Credit Limit) giving you the flexibility to manage your business or personal cash flow.
- There is no line fee charged on your unutilised overdraft facility.

For Private Access Accounts

- Your money is readily accessible (subject to funds being cleared and relevant cut-off times for Instructions).
- You earn a competitive rate of interest.

For Term Deposits

You can lock in an interest rate for a fixed period thus giving you certainty of return.

For Notice Accounts

You receive a high variable rate of interest, in return for providing us with a set notice period before making a withdrawal.

Government Guarantee

If BOQ Specialist were to become insolvent you may be entitled to a payment made under the Australian Government Financial Claims Scheme for AUD Deposits placed with BOQ Specialist subject to a limit for each Account Holder. For further information about the scheme, please refer to <http://www.apra.gov.au> or call the APRA hotline on 1300 131 060.

Risks

All investments involve varying degrees of risk and you may suffer financial loss as a result of any of the risks outlined below. The significant risks are:

For One Accounts

- Your overdraft is limited by the approved Credit Limit.
- The overdraft is repayable at any time on demand by Us

and you may not be able to repay.

- If you have provided security in respect of the overdraft facility and you are unable to repay any amounts owing to Us under the overdraft when due or you are unable to fulfill your obligations under the One Account, We may exercise Our rights in relation to any security you have provided, including taking possession of and selling the secured asset.
- The interest rates applying to your account are variable, so there is no guarantee that you will always pay/earn a particular rate of interest on your account.
- Withdrawals can only be made from cleared funds (see 'Withdrawing funds' section in this PDS).
- BOQ Specialist has the right to close your One Account in certain circumstances specified in the Terms and Conditions.

For Private Access Accounts

- The interest rate applying to your account is variable, so there is no guarantee that you will always earn a particular rate of interest on your account.
- Your funds must be cleared funds before they can be withdrawn (see 'Withdrawing funds' section in this PDS).
- BOQ Specialist has the right to close your Private Access Account in certain circumstances specified in the Terms and Conditions.

For Term Deposits

- If interest rates rise after the date you lock in your Term Deposit, you will earn a lower rate of interest until your Term Deposit matures than you might otherwise have received.
- If you withdraw your funds prior to the maturity date of the Term Deposit, We may reduce the amount of interest payable to you (see 'Term Deposit - early withdrawal interest adjustment' section in this PDS).
- BOQ Specialist has the right not to agree to an early termination of your Term Deposit.
- BOQ Specialist has the right to close your Term Deposit account prior to maturity in certain circumstances specified in the Terms and Conditions.

For Notice Accounts

- Your funds are available subject to the agreed notice periods. If We allow you to withdraw your funds prior to the end of the requisite notice period, We may reduce the amount of interest payable to you (see 'Notice Account - early withdrawal interest adjustment' section in this PDS).
- The interest rate applying to your account is variable, so there is no guarantee that you will always earn a particular rate of interest on your account.
- Your funds must be cleared funds before they can be withdrawn (see 'Withdrawing funds' section in this PDS).
- BOQ Specialist has the right not to agree to an early withdrawal of funds from your Notice Account.
- BOQ Specialist has the right to close your Notice Account in certain circumstances specified in the Terms and Conditions.

For Online Banking facilities provided under this PDS

- Unauthorised transactions – your account may be subject to unauthorised transactions, for example if the pass codes or devices you use to access Online Banking are stolen. You may be liable for losses suffered.
- Mistaken payments – if you enter the wrong details for a payee, We may not be able to retrieve that money so that funds can be re-directed to the correct recipient.

For all products under this PDS

- Credit risk – is the risk of Us not meeting Our obligations to you under the agreed product Terms and Conditions.

For conversion of your funds into / from a foreign currency (upon your Instruction) in connection with your Account:

- Currency risk – exchange rates fluctuate from day to day and within the day. Currency risk is the risk that the AUD value of your investment falls because the foreign currency you hold devalues relative to the AUD.
- Sovereign risk – is the risk that, as a result of certain major events, the liquidity of a currency or foreign exchange markets generally is reduced. Examples may include failure of a major institution, war or political unrest. This risk also includes the failure of a government to meet its financial obligations and actions taken by a government or agency that may reduce the ability to exchange or redeem funds from its jurisdiction. If as a consequence, there is a movement in the exchange rates, you may incur financial loss.

Debit Cards

If you obtain debit card facilities for use in conjunction with a One Account provided under this PDS, your account may be subject to unauthorised transactions, for example, if your PIN for your debit card (if applicable) is lost or stolen. The Debit Cards Conditions of use contain information about this, and about what to do if your debit card or PIN may be lost, stolen or compromised.

Opening an account

To open an account please complete the Account Application Form included with this document or via Our online application available at boqspecialist.com.au and provide any additional required documentation as specified in the 'Account Opening Documentation Requirements' on page 11 of the application form or as required by BOQ Specialist (see the Foreign Account Tax Compliance Act (FATCA) section in this PDS).

Any offer to you and subsequent investment in our products will be based on the following:

- The information in your completed Account Application Form and all supporting documentation provided by you (as specified in the 'Account Opening Documentation Requirements' on page 11 of the application form);
- This Combined PDS and FSG (or any other PDS and FSG documents issued in respect of the relevant product);
- The Terms and Conditions of the relevant products set out in this Combined PDS and FSG (including any schedule and financial table provided for a One Account Overdraft or confirmation of interest rates);
- The Debit Card Conditions of use (if you apply for a debit card in conjunction with your One Account);

- The BOQ Specialist Online Banking Terms and Conditions (where you use Online Banking services); and
- Any Special Terms and Conditions and Supplementary PDS, if applicable, that We notify you of .

Once We have received the completed Account Application Form and all the required documentation, the offer of a product to you is at Our absolute discretion.

When applying for an overdraft on your One Account, depending on your personal and financial circumstances as well as the Credit Limit you are seeking, We may require security (generally, in the form of a charge, mortgage or bill of sale over your asset) before We can issue you a One Account. We also have the right to require you to provide security in respect of your overdraft facility under your One Account at any time while you hold the Account.

If you apply for a debit card in conjunction with your One Account, We will send any debit card issued to you to the address nominated by you in your application form. Please note that We will only issue debit cards to signatories of a One Account. If the primary card holder sets a monthly spend limit on the debit card, access to funds within the One Account via debit card will remain subject to such monthly spend limit unless and until such limit is changed by the primary card holder.

We may need to make enquiries to verify the information disclosed by you to us from time to time. If required by law, there may be reciprocal disclosure of information to other institutions.

If the National Credit Code applies to you and you may or may not be subject to special conditions or if there is a guarantor

If BOQ Specialist approves your Account Application Form and Credit Limit, BOQ Specialist will send you a BOQ Specialist One Schedule offering to enter into a contract with you for an Overdraft Account. You will be bound by the Terms and Conditions for the Transaction and Savings Accounts (with Overdraft) PDS and FSG, the Direct Debit Request – Service Agreement (if applicable) any Special Terms and Conditions (if applicable) and the Debit Card Conditions of use (if applicable) with respect to the Overdraft Account where you accept the offer as set out in the BOQ Specialist One Schedule. The BOQ Specialist One Schedule may require you to accept the terms of the Overdraft Account by signing and returning a specified document or may allow you to accept the terms in some other way.

If the National Credit Code does not apply to you but you are subject to special Terms and Conditions

If BOQ Specialist approves your Account Application Form and Credit Limit, you will be bound by the Terms and Conditions for the Transaction and Savings Accounts (with Overdraft) PDS and FSG, the Direct Debit Request – Service Agreement (if applicable) and the Debit Card Conditions of use (if applicable) with respect to the Overdraft Account where you accept the offer as set out in the BOQ Specialist One Schedule.

Automatic opening of a Private Access Account or One Account

When you apply for a Term Deposit or Notice Account under this PDS, We will automatically open either a Private Access Account or a One Account for you. The Private Access Account and One Account provides you with an additional method of facilitating electronic

transfers into Term Deposits and you have the option of requesting that withdrawals from Notice Accounts are to be paid out into this account.

If you are placing funds into a Term Deposit via electronic transfer, please deposit these funds into your Private Access or One Account and advise Us via email, telephone or fax of your intention to have these funds held on term.

Funds may also be deposited via Direct Debit and cheque and, if you have a debit card issued in conjunction with your One Account, cash at an ANZ branch (see 'Depositing funds' section in this PDS).

Existing customers

If you already hold a deposit account with Us, or We make other deposit products available to you in the future, We may be required to re-identify you. We may also be required to obtain information and/or documentation from you in respect of FATCA (see the FATCA section in this PDS). In the event that the authorised signatories to the deposit account are different We are required by law to verify their identity. In that instance, We will still ask that you sign the Account Application Form included in this document authorising the new signatories to act on the account. In the event that We do not require you to complete a new application form, you will, by virtue of the fact that you already hold a deposit account, be taken to have:

- agreed to be bound by the Terms and Conditions set out in this document, or set out in the PDS of the additional deposit product;
- provided the warranty and acknowledgement in the Account Application Form in this document, or in the application form of the additional deposit product PDS;
- warranted that We may rely on the information that you have supplied to Us in your Account Application Form completed for the deposit product you already hold or in this application form (including the authorised signatories who will operate your account); and
- warranted that the information in the previous application form is accurate and up to date (unless you have otherwise notified Us in writing).

If you wish to set up additional Designated Accounts to be linked to the new deposit account, you will still need to provide Us with these details in writing.

If you are an existing customer that wishes to apply for a debit card to be issued in conjunction with your existing One Account, you must contact Us and We will arrange for you to apply for a debit card. A debit card will be sent to you and by activation of your debit card or the first transaction using your debit card (whichever comes first) will be taken as your agreement to comply with the terms of the Debit Card Conditions of use and terms of the current PDS in relation to your One Account which will be accessible on BOQ Specialist's website.

Applying for other BOQ Specialist accounts

From time to time We may make other products ('additional product(s)') available under a separate PDS. Should you wish to apply for an additional product after completing the Account Application Form contained herein, We may require you to complete an additional application form unless the signatories are the same. We may also be required to obtain information and/or documentation from you in respect of

FATCA (see the FATCA section in this PDS). In the event that the authorised signatories are different We will need to verify their identity and obtain the completed application form authorising the new signatories to act on the account. In the event that We do not require you to complete a new application form, you will be taken to have:

- agreed to be bound by the Terms and Conditions set out in the PDS of the additional product;
- provided the warranty and acknowledgement in the application form of the additional product; and
- warranted that We may rely on the information that you have supplied to Us in the Account Application Form contained herein (including that the authorised signatories are authorised to operate the additional account).

If you wish to set up additional Designated Accounts for your additional product accounts, you will still need to provide Us with these details in writing.

Interest rates

The interest rate applicable to your account is subject to individual quotation. We will provide you with confirmation of the relevant interest rate at the time We open your account, and the interest rate confirmation will form part of the governing terms for your account. Interest rates on the Private Access Account, One Account and Notice Account are variable interest rates and may change at any time. The relevant interest rate applying to your accounts can be accessed within the Savings and Deposit section of Our website boqspecialist.com.au.

In the case of Term Deposits, the interest rate is fixed for each term. The rate applicable to your Private Access Account, One Account and your Notice Account will be shown on your statement and the interest rate applicable to your Term Deposit will be shown on your Term Deposit confirmation letter.

In relation to Notice Accounts a guaranteed minimum margin of 1.00% above the RBA official cash rate applies to the rate of interest you will receive on your account. Should this guaranteed minimum margin change, We will notify you in writing, giving you sufficient time to place notice prior to this change becoming effective.

Calculation of interest

For Private Access Accounts, One Accounts and Notice Accounts, interest is calculated on the daily closing credit balance of your account from the date of receipt of funds and is capitalised monthly. You may also request for your monthly interest to be deposited (subject to deductions for any adviser service fee, see page 13 (if applicable)) into your Designated Account, or, in the case of Notice Accounts, into your Private Access Account or One Account.

For Term Deposits, interest is calculated on the daily closing balance of your account from the commencement date. For Term Deposits less than 1 year, interest is capitalised on maturity (subject to deductions for any adviser service fee, see page 13 (if applicable)). For Term Deposits greater than 1 year, interest is paid annually. You may also elect to receive interest payments on your Term Deposit (subject to deductions for any adviser service fee, see page 13) periodically throughout the term. Should you wish to receive

periodic interest on your Term Deposit, please contact Us to obtain the Applicable Interest Rates, as these will differ from Our published Term Deposit rates.

For One Accounts, interest payable on any debit balance under the overdraft facility is calculated based on the daily closing debit balance of your account.

Interest charged on the debit balance under the overdraft facility occurs on the last day of the month. Interest is payable in full within 30 days after the date on which interest has first been charged. Interest charged is not deducted from any interest earned and is required to be paid in full. If the interest charged is not paid, then within seven days after due date, the Overdue Interest Rate will apply and will be charged to your Designated Account. The overdue interest rate is the Applicable Interest Rate Overdraft plus 4% p.a.

Online Banking

BOQ Specialist offers a 24/7 Online Banking service. By using BOQ Specialist Online Banking you will be able to:

- view all your accounts on one screen;
- check your account balances;
- download statements;
- transfer funds between your same named BOQ Specialist account(s);
- transfer funds to and from your Designated Account(s) subject to applicable cut off times, daily transaction limits and account designation;
- activate your debit card;
- change your debit card PIN;
- set up scheduled and future dated payments;
- request a withdrawal from your Notice Account via an Online Banking secure message - funds are payable to you after the expiry of the set notice period; and
- access Online Banking facilities through mobile devices.

Additional functionality is available for the BOQ Specialist One Account:

- capture BPAY biller details and make payments; and
- capture third party payee details and make payments.

Note: Where more than one signatory is required to operate the account, you will need two signatories to authorise a transaction in Online Banking. Where you have specified more than two signatories on an account, any two signatories can authorise payments.

Note: where there is more than one debit card holder, each card holder may transact without the other card holder's consent, subject to any monthly spend limit applicable to the debit card.

To register for Online Banking please call Our Client Service Centre on 1300 160 160 or +61 2 9293 2121 if calling from outside Australia. Online Banking is available to all signatories on your account, each of whom will need to contact the BOQ Specialist Client Service Centre individually to complete the registration process.

When you first seek to use BOQ Specialist Online Banking, the BOQ Specialist Online Banking Terms and Conditions will be provided to you. These Terms and Conditions will then be available to you whenever you have logged on to BOQ Specialist Online Banking. These Terms and Conditions may be updated by Us from time to time in accordance with their terms.

You should read these Terms and Conditions carefully, as they contain important information in relation to the operation of BOQ Specialist Online Banking, including in relation to security, charges, liability and indemnity.

Transaction limits

The following standard limits currently apply within Online Banking:

Transaction Type	Limit
BPAY payments	\$25,000
Third party payments	\$25,000
Designated account payments	\$25,000
Subject to a total daily payment limit	\$25,000
Internal transfer within same legal entity	Unlimited
Direct Debits	Unlimited

There are also limits that apply to the use of a debit card. These limits may change from time to time.

You may apply to increase these limits. This limit increase must be in writing or by secure mail and is at Our discretion. Decreasing limits can be done by you immediately within Online Banking.

Should you wish to instruct a Designated Account withdrawal in excess of this amount, please contact Us via phone, email or Online Banking secure message.

Online deposits into your BOQ Specialist account via Direct Debit are not subject to a daily limit.

Cut-off times

Online Banking transfers entered before 4pm (Sydney time) on a Banking Business Day in Sydney will be processed on the same day.

Online transfers requested via secure message must be received by 1pm for AUD transactions and 10am for foreign currency transactions, on a Banking Business Day in Sydney to be processed on the same day. If your withdrawal Instruction is received after the relevant cut-off time or on a day that is not a Banking Business Day in Sydney, We may process the withdrawal on the next Banking Business Day.

Future dated transactions

Future dated payments which fall on a non Banking Business Day in Sydney will be processed on the previous Banking Business Day to ensure you are able to meet any corresponding obligations in a timely manner. This applies to both "once only" and scheduled payments.

Designated accounts

You can nominate certain accounts at other institutions as your Designated Accounts. Details of your Designated Accounts and whether these accounts are to be credited, debited or both, must be specified on your Account Application Form or otherwise provided to Us in writing or via an Online Banking secure message.

Transfers to and from your Designated Accounts do not require a signed Instruction and may be requested via phone, email, fax and through Online Banking. Instructions for transfers to and from Designated Accounts will be accepted from any one signatory irrespective of the signing arrangements indicated in the "Authority to Operate" section of the Account Application Form. Transfers to and from accounts which are not your Designated Accounts will require a signed Instruction in accordance with the signing arrangements as indicated by you in the "Authority to Operate" section of the Account Application Form.

Designated Accounts at other institutions from which you wish to Direct Debit funds into your BOQ Specialist account must be in the same name as your BOQ Specialist account, and We will require confirmation of the account details (see 'Direct Debit' section in this PDS). Designated Accounts to which you would like to transfer funds from your BOQ Specialist account may be in the same name or in the name of a third party and We may not require confirmation of account details.

Depositing funds

Once your account has been opened deposits can be made in the following ways:

Depositing into your Private Access Account, One Account or Notice Account:

1. Electronic Transfer

AUD deposited in Australia

Account Name: Account holder name

BOQ Specialist BSB: 951-200

Account number: Your Private Access Account, One Account or Notice Account number at BOQ Specialist

AUD deposited overseas

Account Name: BOQ Specialist Bank Limited

BSB: 951-200

Account Number: 000001

SWIFT code: IVESAUS2S

Reference: Client or account number

2. Direct Debit

You may instruct Us by fax, telephone, email or secure message by 1pm (for AUD transactions and 10am for foreign currency transactions) Sydney time on a Banking Business Day to debit the relevant amount from a bank account that you hold at another institution. Please note that We will at Our discretion, only debit funds from an account held in the same name. This account that you wish Us to debit must be specified in the Account Application Form (or in such other form as We shall agree) and must be accompanied by a bank statement evidencing the account details.

We may carry out your Instruction to process a Direct Debit prior to receiving the supporting bank statement. However,

you will not be able to withdraw funds from your BOQ Specialist account until We have received the statement and have verified details of your Direct Debit account. In the event We are not able to satisfactorily verify details of your Direct Debit account, We may send the funds back to the account from which they originated.

Any requests received after 1pm on a Banking Business Day or on a day that is not a Banking Business Day may be processed on the next Banking Business Day in Sydney. Payment Instructions to and from your Designated Account will be accepted by any one signatory. Funds received via Direct Debit will require three Banking Business Days to clear prior to any withdrawals.

If you have elected to register for BOQ Specialist's 24/7 Online Banking service, you may also Direct Debit funds using Online Banking. Online Direct Debits may be processed from your same named Designated Account at another institution subject to the relevant cut-off times (see 'Designated Accounts' and 'Online Banking' sections in this PDS).

There is no daily limit applicable to deposits via Direct Debit. Please ensure you have sufficient funds available in the Designated Account from which you wish to debit funds, as a dishonour fee will apply if your Direct Debit is not cleared (see 'Fees and charges' section in this PDS).

3. Cheque

Cheques should be drawn in favour of the 'Account Holder name' and should be either:

- posted to the following address for banking on your behalf;

BOQ Specialist Bank Limited

PO Box 2539

Sydney NSW 2001

or

- deposited at a ANZ branch as follows:

Account Name: Name of your Account with

BOQ Specialist

Bank Name: BOQ Specialist Bank Limited

BSB: 951-200

Account Number: Your BOQ Specialist Account Number

Deposits in AUD made by cheque will require three Banking Business Days after the deposit has been made for the funds to clear prior to any withdrawals.

Please always advise Us of any cheque deposits made directly into the account to expedite processing. Endorsed third party cheques will generally not be accepted. Travellers cheques and bank drafts are not permissible.

4. Cash

For One Accounts that are issued in conjunction with a debit card, deposits may be made by way of cash at an ANZ branch (details above).

Depositing funds into a Term Deposit

To open a Term Deposit, or to increase the balance of an existing Term Deposit on the maturity date, you can transfer funds into your Private Access or One Account, deposit a cheque or instruct Us to Direct Debit your same named designated bank account. It is important that you notify Us of funds transferred into your account for the purposes of a Term Deposit prior to or as soon as possible after you

deposit funds, to enable Us to provide you with current term and rate options. Should you advise Us of your intention to hold funds on term prior to making a deposit, your Term Deposit and applicable rate will commence from the date of deposit. Should you request a Term Deposit after funds have been transferred to your account, the term commencement date and applicable rate will be effective as at the date of your request.

Minimum and maximum deposit amounts

While We have the discretion to determine deposit size for term and notice, We usually accept a minimum deposit amount of AUD10,000. No minimum deposits are required for Private Access and One Accounts. The maximum amount that can be deposited is at Our discretion.

Additional deposits

Additional deposits directly into your Private Access Account, One Account or Notice Account may be made at any time via any of the above methods.

You are able to make additional deposits into your Term Deposit on the maturity date via direct debit, cheque or EFT into your Private Access Account or One Account and notification to Us.

Currency conversion

A currency conversion involves a foreign exchange transaction. This is a contract between you and BOQ Specialist to exchange a specified amount in one currency for another currency at the prevailing exchange rate quoted by BOQ Specialist at the time of entering into the transaction. All foreign exchange contracts are settled immediately, on the same day that they are transacted, unless otherwise agreed. (Any payment Instructions then executed in relation to the proceeds will be subject to usual processing times).

You cannot cancel or change your foreign exchange transaction after the transaction has been agreed to by BOQ Specialist.

If you instruct Us to convert currency, whether depositing into, or withdrawing from your account, We will convert the currency at the applicable foreign exchange rate agreed by Us on the date and time of conversion and pay or credit you the conversion amount. Please note funds must be cleared prior to the processing of any foreign currency transactions. We will confirm the details of your foreign exchange contract including details of the exchange rate, the conversion amount and any transaction charges that may apply - within two Banking Business Days of the conversion.

Withdrawing funds

You, or a person authorised by you (as set out in your Account Application Form), may by fax, telephone, email or secure message, request a withdrawal from your Private

Access Account, One Account, Notice Account (subject to the applicable notice period) or Term Deposit.

Hardcopy payment Instructions will be accepted based on the signatory information you have provided to Us in the 'Authority to Operate' section of the Account Application form (including any later amendment). Hardcopy payment Instructions to third parties will be processed at Our discretion. For Online Banking, where more than one signatory has been provided, We will only accept the request when any two signatories to the account have authorized the transaction. Payments to third parties will be processed at Our discretion and based on the signatory information you have provided in the 'Authority to Operate' section of the Account Application Form.

If We receive your request before 1pm (Sydney time) on a Banking Business Day in Sydney We will process the withdrawal (or notice Instruction for Notice Accounts) on the same day. If We receive your request after 1pm (Sydney time) on a Banking Business Day in Sydney or on a day that is not a Banking Business Day in Sydney, We may process the Instruction on the next Banking Business Day.

If direct debit arrangements are available for your Account, you may authorise a merchant to debit funds from your account directly. Should BOQ Specialist receive such a request, We may process it at Our discretion, without seeking to verify your request with the other bank (subject to any cancellation).

Future dated payments which fall on a non Banking Business Day in Sydney will be processed on the previous Banking Business Day to ensure you are able to meet any corresponding obligations in a timely manner. This applies to both "once only" and scheduled payments.

For verification purposes, all third party payment Instructions received in writing (including Instructions received via fax and email) need to be confirmed via telephone. If you do not confirm your Instruction by phoning Us, We will endeavour to reach you by phone. If We are unable to do so, it will be at Our discretion as to whether We process the withdrawal.

If you have elected to register for BOQ Specialist's 24/7 Online Banking service, you may also transfer funds to your Designated Account and any third party account and BPAY biller using Online Banking subject to the relevant cut-off times, daily transaction limits and product type.

Please note that withdrawals will only be processed provided the funds are cleared and We have received all required account opening documentation.

For One Accounts that are issued in conjunction with a debit card, withdrawals may be made at an ATM or by EFTPOS.

From your Private Access Account

You may make withdrawals from your Private Access Account, provided the funds are cleared and We have received all required account opening documentation. Cleared funds in your Private Access Account are available for withdrawal daily, subject to the applicable cut-off times as described above.

From your One Account

Withdrawals from any credit balance of your One Account

can be made in the same manner as described above in relation to the Private Access Account. Your One Account also allows you to have an overdraft facility, where funds are made available to you up to the approved Credit Limit. You or a person authorised by you (as set out in your Account Application Form) may by fax, telephone, email or secure message, request a withdrawal from your overdraft facility in the same manner and subject to the same cut-off times as apply to the credit balance of your One Account.

From your Term Deposit

Term Deposits may be withdrawn on maturity. We may, at Our discretion, consider a request from you for a full or partial withdrawal of the Term Deposit prior to maturity. If We agree to your request, We will have the right to reduce the amount of interest payable to you (see 'Term Deposit - early withdrawal interest adjustment' section in this PDS).

From your Notice Account

You may provide Us with a withdrawal request, specifying the amount you wish to withdraw in accordance with the applicable notice period for your Notice Account. On the expiry of that notice period, funds will be paid out to the account you nominate, provided the funds are cleared and We have received all required account opening documentation. In the absence of payee details the withdrawal amount will be paid into your Private Access Account or One Account.

We may, at Our discretion, consider a withdrawal request from you. Any early withdrawal request from your notice account will only be considered by Us if the grounds for such request are based on hardship, as assessed and agreed to, by Us.

Fax or written withdrawal and notice Instructions

Electronic payments from your Private Access Account, Term Deposit or Notice Account, to non-designated bank accounts and third parties, will, subject to Our discretion, not be allowed. In the event that We do allow a third party payment, this needs to be in writing and in accordance with the authority as indicated in the 'Authority to Operate' section of the Account Application Form, clearly outlining full details of the payee.

For One Accounts, third party payments will be allowed in Online Banking where the payee has been established in Online Banking.

Telephone or email withdrawal and notice Instructions

Withdrawal and notice requests can be made via telephone or email. In these instances, all payments will be made electronically to the designated bank account only.

Withdrawal cut-off times

The following is a summary of the cut-off times for withdrawal Instructions to be processed on the same Banking Business Day. Any Instructions received after these cut-off times will be processed on the next Banking Business Day. Please note that as We are required to confirm all third

party withdrawal requests (other than payments through Online Banking) with you prior to processing, please endeavour to send Us your Instructions as early as possible.

Withdrawal transaction	Sydney time	Instruction method
Electronic Funds Transfers ('AUD')	1 pm	Fax, phone, email or secure message
Electronic Transfers - Foreign currencies	10 am	Fax, email or secure message
Online transfers (including BPAY)	4 pm	Processed directly through Online Banking
Placing notice	1 pm	Fax, phone, email or secure message

Please note that withdrawal cut-off times will not apply to withdrawals made at an ATM or by EFTPOS.

Maturity of Term Deposits

The principal invested in a Term Deposit and any unpaid interest are payable to you at maturity of the deposit. Should you wish to withdraw your deposit on maturity, please follow the withdrawal procedures (see the 'Withdrawing funds' section in this PDS).

In the event that you wish to vary your deposit on maturity, please send Us your Instructions in writing at least three Banking Business Days prior to maturity.

Unless you advise Us otherwise, at maturity We will re-invest your deposit for the same term at our prevailing rate of interest. For deposit with terms of 1 year or longer, the funds will be placed in an at call account. However, you are entitled to a grace period. The grace period extends for 5 business days from the term deposit previous maturity date. During this time, you have the option to make changes to your term deposit details or withdraw your funds, without incurring an interest adjustment. Our Terms and Conditions current at the time will apply.

Where you have been introduced to Us by an Adviser you can authorise the Adviser (and its authorised employees) to provide deposit maturity and commencement Instructions and request payments to and from any Designated Accounts that you may have set up by completing section 5 of the Account Application Form.

Placing notice on funds in Notice Accounts

You may elect to place notice on all or part of the funds in your Notice Account at any time. The relevant notice period will commence, subject to applicable cut off times, on the business day your notice Instruction is received. Should you place notice on all your funds in the Notice Account, the principal invested and any accrued interest are payable to the account nominated on completion of the notice period.

You may cancel the notice Instruction, or reduce the balance on which you have placed notice at any time via fax, email, Online Banking secure message or telephone. The cancellation of a pending notice Instruction can be performed up to two Banking Business Days prior to the expiry of the notice period.

Where you have been introduced to Us by an Adviser you can authorise the Adviser (and its authorised employees) to provide notice Instructions by completing section 6 of the Account Application Form.

Overdrawn accounts

All Deposit Accounts must maintain a positive balance. We are under no obligation to follow Instructions that would overdraw your account.

If you have a One Account (with overdraft) your debit balance must not exceed your approved Credit Limit.

You must immediately repay any overdrawn amount.

Increasing or decreasing your Credit Limit

To increase or decrease your Credit Limit, please request a One Account Credit Limit Increase/Decrease Form. All Credit Limit increases are subject to BOQ Specialist's credit approval criteria and all your existing BOQ Specialist accounts being in good order at the time of processing.

Repayment of overdraft

We may require you to repay the whole or part of the total amount owing under your One Account overdraft facility at any time. You must repay in full the amount requested by the time We specify in the request.

Statements

We will provide you with a monthly statement for your Private Access Account, One Account and Notice Accounts. These will be provided by mail, unless you have otherwise indicated to Us in the form that We agree. Please check your statements carefully. You agree to notify Us within one month of receiving your statement if there are any queries. For Term Deposits, on opening and on reinvestment of a Term Deposit, We will mail you a confirmation letter detailing the amount invested, account type, interest rate, start date, maturity date and maturity amount. We will also provide you an annual tax statement for all your accounts, detailing the interest earned and withholding tax applied (if any) for the previous tax year ended 30 June.

Where you have been introduced to Us by an Adviser We will send the Adviser duplicate copies of your account correspondence (and otherwise respond to your adviser regarding to your adviser regarding enquiries on your behalf) unless you specify otherwise.

Fees and charges

The following table sets out the fees and charges that currently apply to your account excluding Debit Card specific fees (these are set out in a Debit Card Fee Schedule attached to the Debit Card Conditions of use on page 52).

	Private Access Account	One Account	Term Deposit	Notice Account
Application fee where Overdraft Facility applied for**	Nil	AUD395	Nil	Nil
Account keeping fee	Nil	Nil	Nil	Nil
Direct Debit fee	Nil	Nil	Nil	Nil
Transaction fee (overnight)	Nil	Nil	Nil	Nil
Transaction fee (international)	AUD30	AUD30	AUD30	AUD30
Transaction fee (Real Time Gross Settlement (RTGS) which is same day payment requests)	AUD30	AUD30		
Dishonour fee	AUD45	AUD45	AUD45	AUD45
Bank cheque	AUD10	AUD10		
Overdrawn Account fee	AUD15	AUD15		
Trace fee	AUD20	AUD20		AUD20
Duplicate & Interim Statement fee	AUD5	AUD5		AUD5
Online Banking security credential	NIL	NIL	NIL	NIL
Replacement of Online Banking security credential	AUD50	AUD50	AUD50	AUD50
Bank Audit Certificate	AUD30	AUD30	AUD30	AUD30
Adviser Service fee (if applicable)	Refer to pg 5 of the application form	Refer to pg 5 of the application form	Refer to pg 5 of the application form	Refer to pg 5 of the application form

* In addition, if you have a Term Deposit or Notice Account and We permit you to withdraw your funds prior to its maturity date, or prior to the expiry of the applicable Notice period, We may reduce the amount of interest payable to you (see the 'Term Deposit - early withdrawal interest adjustment' section and Notice Account - early withdrawal interest adjustment' section in this PDS) BOQ Specialist may vary fees from time to time and We will notify you of any such changes.

** If your One Account is approved and established, this fee will be debited from your account.

For debit card fees and charges please see attached, the Debit card Conditions of use.

Dishonour fee

Please note that if you instruct Us to Direct Debit your Designated Account and there are insufficient funds available, or you bank a cheque which does not clear, a dishonour fee will be charged to your relevant Private Access Account, One Account or Notice Account, or in the case of a Term Deposit, deducted from the deposit made. This dishonour fee will also apply if you instruct another institution to debit your BOQ Specialist account and there are insufficient or uncleared funds available.

Fees payable by Us - Referral fees

If a financial planner, adviser or another party ('Introducer') refers you to BOQ Specialist, We may pay the Introducer a fee, if permitted by law. We reserve the right to decide whether We will make these payments and the basis on which they are calculated and paid. The amount payable will never exceed 0.3% of the interest paid by BOQ Specialist on your deposit accounts. We may also provide account information to the Introducer, subject to your completion and signing of the Adviser Authority in the account application form.

Fees payable to your adviser – Adviser Service Fee Facility

If you agree to pay your adviser an amount ("Adviser Service Fee" on page 5 of the application form) in connection with investing in a Transaction and Savings Account, you may request to use the "Adviser Service Fee Facility" as a simple way to make that payment. Under the Adviser Service Fee Facility, you appoint BOQ Specialist as your agent to pay to your adviser on your behalf your specified Adviser Service Fee amount.

You must set out in your Application Form the amount of the Adviser Service Fee you would like to pay through the Adviser Service Fee Facility (expressed as a percentage of the balance of your specified accounts over the quarter). Adviser Service Fee payments will be paid quarterly around the beginning of each calendar quarter (for part quarters, the payment will be pro-rated) until you notify BOQ Specialist to cease paying the Adviser Service Fee. You must provide BOQ Specialist your adviser's payment details.

BOQ Specialist will pay an amount equal to the Adviser Service Fee to your adviser on your behalf:

- for One Accounts, Private Access Accounts or Notice Accounts, as a deferred payment of a portion of the interest earned on your account; or
- for Term Deposits, as a pre-payment of a portion of the interest on your account.

BOQ Specialist may refuse your request to use the Adviser Service Fee Facility in respect of any application.

Example

Assume that you have a Term Deposit with a balance of \$20,000. Assume also that you agree to pay to your adviser a quarterly Adviser Service Fee equal to 0.3% p.a. (excluding GST) of your average account balance. The quarterly Adviser Service Fee amount will be $\$20,000 \times 0.30\% / 365 \times 91$ (91 being number of days in relevant calendar quarter) = \$14.96 (excluding GST). BOQ Specialist will, on your behalf, pay to your adviser the Adviser Service Fee amount of \$14.96 (plus GST) as a prepayment of a

portion of the interest payable on your Term Deposit. This payment will reduce the amount of interest you receive at maturity of the Term Deposit.

This example is included for illustrative purposes only. It is not intended as an indication of any Adviser Service Fee amount you may agree with your adviser.

Term Deposit – early withdrawal interest adjustment

We may permit early withdrawal of your Term Deposit at Our discretion. Should We agree to a withdrawal of part or all of your funds before the scheduled maturity date, or the expiry of the applicable notice period, We may reduce the amount of interest payable to you by an amount limited to the total amount of interest earned to date, calculated as follows:

% of Term Elapsed	Interest Rate Reduction
0 to less than 20%	90%
20% to less than 40%	80%
40% to less than 60%	60%
60% to less than 80%	40%
80% to less than 100%	20%

The amount of interest payable to you will also be reduced by any adviser service fee payable.

Example

A term deposit of \$100,000 for one year at 5% per annum is closed after nine months:

1. Calculate the interest that has accrued on the Term Deposit

Divide the interest rate by 365 to obtain the daily interest rate:

$$0.05 (5.00\%) / 365 = 0.000136986 (0.0136986\%)$$

Multiply this by the principal amount to calculate the interest earned each day:

$$\$100,000 \times 0.000136986 (0.0136986\%) = \$13.70.$$

Multiply this by the number of days that the deposit has been open:

$$\$13.70 \times 274 \text{ days} = \$3,753.42$$

2. Calculate the interest reduction. Determine the percentage of the original term that has elapsed:

$9/12 = 0.75$ (75%). As 75% of the original term has elapsed, an interest reduction of 40% of the interest earned is applied. Multiply the interest earned by 0.40 (40%) to calculate the reduction:

$$\$3,751.06 \times 0.40 (40\%) = \$1,501.37$$

3. Subtract the interest reduction from the interest earned to calculate the interest that you receive:

$$\$3,753.42 - \$1,501.37 = \$2,252.05.$$

You receive \$2,252.05 in interest.

If interest has already been paid to you, you authorise Us to debit your account to the extent necessary to adjust the amount payable to you, as set out above.

Notice Account – early withdrawal interest adjustment

We may permit a withdrawal from your Notice Account prior to the expiry of the requisite Notice period on hardship grounds, as assessed and agreed to, by Us. Early withdrawals from your Notice Account are at Our discretion. Should We agree to a withdrawal of part or all of your funds before the expiry of the applicable notice period, We may reduce the amount of interest payable to you by the total amount of interest that you would have earned on the withdrawn amount over the period in respect of which notice has not been given.

The total early withdrawal interest adjustment is limited to no more than the total amount of interest earned by you from the inception of your Notice Account to the date of early withdrawal.

If interest has already been paid to you, you authorise Us to debit your account to the extent necessary to adjust the amount payable to you, as set out above.

Example

A client requests to withdraw \$100,000 from his 32 day Notice Account and he requires the funds in 3 days time. The interest rate applicable to the 32 day Notice Account at the time of withdrawal is 5% p.a.

1. Calculate the daily interest that would be earned on the Notice Account

Divide the interest rate by 365 to obtain the daily interest rate:

$$0.05 (5.00\%) / 365 = 0.000136986 (0.0136986\%)$$

Multiply this by the early withdrawal amount to calculate the interest earned each day:

$$\$100,000 \times 0.000136986 (0.0136986\%) = \$13.70.$$

2. Calculate the number of days between the date of early withdrawal and the required notice period:

$$32 - 3 = 29$$

3. Calculate the interest reduction:

$$\$13.70 \times 29 = \$397.30$$

This amount will be deducted from the interest earned to date on the account. The client will receive \$100,000 with the balance remaining in the Notice Account.

Government taxes and duties

Government taxes and duties will, where applicable, be deducted from your account. Government taxes and duties cannot be paid in cash or deducted from another account.

Change of account details

Please notify Us in writing of any changes to your name address, authorised signatories to the account, or designated bank account details as soon as possible. Designated Account details may be changed by informing Us in writing and authorised in accordance with your 'Authority to Operate' Instructions in the Account Application Form. We will not be responsible for any errors

or losses associated with any changes in account details if We have not received adequate prior notice in writing of any such changes.

Closing your account

You may close your Private Access Account at any time. All funds in your Private Access Account (including all interest accrued on the account up to the date of closing the account) will be paid into your Designated Account prior to the account being closed.

If you have a One Account you may close your account at any time after you have repaid in full the outstanding overdraft amount (if applicable) including any interest accrued up to the date your account is closed. If you have a credit balance in your One Account all funds (including all interest accrued on the credit balance up to the date of closing the account) will be paid into your Designated Account prior to closure of the account.

You may close your Notice Account, subject to placing notice on your deposit, on completion of the relevant notice period. All funds in your Notice Account (including all interest accrued on the account up to the date of closing the account) will be paid to your Designated Account at the time of closure.

BOQ Specialist may, at its sole discretion, also close your account (including a Term Deposit prior to its maturity or Notice Account prior to the expiry of the notice period) under certain circumstances specified in the Terms and Conditions for Transaction and Savings Accounts. Any credit balance in your account (including any accrued interest up to the date of termination but less any applicable fees) will be paid out to you upon the account being closed.

Inactive accounts

We reserve the right to close inactive accounts. Inactive accounts are accounts that have a nil balance or where no activity has occurred on the account for a reasonable period. Where We close an inactive account, We may return any credit balance in the account by paying it into your designated bank account, by cheque, or by transferring it to any 'unclaimed moneys fund' in accordance with applicable law.

New accounts

Everyone who opens a new account and all signatories to the account are required by law to be identified. The identification requirements for each signatory and supporting documentation required for business, superannuation fund and trust accounts are outlined in the 'Account Opening Documentation Requirements' section in this PDS. Please note you may not withdraw funds from your account until all documentation requirements have been fulfilled.

Anti-Money Laundering

BOQ Specialist is required to comply with the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* and its associated Rules (AML/CTF Law). This means

that BOQ Specialist will require you to provide personal information and documentation in relation to your identity when you invest in one of our products. BOQ Specialist may need to obtain additional information and documentation from you to process your application or subsequent transactions or at other times during your investment.

BOQ Specialist will in accordance with the AML legislation and Visa scheme rules need to identify you as well as any additional card holders and anyone acting on your behalf, including any power of attorney, prior to opening your account. We may not, at our discretion, open a new account for you until all relevant identity information and documentation has been received and satisfactorily verified. In some circumstances, BOQ Specialist may need to re-verify this information.

By applying for an account with Us, you also acknowledge that BOQ Specialist may decide to delay or refuse any request or transaction on your account, including any withdrawal or deposit request, if it is concerned that the request or transaction may breach any legal or regulatory obligation or cause BOQ Specialist to commit or participate in, an offence under any law. Where transactions or accounts are blocked, delayed, frozen or refused by BOQ Specialist in accordance with this section, you agree that BOQ Specialist is not liable for any loss suffered by you, any additional card holder or other third parties arising directly or indirectly as the result of BOQ Specialist taking this action. Notwithstanding that you may already have an account with Us and that you may have previously provided all account opening documentation, BOQ Specialist reserves the right to request additional and/or updated information.

Tax File Number ('TFN') or Australian Business Number ('ABN')

Under Commonwealth law, accounts earning interest are subject to TFN legislation. The collection of tax file numbers is authorised and their use and disclosure are strictly regulated by the tax laws and the Privacy Act 1988 (Cth). If applicable, please state your TFN or exemption category in the Account Application Form. Alternatively, corporate and business investors may quote their ABN. It is not an offence for you not to provide your TFN. However, if you choose not to provide it, We are obliged to deduct withholding tax from any interest earned. If a TFN or ABN is not supplied, withholding tax calculated at the highest marginal tax rate, plus the Medicare Levy, will be deducted from interest for Australian residents. For non-residents, 10% withholding tax will be deducted. For more information about the use and disclosure of TFNs please call your nearest Tax Office.

Taxation

The interest earned on the credit balance of your account will generally be in the nature of interest income, and will need to be declared as such in your tax return in the year in which it is earned. Interest expenses incurred on the overdraft facility component of the One Account for business purposes are generally tax deductible. The taxation information in this document is a general statement as to the taxation implications that may normally arise for an Australian resident taxpayer. BOQ Specialist makes these statements without reference to your particular

circumstances and based on Our understanding of the general operation of the taxation laws at the time of formulating this document. Each person's circumstances are different and BOQ Specialist recommends that you seek independent and professional financial and taxation advice before making any investment.

Customer information and privacy

This section should also be read in conjunction with the Privacy Declaration in section 7 of this Application Form.

BOQ Specialist recognises that your privacy is very important and that you have the right to protect your personal information. BOQ Specialist may collect your personal information from you or from any joint applicant or account holder, public sources, information brokers, other credit providers, introducers and third parties to whom BOQ Specialist may disclose your personal information as described in this section and in section 14 of the Account Application Form. Some of the personal information BOQ Specialist collects about you is collected as required or authorised by laws such as the *National Consumer Credit Protection Act 2009 (Cth)*, the *Banking Act 1959 (Cth)* and the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*.

Some of the third parties to whom BOQ Specialist may disclose your personal information may be located in South Africa, United Kingdom, New Zealand, Philippines, India, Singapore, the United States of America and other countries. While these third parties outside Australia will often be subject to privacy and confidentiality obligations, you acknowledge that: (a) they may not always comply with those obligations or those obligations may differ from Australian privacy laws; (b) BOQ Specialist will not be accountable for the third party under the Privacy Act; (c) you may not be able to seek redress under the Privacy Act; and (d) the third party may be subject to foreign laws which might compel further disclosures of personal information (e.g. to government authorities).

If you do not provide BOQ Specialist with your personal information, BOQ Specialist will not be able to assess your eligibility for the product.

BOQ Specialist may also use your personal information to provide you on an ongoing basis by any means including telephone, email and other electronic message with information about other financial products or services that BOQ Specialist thinks might be of interest to you. Tick the box on the Account Application Form if you do not wish to receive information on BOQ Specialist's other products and services.

BOQ Specialist reserves the right to change BOQ Specialist's privacy policy at any time. For further information on BOQ Specialist's privacy and information handling practices, please refer to the BOQ Specialist Privacy Policy, which is available at boqspecialist.com.au or upon request by calling 1300 160 160.

The Privacy Policy contains further details about how BOQ Specialist handles personal information, and matters such as website privacy, credit reporting bodies used and your access, correction and complaint rights in relation to BOQ Specialist and those credit reporting bodies. You can contact BOQ Specialist's Privacy Officer at privacy@boqspecialist.com.au or by calling 1300 160 160.

Foreign Account Tax Compliance Act (FATCA)

BOQ Specialist is a reporting Australian Financial Institution under the Australia-US Intergovernmental Agreement (IGA) in relation to FATCA.

BOQ Specialist will conduct due diligence on prospective account holders and on existing account holders to comply with BOQ Specialist's obligations under the IGA. If you are applying for an account, you will need to provide BOQ Specialist with certain information and/or documentation when completing the Account Application Form and otherwise on request. While you are an account holder, you may need to provide BOQ Specialist with certain information and/or documentation on request.

BOQ Specialist may report information about you and your account to the ATO. Generally, BOQ Specialist will report to the ATO information about you if you are a U.S. citizen or resident, a certain type of U.S. entity or a certain type of non-U.S. entity that is controlled by one or more U.S. citizens or residents, and will also report information to the ATO on any payments BOQ Specialist makes to "Non participating Financial Institutions", as defined in the IGA. If you do not provide BOQ Specialist with the required information and/or documentation upon request, BOQ Specialist may be required to report information in respect of you and your account to the ATO and/or may not open an account for you.

In accordance with the IGA, the ATO will share information reported to it by Australian financial Institutions with the U.S. Internal Revenue Service.

You should consult with your tax adviser for further information on how BOQ Specialist's due diligence and reporting obligations under the IGA may affect you.

Access to your personal information

The law allows you (subject to permitted exceptions) to access your personal information. You can do this by contacting:

Privacy Office
BOQ Specialist Bank Limited
Level 23
The Chifley Tower
2 Chifley Square
Sydney NSW 2000

BOQ Specialist may charge you a reasonable administration fee for access.

What if I have a Complaint?

If you have a complaint, please raise it with BOQ Specialist.

All complaints should be in writing, addressed to:

Complaints Officer
BOQ Specialist Bank Limited
GPO Box 2539
SYDNEY NSW 2001

We will try and resolve your complaint quickly and fairly and respond to you within 5 days of receiving the complaint. If you are not satisfied with the outcome of the above process, or BOQ Specialist's determination, you have the right to

refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent body that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry. Further details about FOS are available at the FOS website: fos.org.au. FOS can also be contacted by telephone on 1300 780 808 or email info@fos.org.au.

About BOQ Specialist

BOQ Specialist Bank Limited (BOQ Specialist) (ABN 55 071 292 594) provides a broad range of financial products and services. As a wholly owned subsidiary of Bank of Queensland Limited ABN 32 009 656 740 (BOQ), BOQ Specialist's core focus is on delivering distinctive lending and banking products for professionals but what makes Us truly different is our depth of knowledge of the markets in which We operate. BOQ Specialist is an Australian financial services provider with over 20 years' experience in working with professionals.

Our broad range of personal and business banking options include transactional and savings accounts, credit cards, residential mortgages, practice purchase and fit-out loans, car loans, SMSF loans and property investment loans. Our approach is characterised by responsive personal service, unconventional thinking, and an ability to be nimble, flexible and innovative.

Further information

For any enquiries or further information on BOQ Specialist Transaction and Savings Accounts, please contact Us on the details below:

Sydney

Level 23
The Chifley Tower
2 Chifley Square
Sydney NSW 2000

Tel 1300 160 160
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Melbourne

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Updating information

The information in this document is subject to change from time to time and is up to date as at the date of revision set out above. Where the new information is materially adverse, We will either issue a new PDS or a supplementary one, setting out the updated information. Where the new information is not materially adverse, We will not issue a new or supplementary PDS to you, but you will be able to find the updated information on our website boqspecialist.com.au or by calling Us on 1300 160 160. If you request, We will send you a paper copy of the information.

Terms and Conditions for Transaction and Savings Accounts

Definitions

In these Terms and Conditions the following words have the following meanings, unless otherwise specified or the context requires otherwise:

Account holder means the holder of the relevant BOQ Specialist account.

Applicable Interest Rate means the interest rate applicable to your deposit, as determined by Us and advised to you in accordance with industry practice.

Applicable Interest Rate Overdraft means the interest rate applicable to your overdraft, as specified in the Schedule that is part of this agreement or as amended in accordance with clause 63.

Banking Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Sydney, Australia.

BOQ Group means Bank of Queensland Limited ABN 32 009 656 740 (BOQ) and its related bodies corporate. BOQ Specialist Bank Limited is a wholly owned subsidiary of BOQ.

BOQ Specialist/We/Our/Us means BOQ Specialist Bank Limited (ABN 55 071 292 594) (AFSL 234975).

Business EFT Transaction means that part of an electronic funds transfer which involves the debiting or transfer of value from, or the receipt or crediting of value to, an account using the Online Banking service where such account is designed primarily for use by a business and established primarily for business purposes.

Credit Limit means the credit limit which We approve from time to time in respect of your One Account.

Debit Interest Calculation Method means the calculation method set out in clause 63.

Designated Account means the bank account you have nominated in the Account Application Form, or as notified subsequently to Us in writing in a form acceptable to Us, as the Designated Account from which and to which payments to/from your Private Access Account, One Account, Notice Account and/or Term Deposit are to be made.

Direct Debit Request means the Direct Debit Request between Us and you.

Electronic Funds Transfer (or EFT) refers to the electronic exchange of money of value.

Guarantor means the person or persons named in the Account Application Form as the guarantor (if applicable). If there is more than one guarantor, it means each of them separately and any two or more of them jointly.

Insolvency Event means:

- bankruptcy;
- winding up;
- liquidation;
- any arrangement, assignment, moratorium or composition or protection from creditors under any statute; or

- something having a substantially similar effect to the occurrences in the above paragraphs happens in connection with that party under the law of any applicable jurisdiction.

Instruction has the meaning given in clause 27.

National Credit Code means the National Credit Code in Schedule 1 of the National Consumer Credit Protection Act 2009 (Cth) and any Regulations made for the purpose of the National Credit Code, including without limitation Chapter 7 of the National Consumer Credit Protection Regulations 2010 (Cth). The note before clause 60 explains when the National Credit Code applies to this Agreement.

Online Banking Terms and Conditions means the BOQ Specialist Online Banking Terms and Conditions that you agree to when registering for Online Banking services.

Overdue Interest Rate means the Applicable Interest Rate Overdraft plus 4% per annum.

PPS Act means the Personal Property Security Act 2009 (Cth).

Personal EFT transaction means that part of an electronic fund transfer which involves the debiting or transfer of value from, or receipt or crediting of value to, an account using the Online Banking service, other than a business EFT transaction.

Security Interest means any interest held as security for the payment of a monetary obligation or the performance of any other obligation, including:

- a legal or equitable mortgage, charge, encumbrance, lien, pledge, hypothecation, bill of sale, assignment, title retention or deposit arrangement, caveat, trust or power held as security; or
- right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- third party right or interest or any right arising as a consequence of the enforcement of a judgment; or
- anything that is a 'security interest' as defined under the PPS Act,
- or any agreement to create any of the above or allow them to exist.

Special Terms and Conditions means any additional Terms and Conditions that We notify you of which apply in addition to the Terms and Conditions.

Terms and Conditions means the Terms and Conditions set out below and any special Terms and Conditions or variations in conditions, if applicable, that We notify to you.

You means the person described in the Account Application Form as the Account Holder and that person's successors and permitted assigns, and 'your' has a corresponding meaning. If more than one person is described as the Account Holder in the Account Application Form, it means each of those persons separately and any two or more of them jointly.

1. If you are opening a Term Deposit or Notice account, you also consent to BOQ Specialist opening, at its discretion, a Private Access or One Account in your name. This Account will act as the clearing account for Term Deposit funds, and will be the account into which withdrawals from your Notice account may be paid. You will be allocated a Private Access or One Account or Notice Account number and you can use this to deposit funds by Electronic Funds Transfer. These funds will only be placed into a Term Deposit account once you notify BOQ Specialist of this deposit and agree with BOQ Specialist the relevant terms of the Term Deposit.
2. Funds invested in a Term Deposit account may be deposited by Direct Debit, cheque or transferred from your Private Access or One Account. For Term Deposits, you must notify BOQ Specialist of your deposit into your Private Access or One Account before you deposit funds or as soon as possible after you deposit funds into your Private Access or One Account in order to agree with BOQ Specialist the term, amount and rate applicable to your Term Deposit. You will only earn the rate of interest agreed with Us for your Term Deposit from the date of your notification to BOQ Specialist and agreement by BOQ Specialist (provided funds have been received), not from the value date of the deposit of funds into your Private Access or One Account.
3. You agree to be bound by, and to act in accordance with, Our standard deposit taking practices and procedures (and Our standard overdraft facility practices and procedures, if you hold a One Account) as described in the Transaction and Savings Accounts Combined PDS and FSG dated 1 August 2014. You also agree to be bound by, and to act in accordance with, any future changes to Our deposit-taking practices and procedures (and Our overdraft facility practices and procedures, if applicable) as notified to you from time to time.
4. Change of address and signatory details in relation to your account must be signed by you and submitted to Us in writing as soon as possible.
5. All cheques deposited must be made payable to the Account Holder. Endorsed third party cheques will generally not be accepted, although We reserve the right in our absolute discretion to accept a third party cheque. If We accept a third party cheque We do so subject to you indemnifying Us in accordance with these Terms and Conditions. The amount stated on a cheque received by Us shall not be deemed to have been paid to or received by Us and no withdrawals or transfers of funds may be made against it until the amount of the cheque has been unconditionally credited to Our account. Generally this takes three working days for Australian dollar cheque deposits.
6. Funds received via Direct Debit will require three working days to clear prior to any withdrawals from your BOQ Specialist account.
7. You authorise Us to, at Our discretion, confirm the BSB, account number and account name you have provided with the external financial institution nominated in the Direct Debit Request, as provided in the Account Application Form.
8. Prior to the opening of your account, you must provide Us with an original, completed and signed Account Application Form, together with the necessary supporting documentation required by Us, including statutory proof of identity and (if required by Us in the case of a corporation) a resolution authorising the opening of the account.

We may be able to identify you via electronic means, using public domain databases. If We are able to identify you successfully using electronic means We may not require additional identification documentation to be provided with your Account Application Form. If this is unsuccessful, you will need to provide Us with certified copies of the above requisite documents.
9. We reserve the right in Our absolute discretion not to accept an application for opening an account.
10. You consent to Us making enquiries of any nature for the purpose of verifying the information disclosed in your Account Application Form.
11. You consent to provide information in response to enquiries regarding the purpose of any funds transfers that you request to be carried out on your behalf, particularly non-domestic transfers.
12. We have a duty of confidentiality towards you except in circumstances where:
 - a. disclosure is compelled by law (except this paragraph does not permit Us to disclose any information of the kind referred to in section 275(1) of the PPS Act unless section 275(7) of the PPS Act applies);
 - b. there is a duty to the public to disclose;
 - c. the interests of BOQ Specialist require disclosure; and
 - d. disclosure is made with your express or implied consent.
13. You agree to indemnify Us against any claims, loss or damage that We may suffer from whatsoever cause (including legal costs on a full indemnity basis) arising in connection with:
 - a. the enforcement of Our rights under these Terms and Conditions; or
 - b. your non-compliance with these Terms and Conditions.

However, to the extent that the National Credit Code applies to a One Account, the maximum amount you must pay Us under this agreement is the amounts advanced to you or at your request, together with fees and interest charges payable under this agreement, and Our reasonable enforcement expenses, reasonably incurred.
14. Under Part 2 of the Australian Securities and Investments Commission Act 2001 (Cth) (ASIC Act), certain warranties (Implied Terms) are implied into contracts for the supply of financial services if:
 - a. the price of the services is \$40,000 or less; or
 - b. the services are of a kind ordinarily acquired for personal, domestic or household use (PDH Services); or
 - c. the services are of a kind ordinarily acquired for business use and are acquired for use in connection

with a business employing less than 20 people or, if the business is or includes the manufacture of goods, 100 people (Small Business Services).

If the services supplied under this contract are PDH Services, the operation of the Implied Terms cannot be, and are not in this contract, excluded or limited.

If the services supplied under this contract are not PDH Services and:

- d. the price of those services is \$40,000 or less; or
- e. the services are Small Business Services, BOQ Specialist can, and does, limit its liability for breach of any Implied Term to (at BOQ Specialist's option) re-supplying the services or the cost of having the services re supplied.

Except for the Implied Terms, BOQ Specialist excludes all warranties and conditions implied by statute, at law, in fact or otherwise.

Other than liability under the Implied Terms, BOQ Specialist, Our related bodies corporate, Our directors, Our employees, agents and/or contractors exclude any and all liability to you.

- 15. We may suspend operations of any or all your accounts and/or our services if our client records, accounts or services are not available or access to such records, accounts or services is hindered as a result of force majeure, any calamity or condition, industrial action, computer breakdown or sabotage, or any other reason whatsoever, including without limitation, a similar event occurring to our agents and service providers.
- 16. You undertake to advise Us immediately of any material circumstances which may affect our business relationship with you.
- 17. Without prejudice to any other rights which We may have under these Terms and Conditions or at law, you agree that We will be entitled to recover from you any amount of money paid to you to which you may not be entitled for any reason, plus interest thereon at the then Applicable Interest Rate and any expenses incurred by Us in relation to such a circumstance. We need not debit any such amount to an overdraft.
- 18. Your address for service of all notices and other communications is the mailing address detailed in your Account Application Form, or as notified in writing to Us from time to time. Monthly statements will be provided to you in accordance with clause 43.
- 19. Except where the National Credit Code applies to a One Account, if you are a joint account holder, unless you or any of the account holders request otherwise, all notices and other communications (including statements and notification of any variation to these Terms and Conditions) will be forwarded to you at the address specified as the mailing address for all account holders on the Account Application Form, or as notified in writing to Us from time to time.

This clause explains how notices may be given if the National Credit Code applies.

- a. A notice or other communication connected with this agreement ("Notice") must be in writing and given by a party, its authorised officer, or its lawyer. A Notice must be:

- b. delivered to the recipient's address or as set out in the Account Application Form;
- c. posted to the recipient's address as set out in the Account Application Form by prepaid ordinary post or airmail; or
- d. faxed to the recipient's facsimile number as set out in the Account Application Form.
- e. With your consent some Notices (but excluding default notices and most notices to Guarantors) may be sent to you by email instead. If you specify an email address in the Account Application Form, you consent to Us sending Notices in relation to this agreement to you by email to that address. While a consent is in effect, We need not send any Notices in another way such as by post).
- f. You may withdraw a consent at any time.
- g. Service of a Notice is considered to have occurred, if sent as a:
 - h. delivered letter at the time it is delivered;
 - i. posted letter on the 3rd Business Day after posting or the 7th, if posted to or from a place outside Australia;
 - j. facsimile on production of a report by the sender's facsimile machine, confirming the successful transmission to the addressee's facsimile number of all pages comprising the notice; or
 - k. email when the sender receives an automated message confirming delivery; or four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered, whichever happens first.
 - l. A Notice may be given and signed by a party's lawyer and delivered to a party's lawyer by any of the means listed in this clause or to the lawyer's business address, DX box, facsimile address or email address.
 - m. You may nominate one of you to receive Notices on behalf of all joint account holders by completing a form required under the National Credit Code (however, any of you can revoke that nomination by giving Us notice).
- 20. You warrant that you will be acting as principal in all transactions with Us and that you have proper legal title to all amounts invested or deposited with Us.
- 21. You agree to comply with all regulations or laws applicable to your account and undertake to provide any documentation, information or approvals (in original or certified form) as We may deem necessary to give effect to the opening of your account, under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and other applicable laws.
- 22. Any variation to, or termination of, the account given by you or your authorised representative will only bind Us if it is permitted under the Terms and Conditions of that account and it is received in writing, or notified to Us by such other means of communication as may be acceptable to Us, and provided that such variation or termination is acceptable to Us.

However, for a Private Access or One Account, We may only do this:

- a. to pay fees and charges for which you have instructed Us to debit your Account; or
 - b. by exercising our right to combine the Account with other accounts you have with Us.
23. We may in Our discretion set-off, debit, appropriate or encumber funds in your account without notice to you in part or total payment of (or as security for) any money you owe, or may owe to Us whether, without limitation, under a foreign currency or other transaction or in connection with any account held by you excluding Debit Card specific fees (these are set out in a Debit Card Fee Schedule attached to the Debit Card Conditions of use).
24. You must not assign, novate, transfer or otherwise deal with any of your rights under this agreement or delegate any of your obligations as an Account Holder without Our prior written consent. We may in Our absolute discretion, grant or withhold Our consent. We may, without your consent, assign, novate or otherwise transfer all or any part of Our rights and obligations under this agreement provided that, where you acquired the services wholly or predominantly for personal, domestic or household use or consumption, the person to whom We novate or transfer our obligations under this agreement must have the ability to meet the obligations novated or transferred to it.
25. You acknowledge that when providing Us with Instructions, particularly in relation to scheduling payments in the future, it is your responsibility to ensure that sufficient cleared funds are available for the payment to be processed. You agree to release Us from any liability whatsoever; which you or any other party may suffer as a result of insufficient funds in your account to meet your Instructions and you indemnify Us for any loss, claim, damage or expense We may suffer as a result of giving effect to such Instructions.

You must pay Us the dishonour fee specified in the Schedule where a payment is dishonoured.

If the account becomes overdrawn (whether as the result of Us acting on an Instruction, or debiting other amounts such as interest and fees), you must repay the overdrawn amount immediately.

You must pay Us the overdrawn fee specified in the Schedule where the account becomes overdrawn.

If you have a Debit Card issued on the account, the available cleared funds can be reduced by reference to Debit Card transactions which have been authorised but not yet processed. See the Debit Card Conditions of use for more details.

26. This clause 26 does not apply if you are a 'retail client' (within the meaning of the Corporations Act 2001 (Cth)) and We have (or an authorised representative of ours has) provided you with personal advice in relation to your account; otherwise, you warrant to Us that you are acting on your own account and that you have made your own independent decision to open an account with Us and as to whether the account is appropriate or proper for you, based upon your own judgment and upon receiving independent advice from such advisers as you deem necessary. You acknowledge that you are not relying on any communication from Us or an

authorised representative of ours (written or oral) as investment advice or as a recommendation to open the account, and you acknowledge that information and explanations relating to the Terms and Conditions of an account shall not be considered financial product advice or a recommendation to open that account.

27. In respect of these Terms and Conditions or where applicable, any special Terms and Conditions, the term 'Instruction' or 'Instructions' shall mean any written, telephone, facsimile or electronic communication sent by you or purported to have been sent by you or by a person authorised by you (and notified to Us) to transact or instruct on your account.
28. We are authorised to accept and act upon an Instruction sent or communicated to Us which purports to have been dispatched by you or by an authorised signatory.
29. All such Instructions (including Notice Account Instructions) in respect of withdrawal of funds from your account must be received by Us on a Banking Business Day before 1pm (Sydney time) in order for the Instruction to be processed on that day. We reserve the right to hold any Instructions received after 1pm for all AUD transactions and 10am for foreign currency transactions on a Banking Business Day or on a day that is not a Banking Business Day, for processing on the next Banking Business Day.
30. If direct debit arrangements are available for your Account, you may authorise a merchant to debit funds from your Account directly.

You may cancel your direct debit facility by calling 1300 160 160, 24 hours a day, 7 days a week. You should also contact the merchant who is debiting the funds from your Account. If you wish to alter your direct debit facility, you should contact the merchant who is debiting the funds from your Account. We cannot accept a request to stop a payment made under a direct debit arrangement after We have debited the payment from your Account.

We may decide not to make a direct debit if the available balance is not sufficient to cover the payment when the debit is to be made. We do not have to inform you if a direct debit is not honoured.

We may charge you a fee for direct debits, and also debit your Account for any fees or charges passed on to Us by another financial institution as a result of a direct debit.

If a direct debit is due to be made on a day that is not a Banking Business Day, We make the direct debit on the next Banking Business Day.

31. We (and our related bodies corporate) will not be responsible for any loss, damage or liability you may suffer or incur by reason of or in connection with:
- a. the genuineness and authenticity of any Instructions given by you or on your behalf;
 - b. Us acting on any Instruction which purports to have been dispatched on your behalf by any person or persons who appear to be authorised to transact your banking business at the time the message is received or refusing to act on or for any delay in processing any Instruction, through whatever medium, in circumstances where We have reason to believe that the Instruction is unauthorised;

- c. Us assuming that any person claiming to be a person, details of whom have been given to Us in accordance with the Account Application Form or as notified otherwise in writing, is, in fact, that person;
- d. Us assuming that if you have not given a notice of revocation of any person previously authorised that the person giving Instructions to Us is authorised by you to do so;
- e. any error contained in the Instruction irrespective of whether the error originated in the transmission or the receipt of the Instruction;
- f. any delays in transmission or payment;
- g. any Instruction that you or an authorised signatory has sent, which has not been received by Us.

We may at our discretion debit your account with all sums paid, charged or incurred by Us in effecting all such written, telephone or facsimile Instruction. You agree not to make any claim or demand against Us in respect of any such loss, damage or liability and will indemnify Us against loss, damage or liability We may suffer or incur as a result of acting in accordance with the conditions of the above authority. This clause (apart from (f)) does not apply to personal EFT transactions or Debit Card transactions.

- 32. You acknowledge that communication by telephone, facsimile and e-mail is not a secure means of communication and involves higher risk of manipulation, distortion or attempted fraud and may be of poor quality and unclear. You hereby authorise Us to accept and act on a telephone Instruction, faxed Instruction or e-mail Instruction without additional verification. You agree to indemnify Us in respect of all claims, liabilities, costs, charges or expenses of any nature incurred or suffered by Us or as a result of Us acting on a communication or Instruction provided by telephone, fax or e-mail. This clause does not apply to personal EFT transactions or Debit Card transactions.
- 33. In the case where you have appointed an authorised signatory to your account:
 - a. You warrant that you have the necessary power to open the account and that the authorised signatory(ies) identified in the Account Application Form are authorised to operate the account. You undertake and agree not to challenge the authority of the authorised signatory(ies) or the validity of any act performed by Us in reliance upon such authorisation.
 - b. You indemnify Us and hold Us indemnified against all or any claims (including without limitation legal costs on a full indemnity basis) by any third party arising as a result of any breach of such warranty.
 - c. Subject to (d) below, We may rely on the identity of the authorised signatory(ies) specified on your Account Application Form (and as updated by you in writing and signed by you).
 - d. In respect of corporate Account holders, should the authorised signatory(ies) cease to be your directors or officers or should you wish to terminate their authority to operate the account, then you must promptly notify Us accordingly in writing signed by you and if requested provide Us with a copy of the relevant corporate action evidencing this.
- 34. We give no warranties and make no representation of any nature regarding the return on the credit balance of your account or any tax implications, or the present or future value of your account. You must obtain your own independent advice in relation to these matters.
- 35. We have the right to verify your identity before processing a withdrawal request from your account. If We are not able to verify the authenticity of your withdrawal Instruction or your identity satisfactorily, We have the right, in our absolute discretion, to refuse a request to withdraw funds from your account.
- 36. You acknowledge that in connection with your account it is not an offence if you choose not to quote your Tax File Number (TFN) or Australian Business Number (ABN) but if you do not do so or if you are a non-resident, withholding tax may be deducted from any interest payable on the credit balance of your account.
- 37. Should there be two or more Account holders, your account will be held jointly but your obligations as an Account holder will be both joint and several.
- 38. You acknowledge that should one individual joint Account holder predecease the other(s), We may treat:
 - a. the entire amount of a credit balance of your account as having passed to the surviving Account holder(s);
 - b. each surviving Account holder as being liable for payment of all or any part of the amount of a debit balance of your account.

If you die while you are the owner of an account issued by Us, We may need to identify your legal personal representative prior to taking an action on your account.
- 39. Unless providing Instructions through Online Banking, any one signatory can authorise Instructions to and from the Designated Account regardless of the nomination that is made in the 'Authority to Operate' section of the Account Application Form.

If providing Instructions through Online Banking for third party, Designated Account and BPAY payments, any two signatories may authorise the transaction in Online Banking (where more than one is specified in the 'Authority to Operate' section in the Account Application Form). For Debit Cards, where more than one signatory is required to operate the account, each signatory must approve the issue of a Debit Card to any signatory, however, once the Debit Card is issued, it may be used to provide Instructions on the Account by one signatory alone.

Any one signatory may give notice in relation to a withdrawal from a Notice account provided the withdrawal is to the Designated Account or to the Private Access Account or One Account held by the Account Holder.

The Authority to Operate applies to any changes that you wish to make to your Designated Account details, as well as all third party payment Instructions. If the Authority to Operate is incomplete We may rely on Instructions given by any one signatory. We are not obliged to notify you that the Authority to Operate section of the Account Application Form has been left incomplete.

40. We can impose fees and charges in respect of your account. This includes, in the case of a Term Deposit or Notice Account, making adjustments to the amount of interest payable to you if funds are withdrawn prior to the maturity date of the Term Deposit or prior to the expiry of the relevant notice period (including by debiting any interest that may already have been credited to your account, which you will be taken to have specifically authorised Us to do). The fees and charges applying to your account are disclosed in the Transaction and Savings Accounts PDS and FSG which was current at the time you completed and submitted your Account Application Form to Us.

We reserve the right to enforce or not to enforce the application of account fees and charges, introduce new account fees and charges or vary the fees and charges currently applicable. We will notify you of any such changes to our fees and charges. If a change has a material adverse impact on you, We will notify you of the change and you may, within 30 days after the date of our notification, terminate the account without paying any early termination fees. If you do not terminate the account within the 30 day period, you will be deemed to have agreed to the change. If the change does not have a material adverse impact on you, We will publish the change on boqspecialist.com.au.

You instruct Us to deduct any fees and charges that you have agreed to under this clause.

41. Where the National Credit Code applies, certain fees and charges relate only to the credit provided under this agreement. In relation to those fees and charges:

- a. the fees and charges current at the disclosure date are disclosed in the Schedule that is part of this agreement;
- b. We may change the amount of any fee or charge, or change how often they are charged, or impose new fees or charges at any time; and
- c. We give you advance notice (in writing, or by advertisement in The Australian newspaper) of any new fees or charges or changes to existing charges. Some changes in government fees and charges are publicised by the government and not Us.

Information on current interest rates and fees and charges is available on request.

42. If there is any inconsistency between these Terms and Conditions and any special Terms and Conditions (if applicable to your account), the special Terms and Conditions shall prevail to the extent of the inconsistency. If there is any inconsistency between these Terms and Conditions (including any special Terms and Conditions applicable to your account) and the Transaction and Savings Accounts Combined PDS and FSG, these Terms and Conditions will prevail.

43. We will send you a monthly statement in respect of your Private Access Account, One Account and Notice Account.

This will, at our discretion, be by post to your mailing address or electronically to your email address, unless We have otherwise agreed for statements to be made available through BOQ Specialist Online Banking only. The mailing and/ or email address used for this purpose will be as specified in your Account Application Form or as otherwise notified by you to Us from time to time.

44. If you ask Us to cancel a Direct Debit authorising Us or another party to deduct funds from your Private Access or One Account We will do so promptly. However the cancellation of a Direct Debit may put you in breach of your contract with that other party. We will not be responsible for any such breach or for any loss or damage you may suffer in connection with any such breach.

45. We reserve the right to vary these Terms and Conditions. If a change has a material adverse impact on you, We will notify you of the change and you may, within 30 days after the date of our notification, terminate your account without paying any early termination fees. If the change does not have a material adverse impact on you, We will publish the change on our website boqspecialist.com.au.

46. You and each Guarantor (if applicable):

- a. consent to the recording of all telephone conversations between you (or any person representing you) and Us (or any of our related entities) in connection with any of your accounts opened by Us, with or without an automatic tone warning device;
- b. agree that such recordings may be used by Us for our own purposes including training, confirmation of Instructions, security and, where We deem necessary, in the resolution of a dispute between the parties and may be submitted in evidence in any legal or administrative proceedings relating to the account, as prima facie evidence of its contents; and
- c. agree that where a recording collects 'personal information' as that term is defined in the Privacy Act 1988 (Cth), you consent to the use and disclosure of the personal information for the purposes set out above.

47. We may, for the purposes of exercising any of our rights, powers or privileges under this agreement or if required by any law, government agency or stock exchange, disclose to any person (including, any potential assignee, novatee or participant) any documents or records of, or information about you, a transaction, any other collateral documents or security or the assets, business or affairs, relating to you, whether or not confidential and whether or not the disclosure would be in breach of any law or any duty owed to you.

48. You agree that We may effect transactions with or through agents or correspondent banks as determined by Us from time to time. While We and/or a member of the BOQ Group will choose these agents or correspondent banks with reasonable care to ensure they are reliable, neither BOQ Specialist nor members of the BOQ Group will have any responsibility for any acts or omissions of such parties.

49. You acknowledge and agree that We may effect transactions for you through the agency of and/or with a party which is a member of the BOQ Group or a person associated with Us or in which We have a direct or indirect material interest.

50. We may close your account (including a fixed Term Deposit prior to its maturity or a Notice Account prior to the completion of the applicable notice period):

- a. without notice, if

- We are not able to verify the information disclosed in your Account Application Form to our satisfaction;
 - you fail to provide Us with any information or supporting documentation We request from you under these Terms and Conditions within the time We request it;
 - We determine in good faith that the performance of our obligations under these Terms and Conditions has resulted in, or may result in, a breach of any applicable law, rule, regulation, judgement, order or directive of any government, administrative, legislative or judicial power or authority; or
 - in any other circumstances where We are permitted or required to close your account under applicable law;
- b. if your account is an inactive account.
 - c. an ‘inactive account’ for the purposes of these Terms and Conditions means an account that has a nil balance, or where no transactions have been made on the account, for a reasonable period of time (as determined by Us); and
 - d. at any time in Our absolute discretion upon giving notice which is reasonable in the circumstances.

If there is a credit balance in your account at the time We close it, We will return this amount to you (including any accrued interest up to the date of termination) less any applicable fees and charges, in Australian dollars. We may return this amount by paying it into your designated bank account, by bank cheque or, in the case of an inactive account, by transferring it to any ‘unclaimed moneys fund’ in accordance with applicable law.

51. Subject only to the clauses which concern the National Credit Code, if a provision of these Terms and Conditions is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.
52. If a provision of these Terms and Conditions is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.
53. A single or partial exercise of a right by Us does not preclude another exercise of another right. Failure by Us to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.
54. These Terms and Conditions and your account are governed by the laws of New South Wales. You agree to submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales and (in relation to your overdraft facility), our external dispute resolution service mentioned in the information statement included in this document.
55. You must pay to Us on demand any costs incurred by Us in enforcing our rights under this agreement.

You authorise Us to debit any of these costs from the Designated Account. We may do so on or after the date We pay them or the date they become due or payable by you or Us (whichever is earlier).

56. If you enter into this agreement in the capacity as trustee of a trust, the following applies:
 - a. the trustee enters into this agreement in both the trustee’s personal capacity and as trustee of the trust;
 - b. the trustee warrants to Us that:
 - (i) the trustee has unrestricted authority and power to enter into this agreement;
 - (ii) entering into this agreement is in the due and proper administration of the trust and is for the benefit of the beneficiaries of the trust;
 - (iii) the performance by the trustee of the trustee’s obligations under this agreement has been duly authorised in accordance with the terms of the trust; and
 - (iv) no limitation or restriction exists in respect of the trustee’s rights to be indemnified from the trust assets for the trustee’s obligations under this agreement;
 - c. the trustee must not, so far as it is able to do so, permit any of the following to occur without our prior written consent:
 - (i) any variation, replacement or limitation of the terms of the trust deed;
 - (ii) the trustee’s removal as trustee or the appointment of another trustee of the trust whether or not in conjunction with the trustee; or
 - (iii) any distribution, transfer or setting aside of any part of the income or capital of the trust.
57. The singular includes the plural and vice versa.
58. A reference to a person includes a corporation and vice versa.
59. ‘Including’ and similar expressions are not words of limitation.

Terms and Conditions for Overdraft Account

The following Terms and Conditions apply to One Accounts only. These Terms and Conditions are issued by BOQ Specialist Bank Limited (BOQ Specialist, We, Us, Our) ACN 071 292 594 Australian Credit Licence No 234975.

Does the National Credit Code apply to this agreement? Some provisions of this agreement are stated to apply only if the National Credit Code applies, or does not apply, to this agreement.

The National Credit Code is a national law designed to protect consumers in relation to credit contracts, mortgages, guarantees and other matters.

The National Credit Code will apply to this agreement if you are an individual and the credit is provided predominantly

for personal, domestic or household use, or for investment in residential property (but not other forms of investment).

The National Credit Code will apply to the guarantee and indemnity in clauses 76 to 84 in relation to a Guarantor that is an individual if the National Credit Code applies to this agreement.

Overdraft facility

60. In addition to the deposit facility under your One Account, We may also, at Our absolute discretion, make funds available to you on overdraft up to the Credit Limit.
61. You or an authorised signatory may provide Us with an Instruction requesting that an amount, not exceeding in aggregate your deposit balance and your approved Credit Limit amount, be credited to the Designated Account or any other account as directed by you. For example, if you have registered for BOQ Specialist's Online Banking service you may, using Online Banking and subject always to being within your approved Credit Limit and daily transaction limit and any relevant cut-off times, transfer funds from this Overdraft Account to:
 - your Designated Account;
 - a third party bank account; and/or
 - a BPAY Biller.
62. No funds will be available if you are in default under this agreement.

Interest

63. If the balance owing on your One Account is in debit, you must pay Us interest on that amount calculated in accordance with the following:
 - a. interest accrues daily and is calculated at the Applicable Interest Rate Overdraft on the basis of a 365 day year (including in a leap year) and is debited to your account on the last day of the month;
 - b. interest may be paid in any one of the following ways;
 - (i) by debiting your Designated Account on the first day of the month following the debiting of interest to your account as per (a);
 - (ii) by making deposits individually or in aggregate greater than the interest charged on your account into your One Account from time to time, but in any event by the end of the following month after interest is debited to your account; or

upon request by you and subject to approval by Us, by capitalising the interest for a period of time as agreed to by Us.
 - (iii) You acknowledge that if interest is capitalised as set out in clause 63(b) (iii), the debit balance owing on your One Account will be increased by the amount of the capitalised interest and may be in excess of the Credit Limit approved by BOQ Specialist.
 - c. If the interest due is not paid within 7 days of the due date for payment of interest (including by debit

or deposit or capitalised by agreement), We will be entitled to charge you interest on that amount at the Overdue Interest Rate in accordance with clause 68.

We may change the Applicable Interest Rate Overdraft at any time. We will notify you by advertisement in The Australian newspaper on or before the date of any increase the Applicable Interest Rate.

Review

64. We may review your overdraft facility at least annually. You must give Us any information We reasonably request concerning your financial position and your performance under this agreement.
65. We may reduce the Credit Limit or stop providing further credit in Our absolute discretion. If We do so, We will tell you in writing.

Repayment on demand

66. We may demand that you repay the whole or part of the total debit balance owing under your One Account at any time. You must repay in full the amount We demand at the time We specify in the demand. If you do not pay that amount within 7 days of the date specified in a demand, We are entitled to charge you interest on that amount at the Overdue Interest Rate in accordance with clause 68.
67. You acknowledge that there is no agreement, arrangement or understanding between you and Us that We may demand repayment only when a particular event occurs or does not occur.

Overlimit and Overdue amounts

68. If the balance owing on your One Account exceeds the Credit Limit, you must repay the amount of any excess immediately.

If any amount is overdue under this agreement, We are entitled to charge you interest on that amount at the Overdue Interest Rate on that overdue amount. The overdue interest accrues daily from the date that We are entitled to charge it until all outstanding interest amounts are fully paid.

Payments

69. All payments to be made under this agreement must be made free and clear of any set-off (unless you have a right of set-off granted by law which We cannot exclude by agreement (such as under the National Credit Code)), counterclaim, deduction or withholding unless prohibited by law.
70. If you are prohibited by law from making those payments free and clear of all deductions and withholdings, then:
 - a. you agree to deduct the relevant amount; and
 - b. you agree to pay an amount equal to the amount deducted to the relevant authority in accordance with applicable law and give the original receipts to Us.
71. We may without notice combine, consolidate, or

merge any or all of your accounts opened with Us and in respect of any amount owing against them, even though those accounts and the amounts owing may not be in the same currency. We may effect any currency conversion necessary or desirable for that purpose. If there are more than one of you, We may only do so if all of you are the holders of those accounts.

Further, for a Private Access or One Account, We may only do this:

- a. to pay fees and charges for which you have instructed Us to debit your Account; or
- b. by exercising our right to combine the Account with other accounts you have with Us.

Dealing with interests

72. You must not cause or permit any person to acquire an interest in your rights or obligations under this agreement.
73. We have the right at law at any time to assign all or any of Our rights and benefits under this agreement to any person, including a securitisation or funding vehicle, or a sub-participant of Our participation under this agreement, without your consent. Any person to whom Our rights are transferred will have the same rights that We do under this agreement that are no greater than Our rights.
74. You agree that if We so reasonably direct, all or any of Our rights under this agreement may be novated or transferred to any person, on the basis that the person will have the same rights that We do under this agreement that are no greater than Our rights.
75. You agree that We may disclose any information or documents We consider desirable to help Us exercise these rights. You also agree that We may disclose to any person to which Our rights or obligations may be assigned, novated or transferred any information necessary to effect that securitisation so long as they agree to keep that information confidential.

Guarantee and indemnity

76. In consideration of Us, at the request of the Guarantor, issuing a One Account to you, the Guarantor guarantees to Us:
 - a. the due and punctual performance by you of your obligations under this agreement or any holding over under this agreement; and
 - b. the payment of all money owing under this agreement.

The Guarantor may have rights under the National Credit Code to end, withdraw from, or limit this guarantee and indemnity. We recommend the Guarantor ask its legal adviser about this.

77. As a separate obligation the Guarantor indemnifies Us against any claim which may arise as a result of:
 - a. the non payment of any money due under this agreement;
 - b. the non-performance of any of your obligations under this agreement;

- c. any holding over under this agreement; or
- d. your death, insolvency or incapacity or because of any other act, omission or circumstances affecting you.

78. The obligations of the Guarantor under this guarantee and indemnity in clauses 76 to 84 are principal obligations imposed on the Guarantor. We have the right to make a claim or demand on the Guarantor under the guarantee and indemnity in clauses 76 to 84 without having first taken any proceedings against you or any other person.
79. This guarantee and indemnity in clauses 76 to 84 is not to be considered as wholly or partly discharged unless and until all of the guaranteed money has been paid in full.
80. If an insolvency event occurs in relation to you:
 - a. the Guarantor must not prove in any such insolvency event in competition with Us without our prior written consent;
 - b. if required by Us in writing, the Guarantor must immediately prove in any such insolvency event for all money owed to the Guarantor and must not exercise or attempt to exercise any right of set-off against you;
 - c. money recovered by the Guarantor from any such insolvency event or pursuant to the realisation or enforcement of any security taken by the Guarantor from you must be paid immediately to Us to the extent of the unsatisfied liability of the Guarantor under this guarantee and until paid will be held by the Guarantor on our behalf; and
 - d. the Guarantor authorises Us to prove for all money which the Guarantor has paid under this guarantee and any other money due from you to the Guarantor.
81. Without limiting clause 79, as long as there is money owing under this agreement, the Guarantor may not without Our prior written consent:
 - a. reduce its liability under this guarantee and indemnity by raising a defence, set-off or counterclaim available to itself, you or a co-surety or co-indemnifier against Us or claiming a set-off or making a counterclaim against Us unless entitled to do so under the National Credit Code; or
 - b. make a claim, or enforce a right to claim, to be entitled against you or any other Guarantor or against their estate or property (including, without limitation, a claim to be entitled to a Security Interest, or to the benefit of another guarantee, indemnity, or other assurance against loss which is similar to a guarantee or indemnity):
 - (i) in connection with this agreement or any other amount payable under the guarantee and indemnity in clauses 76 to 84 (for example, the Guarantor may not try to enforce or require the enforcement of any Security Interest We have taken that secures amounts including money owing under this agreement); or
 - (ii) in favour of a person other than Us in connection with any obligations of, or any other amounts

payable, by you, or for the account of, that other person; or

- c. prove in competition with Us if an Insolvency Event occurs in relation to you or any other Guarantor whether in respect of an amount paid by the Guarantor under this guarantee and indemnity, in respect of another amount (including the proceeds of a Security Interest) applied by Us in reduction of the Guarantor's liability under this guarantee and indemnity, or otherwise; or
- d. claim to be entitled by way of contribution, indemnity, subrogation, marshalling or otherwise to the benefit of a Security Interest or guarantee or a share in it now or subsequently held for the money owing under this deed or other money payable under this guarantee and indemnity.

For the avoidance of doubt, paragraph (b) includes a claim to entitlement by way of subrogation or otherwise.

82. If We ask, the Guarantor agrees to notify any relevant person of the terms of this clause and other parts of this guarantee and indemnity that may be relevant. The Guarantor also authorises Us to do so at any time in its discretion and without first asking the Guarantor to do it. This applies despite anything else in this guarantee.

This clause continues after this guarantee in clauses 76 to 84 ends.

83. Rights given to Us under the guarantee and indemnity in clauses 76 to 84 and the Guarantor's liabilities under it are not affected by the fact that We vary or replace this agreement, such as by increasing the credit limit. If the guarantee and indemnity in clauses 76 to 84 is one to which the National Credit Code applies, We cannot increase the Guarantor's liabilities under this guarantee and indemnity by changing the terms of this agreement except in compliance with the National Credit Code.
84. This guarantee and indemnity in clauses 76 to 84 is not impaired or discharged by:
- a. any breach, wilful or otherwise, of any of your obligations under this agreement and whether with or without your consent or knowledge, or the consent or knowledge of any Guarantor or Us;
 - b. the granting of any time, credit, forbearance, indulgence or concession to you or to any Guarantor in all cases where We are acting reasonably in doing so;
 - c. the fact that We give you a concession, such as more time to pay, in all cases where We are acting reasonably in so doing;
 - d. the unenforceability in whole or in part of this agreement against you or any guarantee and indemnity against any other Guarantor unless this is due to our negligence;
 - e. the fact that all or any part of the money owing by you may not be recoverable or may cease to be recoverable from you or any other person liable for that money (other than because the money has been fully paid);
 - f. the liquidation, death, insolvency or bankruptcy of you or any Guarantor;

- g. the avoidance for any reason of any payment by you or on your behalf or by any Guarantor;
- h. the transfer or assignment of the benefit of this agreement to any person or corporation;
- i. you or any Guarantor being under any legal disability; or
- j. any other matter or thing that but for this provision could or might operate to abrogate the effects of the provisions of this guarantee and indemnity.

In exercising Our rights under this agreement (including in relation to this guarantee and indemnity in clauses 76 to 84), We need not consider how the matter will affect the Guarantor or act in the Guarantor's interest. However, in choosing how to exercise Our rights (including by not exercising them or delaying an exercise) We must have regard to Our legitimate interest in recovering the debit balance owing under your One Account and fees and charges payable by you under this agreement, and not act solely for the purpose of prejudicing the Guarantor.

National Credit Code

85. If the National Credit Code applies to this agreement the maximum amount We can require the Guarantor to pay under the guarantee and indemnity in clauses 76 to 84 is not more than the sum of:
- a. your liabilities under this agreement; and
 - b. our reasonable enforcement expenses reasonably incurred in enforcing the guarantee and indemnity in clauses 76 to 84.

Reinstatement of rights

86. If, under any law relating to insolvency or for any other reason, a person claims that a transaction (including a payment, conveyance or transfer) in connection with the money payable under the guarantee and indemnity in clauses 76 to 84 is void, voidable, unenforceable or defective for any reason and the claim is upheld, conceded or settled, then, despite any discharge, release, settlement or arrangement granted or made by Us on the faith of that transaction:
- a. We are immediately entitled as against you or the Guarantor to the rights in respect of any money owing by you under this agreement (including, without limitation, the money payable under the guarantee and indemnity) to which We were entitled immediately before the transaction;
 - b. at our request, you or the Guarantor agree to do anything (including signing any document) to restore Us to our position immediately before the transaction (including, without limitation reinstating the guarantee and indemnity in clauses 76 to 84 of this agreement); and
 - c. We are entitled to recover from you as a debt all costs and expenses We incur in connection with negotiations or proceedings in relation to that claim.

The Guarantor's obligations under this clause are continuing obligations, independent of the Guarantor's other obligations under this agreement and continue after this agreement ends.

87. If there is more than one Guarantor then the obligations under this guarantee and indemnity bind each of them separately and any two or more of them jointly.

Power of attorney

88. For valuable consideration and to give effect to your obligations to BOQ Specialist, you irrevocably appoint BOQ Specialist and any solicitor for BOQ Specialist separately as your attorney to execute any deed, sign any document and do any other thing that you could have done or must do to give effect to your obligations to BOQ Specialist under this agreement after We have demanded repayment of the whole debit owing under your One Account and you have not repaid the whole amount within 10 business days. The attorney may exercise any powers conferred on the attorney, even if it involves a conflict of duty or the attorney has a personal interest or benefits from doing so, provided that nothing overrides Our or an attorney's obligation to obtain the greatest proceeds that are reasonably obtainable on a disposal of any property.

Further assurances

89. You must do anything We reasonably ask and consider necessary (at your own expense) (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed) to:
- ensure that this agreement is not void, voidable or otherwise unenforceable by Us in accordance with its terms;
 - effect, perfect or complete the provisions of this agreement or any transaction contemplated by it;
 - ensure that a Security Interest is enforceable, perfected (including registration and where possible, by control in addition to registration under the PPS Act) and otherwise effective;
 - stamp and enable Us to apply for any registration, or give any notification, in connection with this agreement or any Security Interest created by it so that the Security Interest has the priority required by Us; and
 - authorise Us to sign any documents on your behalf and do anything else We reasonably consider appropriate to effect a novation under clause 74 and 75.
 - This clause applies to anything We ask you to do in connection with the PPS Act.

Dispute resolution

90. If you have any complaints in relation to this agreement please contact:

Compliance Officer – Head of Compliance

BOQ Specialist Bank Limited
GPO Box 2539
Sydney NSW 2001

If We are unable to resolve your complaint you may contact:

Financial Ombudsman Service

GPO Box 3
Melbourne VIC 3001

<http://forms.fos.org.au/OnlineDispute>.

Inconsistency with or contravention of National Credit Code

91. This clause 91 applies to the extent the National Credit Code applies to this agreement.
If:

- the National Credit Code would otherwise make a provision of this agreement illegal, void or unenforceable; or
- a provision of this agreement would otherwise contravene a requirement of the National Credit Code or impose an obligation or liability which is prohibited by the National Credit Code,

the agreement is to be read as if that provision were varied to the extent necessary to comply with the National Credit Code or, if necessary, omitted.

92. If the National Credit Code is inconsistent with this agreement, the National Credit Code overrides this agreement to the extent of the inconsistency.

Service

93. Subject to any legal requirements for service, any notice, demand, originating process, court document or any other document relating to a proceeding may be served on you by being sent by prepaid ordinary post to your residential or business address last known to Us or by being left at your residential or business address last known to Us or by being sent by prepaid ordinary post or by being left at any land in respect of which you, now or in the future, have any legal, equitable and/or beneficial interest in.

Information statement for you, the borrower

This Information Statement is issued by BOQ Specialist Bank Limited (BOQ Specialist, We, Us, Our) Australian Credit Licence No 234975

This information statement applies to you if the National Credit Code applies to this agreement.

Things you should know about your proposed credit contract

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

If you have any concerns about your contract, contact your credit provider and, if you still have concerns, your credit provider's external dispute resolution scheme, or get legal advice.

The contract

1. How can I get details of my proposed credit contract?

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

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

whichever happens first.

2. How can I get a copy of the final contract?

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

If you want another copy of your contract, write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence 1 year or less before your request; or
- otherwise within 30 days of your written request.

3. Can I terminate the contract?

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

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

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

4. Can I pay my credit contract out early?

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

5. How can I find out the pay out figure?

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

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

6. Will I pay less interest if I pay out my contract early?

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

7. Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

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

That depends on the type of change. For example:

- you get at least same day notice for a change to an annual percentage rate. That notice may be a written notice to you or a notice published in a newspaper.
- you get 20 days advance written notice for:
 - a change in the way in which interest is calculated; or
 - a change in credit fees and charges; or
 - any other changes by your credit provider,

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

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

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement.

If that is not successful you may contact your credit provider's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Financial Ombudsman Service and can be contacted at:

Phone: 1300 78 08 08

Website: <http://forms.fos.org.au/onlinedispute>

Postal address:
Financial Ombudsman Service
GPO Box 3
MELBOURNE VIC 3001

Alternatively you can go to court. You may wish to get legal advice, for example from your community legal centre or Legal Aid.

You can also contact ASIC, the regulator, for information on 1300 300 630 or through ASIC's website at <http://asic.gov.au>.

Insurance

10. Do I have to take out insurance?

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

11. Will I get details of my insurance cover?

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by your credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal.

Also, if you acquire an interest in any such insurance policy which is taken out by your credit provider then, within 14 days of that happening, your credit provider must ensure you have a written notice of the particulars of that insurance.

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

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

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

13. In that case, what happens to the premiums?

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

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

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

Mortgages

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

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

16. Should I get a copy of my mortgage?

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

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

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

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

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

See the answers to questions 22 and 23. Otherwise you may:

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

OR

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

If your credit provider won't give permission contact their external dispute resolution scheme for help.

If you have a Guarantor, talk to the Guarantor who may be able to help you.

You should understand that you may owe money to your credit provider even after mortgaged property is sold.

19. Can my credit provider take or sell the mortgaged property?

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

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

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

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

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

General

22. What do I do if I cannot make a repayment?

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

- to extend the term of the contract and reduce payments; or

- to extend the term of your contract and delay payments for a set time; or
- to delay payments for a set time.

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

If the credit provider refuses your request to change the repayments, you can ask the credit provider to review the decision if you think it is wrong.

If the credit provider still refuses your request you can complain to the external dispute resolution scheme that your credit provider belongs to. Further details about this scheme are set out below in question 25.

24. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments.

If you think you are being unduly harassed or threatened, contact the credit provider's external dispute resolution scheme or ASIC, or get legal advice.

25. Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also **READ YOUR CONTRACT** carefully.

26. What if I have a complaint?

If you have any complaints about your credit contract, or want more information, contact your credit provider. Please call Us on 1300 160 160. You must attempt to resolve your complaint with your credit provider before contacting your credit provider's external dispute resolution scheme. If you have a complaint which remains unresolved after speaking to your credit provider you can contact your credit provider's external dispute resolution scheme or get legal advice.

External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Financial Ombusman Service and can be contacted at -

Phone: 1300 78 08 08

Website: <http://forms.fos.org.au/onlinedispute>

Postal address:

Financial Ombusman Service

GPO BOX 3

Melbourne VIC 3001

Please keep this information statement. You may want some information from it at a later date.

Information statement for Guarantor

This information statement applies to the Guarantor if the National Credit Code applies to this agreement in relation to that Guarantor.

In this information statement, “you” and “your” refer to the Guarantor.

Things you should know about guarantees

This Information is issued by BOQ Specialist Bank Limited Australian Credit Licence No 234975.

This information tells you about some of the rights and obligations of yourself and the credit provider. It does not state the Terms and Conditions of your guarantee.

Guarantees

1. What is a guarantee?

A promise by you that the person who is getting credit under a credit contract (the debtor) will keep to all the Terms and Conditions. If that person does not do so, you promise to pay the credit provider all the money owing on the contract (and any reasonable enforcement expenses) as soon as the money is asked for, up to the limit, if any, stated in the guarantee. If you do not pay, then the credit provider can take enforcement action against you which may result in the forced sale of any property owned by you such as your house.

2. How do I know how much the debtor is borrowing and how the credit charges are worked out?

These details are on the copy of the credit contract or proposed credit contract that you should be given before you sign the guarantee.

3. What documents should I be given?

Before you sign the guarantee you should get:

- the document you are reading now; and
- a copy of the credit contract or proposed credit contract.

Your guarantee is not enforceable unless you get a copy of the credit contract or proposed credit contract before you sign.

Within 14 days after you sign the guarantee and give it to the credit provider, the credit provider must give you a copy of:

- the signed guarantee (if you do not already have a copy of the guarantee); and
- the credit contract or proposed credit contract (if you do not already have a copy of the contract).

4. Can I get a statement of the amount that the debtor owes?

Yes. You can ask the credit provider at any time for a statement of the amount the debtor currently owes or any amounts credited or debited during a period you specify or any amounts which are overdue and when they became overdue or any amount payable and the date it became due.

The credit provider must give you the requested information:

- within 14 days if all the information requested related to a period 1 year or less before your request is given; or
- otherwise within 30 days.

This statement must be given to you in writing if you ask for it in writing but otherwise may be given orally.

You may be charged a fee for the statement.

You are not entitled to more than 1 written statement every 3 months.

5. How can I find out the payout figure?

You can write to the credit provider at any time and ask for a statement of the amount required to pay out the credit contract as at any date you specify. You can also ask for details of the items that make up the amount.

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

6. What other information can I get?

You can write to the credit provider and ask for a copy of:

- the guarantee; or
- any credit-related insurance contract (such as insurance on mortgaged property) the credit provider has; or
- a notice previously given to you, the debtor or the mortgagor under the National Credit Code

The credit provider must give you the requested copy:

- within 14 days of your written request if the contract came into existence 1 year or less before the request was given to the credit provider; or
- otherwise within 30 days.

The credit provider may charge you a fee.

Your request can be made any time up to 2 years after the end of the credit contract.

7. Can I withdraw from my guarantee?

You can withdraw from your guarantee at any time by written notice to the credit provider if the final credit contract is materially different from the proposed credit contract given to you before you signed the guarantee.

8. Can I limit my guarantee?

Yes, if it relates to a continuing credit contract (such as a credit card contract or an overdraft). In that case you can give the credit provider a notice limiting the guarantee so that it only applies to:

- credit previously given to the debtor; and
- any other amount you agree to guarantee.

9. Can my guarantee also apply to any future contracts?

No, unless the credit provider has given you a copy of the proposed new credit contract and you have given your written acceptance.

10. If my guarantee says I have to give a mortgage, what does this mean?

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

11. Should I get a copy of my mortgage?

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

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

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

13. What can I do if I find that I cannot afford to pay out the credit contract and there is a mortgage over my property?

See the answer to question 22. Otherwise you may:

- if the mortgaged property is goods—give the property back to your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if the credit provider gives permission first; OR
- give the property to someone who may then pay all amounts owing under the guarantee or give a similar guarantee, but only if the credit provider gives permission first.

If the credit provider won't give permission, you may contact the credit provider's external dispute resolution scheme for help. You should understand that you may owe money to the credit provider even after the mortgaged property is sold.

External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Financial Ombudsman Service and can be contacted at:

Phone: 1300 78 08 08

Website: <http://forms.fos.org.au/onlinedispute>

Postal address:

Financial Ombudsman Service
GPO Box 3
MELBOURNE VIC 3001

14. Can the credit provider take or sell the mortgaged property?

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

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

Yes. You have 7 days after receiving the credit provider's request to tell the credit provider.

If you do not have the goods you must give the credit provider all the information you have so they can be traced.

16. When can the credit provider or its agent come into a residence to take possession of mortgaged goods?

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

17. If the debtor defaults, do I get any warning that the credit provider wants to take action against the debtor?

In most cases both you and the debtor get at least 30 days from the date of a notice in writing to do something about the matter. The notice must advise:

- why the credit provider wants to take action; and
- what can be done to stop it (if the default can be remedied); and
- that if the same sort of default is committed within 30 days of the date of the notice and is not remedied within that period, the credit provider can take action without further notice.

You should immediately discuss any warning notice with the debtor and consider getting independent legal advice and/or financial advice.

However, there will be no warning notice if:

- there is a good reason to think the debtor committed a fraud to persuade the credit provider to enter into the contract; or
- the credit provider has been unable to locate the debtor after making reasonable efforts to do so; or
- the court says so; or
- there is a good reason to think that the debtor has, or will, remove or dispose of mortgaged goods without the credit provider's consent, or that urgent action is necessary to protect mortgaged property.

18. When can the credit provider enforce a judgment against me?

When:

- the credit provider has judgment against the debtor and if the judgment amount has still not been met 30 days after the credit provider has asked the debtor in writing to pay it; or
- the court says so because recovery from the debtor is unlikely; or
- the credit provider has been unable to locate the debtor after making reasonable efforts to do so; or
- the debtor is insolvent.

19. If the debtor cannot be found and the credit provider intends to take legal action against me do I get any warning?

You may not. See the answer to question 17.

20. Can the credit provider take action against me without first taking action against the debtor?

Yes, but the credit provider will not be able to enforce any judgement against you except in the circumstances described in the answer to question 18.

21. How much do I have to pay the credit provider if the debtor defaults?

You have to pay what the debtor owes the credit provider, subject to any limit provided in the guarantee, plus the credit provider's reasonable expenses in making you honour your contract of guarantee.

External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. Your credit provider's external dispute resolution provider is the Financial Ombusman Service and can be contacted at -

Phone: 1300 78 08 08

Website: <http://forms.fos.org.au/onlinedispute>

Postal address:

Financial Ombusman Service

GPO BOX 3

Melbourne VIC 3001

Please keep this information statement. You may want some information from it at a later date.

General

22. What can I do if I am asked to pay out the credit contract and I cannot pay it all at once?

Talk to the credit provider and see if some arrangement can be made about paying.

If you cannot come to a suitable arrangement, contact your credit provider's external dispute resolution scheme.

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

23. If I pay out money for a debtor, is there any way I can get it back?

You can sue the debtor, but remember, if the debtor cannot pay the credit provider, he or she probably cannot pay you back for a while, if at all.

24. What happens if I go guarantor for someone who is under 18 when he or she signs a credit contract?

You are responsible for the full debt if the contract of guarantee has a clear and obvious warning. The warning has to tell you that the courts might not let you sue the debtor if you have to pay out the credit contract for him or her.

25. Do I have any other rights and obligations?

Yes. The law does give you other rights and obligations. You should also **READ YOUR GUARANTEE** carefully.

26. What if I have a complaint?

If you have any complaints about your credit contract, or want more information, contact your credit provider. Please call Us on 1300 160 160. You must attempt to resolve your complaint with your credit provider before contacting your credit provider's external dispute resolution scheme. If you have a complaint which remains unresolved after speaking to your credit provider you can contact your credit provider's external dispute resolution scheme or get legal advice.

Direct Debit Request Service Agreement

This is your Direct Debit Request Service Agreement with BOQ Specialist Bank Limited ABN 55 071 292 594. It explains what your obligations are when undertaking a Direct Debit arrangement with Us. It also details what our obligations are to you as your Direct Debit provider.

Please keep this agreement for future reference. It forms part of the Terms and Conditions of your Direct Debit Request (DDR) and should be read in conjunction with your DDR authorisation.

Definitions

account means the account held at your financial institution from which We are authorised to arrange for funds to be debited.

agreement means this Direct Debit Request Service Agreement between you and Us.

banking day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia, or bank holiday in Sydney, Australia.

debit day means the day that payment by you to Us is due.

debit payment means a particular transaction where a debit is made.

direct debit request means the Direct Debit Request between Us and you.

Us or We means BOQ Specialist Bank Limited (the Debit user) you have authorised by requesting a direct debit request.

you means the customer who has signed or authorised by other means the direct debit request.

your financial institution means the financial institution nominated by you on the Direct Debit Request at which the account is maintained.

1. Debiting your account

- 1.1 By signing a direct debit request or by providing Us with a valid Instruction, you have authorised Us to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between Us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request. Subject to clause 5 [Dispute] if We incorrectly debit funds from your account or incorrectly make a debit payment, in contravention of your authorisation, We will first attempt to recover the funds. If We are unable to recover such funds, We will reimburse your account with such funds on the condition that:
 - a. you provide Us with such reasonable assistance that We may require to recover such funds; and
 - b. if you subsequently recover such funds, you must repay Us the amounts that We reimbursed you in accordance with this clause. Aside from this, We limit our liability to you in the same manner as set out in clause 14 of the Terms and Conditions for Transaction and Savings Accounts.

- c. If the debit day falls on a day that is not a banking day, We may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.
- d. You indemnify Us against any claims, loss, damage or expense that We may suffer or incur in connection with Us acting in accordance with your direct debit request authorisation.
- e. You may request a change to the drawing frequency by contacting Us and advising of your requirements no less than 5 business days prior to the next due date of the regular drawing. Note any change does not alter your responsibility to meet the required payment owing under your One Account. Where you consider that a drawing has been initiated incorrectly you may take the matter up directly with Us or lodge a direct debit claim through your financial institution.

2. Amendments by Us

- 2.1 We may vary any details of this agreement or a direct debit request at any time by giving you at least fourteen (14) days' written notice.

If the variations have a material adverse impact on you, you may, within fourteen (14) days after the date of your notice, terminate the agreement or direct request, as the case may be, without paying any early termination fees.

If you do not terminate the agreement or direct debit request within the 14 day period, you will be deemed to have agreed to the variation.

Note any change does not alter your responsibility to meet the required payment owing under your One Account.

3. Amendments by you

You may change, stop or defer a debit payment, or terminate this agreement by providing Us with at least 7 days notification by writing to:

BOQ Specialist Bank Limited - Operations
Level 23, The Chifley Tower, 2 Chifley Square Sydney, NSW 2000; or

by telephoning Us on 1300 160 160 during business hours; or arranging it through Your own financial institution, which is required to act promptly on your Instructions. Note in relation to the above reference to 'change', Your financial institution may 'change' Your debit payment only to the extent of advising Us of Your new account details. Changes do not alter your responsibility to meet the required payment owing under your One Account.

You may vary the Designated Account to be debited pursuant to a Direct Debit Request by providing Instructions in writing in any way We notify you. BOQ Specialist will effect the variation within 14 days of receiving Instructions from you.

4. Your obligations

- 4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2 If there are insufficient clear funds in your account to meet a debit payment:
- a. you may be charged a fee and/or interest by your financial institution;
 - b. you may also incur fees or charges imposed or incurred by Us; and
 - c. you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that We can process the debit payment.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.

5. Dispute

- 5.1 If you believe that there has been an error in debiting your account, you should notify Us directly on 1300 160 160 and confirm that notice in writing with Us as soon as possible so that We can resolve your query more quickly. Alternatively you can take it up directly with your financial institution.
- 5.2 If We conclude as a result of Our investigations that your account has been incorrectly debited We will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly.
- We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If We conclude as a result of our investigations that your account has not been incorrectly debited We will respond to your query by providing you with reasons and any evidence for this finding in writing.

6. Accounts

You should check:

- a. with your financial institution whether direct debiting is available from your account as direct debiting through the Bulk Electronic Clearing System is not available on all accounts offered by financial institutions;
- b. your account details which you have provided Us are correct by checking them against a recent account statement from your financial institution; and
- c. with your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request.

7. Confidentiality

- 7.1 We will keep any information (including your account details) in your direct debit confidential. We will make reasonable efforts to keep any such information that We have about you secure and to ensure that any of Our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

- 7.2 We will only disclose information that We have about you:
- a. to the extent specifically required by law; or
 - b. for the purposes of this agreement (including disclosing information in connection with any query or claim); and
 - c. if required by your financial institution (or Our sponsor into the Bulk Electronic Clearing System) to be provided in connection with a claim made on it relating to an alleged incorrect or wrongful debit.

8. Notification

- 8.1 If you wish to notify Us in writing about anything relating to this agreement, you should write to:
- BOQ Specialist Bank Limited
Client Service Centre
Level 23, The Chifley Tower, 2 Chifley Square, Sydney, NSW 2000.
- Or by email at client.service@boqspecialist.com.au
Or telephone on 1300 160 160.
- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given Us in the direct debit request.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.

Financial Services Guide

About this document

This Financial Services Guide (FSG), dated 01 August 2014 contains important information in which We (BOQ Specialist Bank Limited – referred to throughout this FSG as BOQ Specialist, ‘We’ or ‘Us’) outline:

- who We are and how We can be contacted;
- the services and products We are authorised to provide;
- how We (and other relevant parties) are remunerated;
- details of any potential conflicts of interest;
- details of our internal and external dispute resolution procedures and how you can access them.

This FSG should assist you in deciding whether to use any products or services. If you choose to use any of our products or services you may also receive other documents about these products or services, which you should read carefully.

Product Disclosure Statement (PDS)

This FSG is being given to you with a PDS. A PDS is a document that describes a financial product. It contains important information about the costs, significant benefits, risks and other features of a product. This information is designed to help you make informed choices. You should read the PDS carefully and consider whether the product described is right for you before purchasing a product or making any investment decision.

About BOQ Specialist

Any financial services offered are provided by representatives of BOQ Specialist. BOQ Specialist Bank Limited ABN 55 071 292 594 is a wholly owned subsidiary of Bank of Queensland Limited ABN 32 009 656 740 (BOQ). BOQ and BOQ Specialist are both Authorised Deposit-taking Institutions in their own right. Neither BOQ nor BOQ Specialist guarantees or otherwise supports the obligations or performance of each other or each other’s products.

BOQ Specialist is a participant in the licensed market operated by Bloomberg Tradebook Australia Pty Limited.

How you can give Us instructions

You can usually give us instructions by telephone, mail, email, fax or via our website. There may be special instruction arrangements for some products or services – details of which will be explained in the relevant PDS.

Our financial services and products

BOQ Specialist is authorised to offer the following financial products and services in relation to the products described in the PDS:

- giving general advice on and dealing in:
- Deposit and payment products
- Foreign exchange contracts
- Making a market in the following financial products:

- Foreign exchange contracts
- Providing custodial or depository services

Fees, commissions and other benefits

How We are paid

BOQ Specialist, as the product issuer, will receive fees and charges in respect of the products issued by Us. For information on the fees and charges relating to a BOQ Specialist financial product, please refer to the ‘Fees and charges’ section of the relevant PDS.

How Our staff are paid

Our employees receive a salary for providing the financial services described in this FSG. Our employees may also be entitled to participate in a bonus and/or commission structure in respect of all of their activities – not exclusively in respect of BOQ Specialist deposit products. Our employees may also be entitled to various monetary or non-monetary incentives for particular promotional initiatives.

How We pay others who offer our products

Details of fees, commissions and other payments we may make to third parties are set out in the PDS.

How to contact Us

You can contact Us using the means described in the PDS that is given with this FSG.

Complaints

If you have a complaint, please raise it with us. You can lodge a complaint by:

- Contacting the banker you usually deal with; or
- Calling us on 1 300 160 160; or
- Writing to us:
Complaints Officer
BOQ Specialist Bank Limited
GPO Box 2539
Sydney NSW 2001

We will try to resolve your complaint quickly and fairly. We aim to respond to complaints within five days of receiving them.

If you are not satisfied with the outcome of our internal dispute resolution process you can ask that the matter be assessed by our independent external dispute resolution provider, the Financial Ombudsman Service (FOS). FOS is free to use. You can contact FOS direct:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Telephone: 1 300 780 808
Email: info@fos.org.au

You can find further information about FOS by visiting their website: www.fos.org.au

BOQ Specialist Debit Card Conditions Of Use

BOQ Specialist Bank Limited

ABN 55 071 292 594

Effective 1 August 2014

IMPORTANT NOTE

This document does not contain all the terms relating to the use of the BOQ Specialist Debit Card, further Terms and Conditions are in the Debit Card Fee Schedule and the Acknowledgement and Consent in your application form for a One Account. Together, the Debit Card Fee Schedule, the Acknowledgement and Consent, these Conditions of Use, and the relevant fees as set out in the Product Disclosure Statement (PDS) for your One Account govern the use of the Debit Card.

The BOQ Specialist Debit Card can only be used in conjunction with your One Account or any other account approved by BOQ Specialist. The operation of your Debit Card is subject to the PDS and Terms and Conditions (including fees) governing that One Account including any applicable overdraft or line of credit facility. An Instruction by Debit Card is an "Instruction" under the terms of that Account. You will need to read and accept the Terms and Conditions for the One Account (with or without an overdraft). The issuance of a BOQ Specialist Debit Card to you or any other Cardholder is subject to the signing authority on the One Account.

Financial products and services are provided by BOQ Specialist Bank Limited ABN 55 071 292 594 (BOQ Specialist). BOQ Specialist is a wholly owned subsidiary of Bank of Queensland Limited ABN 32 009 656 740 (BOQ). BOQ and BOQ Specialist are both authorised deposit taking institutions in their own right. Neither BOQ nor BOQ Specialist guarantees or otherwise supports the obligations or performance of each other or of each other's products.

It is important that you read all of these documents carefully and retain them for future reference.

In the event of any inconsistency between these Conditions of Use and the Terms and Conditions applicable to the One Account, these Conditions of Use prevail.

Lost or Stolen Visa Debit Cards or Cardholder Enquiries

Client Service Enquiries

Within Australia

Call 1300 160 160

Overseas

Call +61 2 9293 2121

Postal Address

BOQ Specialist Bank Limited

GPO Box 2539

SYDNEY NSW 2001

Please read these Conditions of Use. They apply to:

- all Transactions initiated through an Electronic Banking Terminal (which in these Conditions of Use refers to EFTPOS devices and ATMs) by the combined use of a BOQ Specialist Debit Card and signature or a BOQ Specialist Debit Card and PIN; and
- all other Transactions (including telephone Transactions, internet Transactions, manually processed Transactions and Visa payWave Transactions) effected with the use of your BOQ Specialist Debit Card.

Either the activation of a BOQ Specialist Debit Card or the first Transaction using a BOQ Specialist Debit Card (whichever comes first) will be taken as your agreement to comply with these Conditions of Use. You should be aware that a Transaction may arise on your BOQ Specialist Debit Card prior to activation in circumstances where a Transaction is conducted manually or is below certain monetary limits (which is set by the relevant merchant's acquiring institution) where no electronic approval is required.

These Conditions of Use apply to the Primary Cardholder and any Additional Cardholders and you are responsible for ensuring that Additional Cardholders comply with them.

If any Cardholder fails to properly safeguard their BOQ Specialist Debit Card and PIN you may increase your liability for unauthorised use (refer to section 21 for a list of circumstances where you may be held liable for unauthorised use of a BOQ Specialist Debit Card).

The BOQ Specialist Debit Card is issued to Cardholders by BOQ Specialist Bank Limited ABN 55 071 292 594 (BOQ Specialist). BOQ Specialist is an authorised deposit-taking institution and a member of Visa.

If these Conditions of Use are not clear to you, contact BOQ Specialist BEFORE activating or using your BOQ Specialist Debit Card or alternatively seek independent advice from your accountant or lawyer.

At your request, BOQ Specialist may attach other services to your BOQ Specialist Debit Card. Any such additional services that you request to be attached to your BOQ Specialist Debit Card will be advised to you in writing.

Amounts payable in relation to the Debit Card facility

Fees relating to the BOQ Specialist Debit Card are included in the Debit Card Fee Schedule annexed to these Conditions of Use, and relevant account related fees are included in the Fee Schedule in the PDS for the One Account as well as in the annexure to these Conditions of Use. BOQ Specialist reserves the right to pass on to you any fees, charges, duties and taxes that are imposed on the use of your BOQ Specialist Debit Card by any government or by any regulatory authority.

Do you want further information on BOQ Specialist's fees and charges?

If so, please call the Client Service Centre on 1300 160 160.

You can also find more information by visiting BOQ Specialist's website at boqspecialist.com.au. Both the fees and the amount of any payments or other withdrawals made by using the BOQ Specialist Debit Card are paid by you by BOQ Specialist debiting them to your One Account.

Words that are capitalised in these Conditions of Use are defined in Section A.

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SECTION A

Definitions and Interpretation

1. Definitions

- 1.1 **Accountholder** means the person(s) in whose name the One Account to which all BOQ Specialist Debit Cards are linked, and who is responsible (in the first instance) for all Transactions made using the BOQ Specialist Debit Card by any Cardholders.
- 1.2 **Acknowledgement and Consent** means the Acknowledgement and Consent forming part of the BOQ Specialist One application form which was completed by the Accountholder.
- 1.3 **Additional Cardholder** means the person(s) who, at the request of the Primary Cardholder (or where there is no Primary Cardholder, at the request of the Accountholder), from time to time is/are issued with an additional BOQ Specialist Debit Card for use on the Card Account and who is a signatory on the One Account. For example, a BOQ Specialist Debit Card may, at our discretion, be issued to one or more, signatories of a Company Account, at the Accountholder's request, and in accordance with the operating authority on the linked One Account.
- 1.4 **Available Balance** means the balance available in cleared funds on your One Account which may be accessed using your BOQ Specialist Debit Card and includes any overdraft or credit limit.
- 1.5 **AML Legislation** means the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) and its associated rules, regulatory guides and regulations.
- 1.6 **ATM** means an automated teller machine.
- 1.7 **BOQ Specialist** means BOQ Specialist Bank Limited ABN 55 071 292 594 (Credit Licence number 234975).
- 1.8 **BOQ Specialist Debit Card** means the Visa Debit card issued to the Primary Cardholder pursuant to the One Account Terms and Conditions and these Conditions of Use (and includes all BOQ Specialist Debit Cards issued to any Additional Cardholders as requested by the Primary Cardholder or Accountholder).
- 1.9 **BPAY** means the electronic payments service provided by BPAY Pty Ltd ABN 69 079 137 518.
- 1.10 **Business Day** means any day that BOQ Specialist is open for business in Sydney, excluding Saturday, Sunday and public holidays.
- 1.11 **Cardholder** means the Primary Cardholder and/or any Additional Cardholder.
- 1.12 **Card Number** means the unique number assigned by BOQ Specialist to each BOQ Specialist Debit Card and which is recorded on that BOQ Specialist Debit Card.
- 1.13 **Client Service Centre** means the client service centre operated by employees of BOQ Specialist including employees of the BOQ Group of companies, its agents, consultants or subcontractors and which may be accessed 24 hours a day, 7 days a week by telephone.
- 1.14 **Conditions of Use** means this document and includes any other version of this document that replaces an earlier version.
- 1.15 **Contract** means the agreement between you and BOQ Specialist for the provision of BOQ Specialist Debit Cards. Your contract consists of these Conditions of Use, the Acknowledgement and Consent and the Debit Card Fee Schedule and the One Account Terms and Conditions (including the Terms and Conditions governing any overdraft).
- 1.16 **Debit Card Fee Schedule** means the schedule of Debit Card fees which sets out the fees relating to your BOQ Specialist Debit Card. It is annexed to these conditions of use. It is also available online. Relevant account related fees are included in the Fee Schedule in the PDS for the One Account and in the annexure to these Conditions of Use.
- 1.17 **Disputed Transaction** means where you dispute a Transaction on your BOQ Specialist Debit Card and BOQ Specialist is required to investigate the Transaction by contacting the relevant merchant's financial institution.
- 1.18 **EFTPOS** means an electronic funds transfer at point of sale.
- 1.19 **Electronic Banking Terminal** means an ATM or EFTPOS device.
- 1.20 **Expiry Date** means the expiry date printed on the front of the BOQ Specialist Debit Card.
- 1.21 **Monthly Spend Limit** means the maximum monetary amount (that has been set by the primary cardholder) that an Additional Cardholder may spend per calendar month or part thereof, in respect of Transactions that are performed by that Additional Cardholder using their BOQ Specialist Debit Card.
- 1.22 **Non-Cash Advances** means Purchases, government fees and charges, any interest that has accrued on the One Account, BOQ Specialist's fees and charges and any enforcement expenses that are debited from your Available Balance.
- 1.23 **One Account** means the transactional account with or without an overdraft offered under the relevant product disclosure document.
- 1.24 **One Account Monthly Statement** means the monthly statement of account that BOQ Specialist provides to you for the One Account.
- 1.25 **Online Banking** means any banking service provided by BOQ Specialist by use of the internet.
- 1.26 **PIN** means the secret personal identification number relating to a BOQ Specialist Debit Card.
- 1.27 **Primary Cardholder** means the individual(s) who opens the One Account with BOQ Specialist in their name, is an account signatory and is responsible (in the first instance) for all Transactions made using the Debit Card, including Transactions that are made by any Additional Cardholders. Where your One Account is held in a company name, all cardholders are Additional Cardholders.
- 1.28 **Purchase** means each amount charged by the supplier for the supply of any goods or services purchased by the use of a BOQ Specialist Debit Card on your One Account.
- 1.29 **Telephone Banking** means the banking services provided by BOQ Specialist by use of a telephone.

- 1.30 **Transaction** means a Purchase or ATM withdrawal .
- 1.31 **Transaction Statement Date** means the date that BOQ Specialist processes a Transaction and applies that Transaction to your One Account.
- 1.32 **Used** includes use of the Card or any number on or associated with the BOQ Specialist Debit Card (for example, it includes quoting the card number to authorise a transaction over the phone or internet).
- 1.33 **Verified by Visa Participating Merchant** means a merchant from whom online Transactions can be made and who participates in the Verified by Visa program described in section 8 below.
- 1.34 **Visa** means Visa Worldwide PTE. Limited.
- 1.35 **Visa payWave** refers to the contactless method by which a BOQ Specialist Debit Card may be used to complete a Transaction by waving the BOQ Specialist Debit Card over a merchant's Visa payWave enabled point of sale terminal, without the need for a PIN or signature.
- 1.36 **"you"** or **"You"** or **"Your"** or **"your"** means the Primary Cardholder, of if there is no Primary Cardholder, means the Accountholder.
- 1.37 **"our"**, **"we"**, **"Us"** or **"Our"**, **"We"** or **"Us"** refers to BOQ Specialist.

2. Interpretation

- For the purposes of these Conditions of Use, a reference to: one gender includes the other gender;
- the singular includes the plural and the plural includes the singular;
- any dollar amount is an Australian dollar amount;
- headings are for ease of reference only; and
- references to a particular law or regulation includes such law or regulation as may be amended, re-enacted or replaced.

SECTION B

1. Activating your card and agreeing to these conditions of use

- 1.1 Use of any BOQ Specialist Debit Card issued by BOQ Specialist to you or any Additional Cardholder you nominate shall be subject to these Conditions of Use.
- 1.2 You acknowledge your acceptance of these Conditions of Use upon:
 - signing the Warranty and Acknowledgement in the application form (if you have already received them); or
 - the first time you or an Additional Cardholder activate a BOQ Specialist Debit Card; or
 - you or an Additional Cardholder use the BOQ Specialist Debit Card (whether or not activated) to carry out any transaction.
- 1.3 The BOQ Specialist Debit Card can be used only in conjunction with your One Account or any other account approved by BOQ Specialist.
- 1.4 The operation of your BOQ Specialist Debit Card is subject to the Terms and Conditions governing that account including any applicable overdraft or line of credit facility.
- 1.5 Where your One Account is held jointly, each joint account holder is bound by these Conditions of Use jointly and severally irrespective of whether each has been issued with a BOQ Specialist Debit Card.
- 1.6 Where your One Account is held jointly, each Account holder may as per the signing authority on the account, need to authorise the issuance of a BOQ Specialist Debit Card to an account holder i.e. "all to sign" or "only one to sign" to operate the One Account. That cardholder must also be a signatory on the One Account. For companies, issue of a BOQ Specialist Debit Card can be authorised in accordance with the signing authority on the One Account (i.e. 1, 2 or all signatories to sign as the case may be).
- 1.7 If you authorise the issue of a BOQ Specialist Debit Card, you authorise that Cardholder to use the BOQ Specialist Debit Card to access the Available Balance. That authority supersedes any other requirement (e.g. in the signing authority) for more than one signing authority to withdraw funds from the BOQ Specialist One Account.
- 1.8 You must ensure that each Additional Cardholder also complies with every obligation on a Cardholder or Additional Cardholder in these Conditions of Use.
- 1.9 When you or any Additional Cardholder receives a new BOQ Specialist Debit Card in the mail, each Cardholder must activate their BOQ Specialist Debit Card by either calling:
 - our Client Service Centre on 1300 160 160; or
 - accessing our Online Banking and activating the card within Online Banking.
- 1.10 If you do not agree with these Conditions of Use, do not:
 - activate a BOQ Specialist Debit Card or use it (or allow anyone else to use or activate a BOQ Specialist Debit Card); or

- permit any Cardholder to use their BOQ Specialist Debit Card. Instead, return all BOQ Specialist Debit Cards to BOQ Specialist (cut in half diagonally, including cutting in half any chip on the card).

2. Additional cards

- 2.1 You can ask BOQ Specialist to give an additional BOQ Specialist Debit Card and PIN to someone else you nominate to be an Additional Cardholder on your Card Account, provided that the person you nominate is a signatory to the One Account and is over 16 years of age. You can do this by contacting the BOQ Specialist Client Service Centre. BOQ Specialist is not obliged to grant any additional BOQ Specialist Debit Cards. BOQ Specialist is required to comply with all laws governing the issuing of debit cards (including identification and verification of any additional cardholders in accordance with the AML Legislation). BOQ Specialist may require you to authorise the issue of an additional BOQ Specialist Debit Card and PIN in writing.
- 2.2 The number of Additional Cardholders on your One Account at any one time is limited to a maximum of nine (9). We may change this number at our discretion. This includes the issuance of more than one card to one cardholder.
- 2.3 When BOQ Specialist issues an additional BOQ Specialist Debit Card at your request:
 - you agree that you will provide the Additional Cardholder with a copy of these Conditions of use and any updates BOQ Specialist makes to these Conditions of Use from time to time that are communicated to you;
 - you will be liable for all Transactions carried out by the Additional Cardholder;
 - the Additional Cardholder has access to the full Available Balance on the One Account, subject to any Maximum Spend Limit nominated for that Additional Cardholder;
 - you can be liable for fraudulent or unauthorised transactions that can occur on BOQ Specialist Debit Cards issued to Additional Cardholders;
 - where you (or the Additional Cardholder) advise BOQ Specialist that a Transaction that has occurred on your BOQ Specialist Debit Card or the Additional Cardholder's BOQ Specialist Debit Card is fraudulent, unauthorised or disputed, BOQ Specialist will investigate and review that Transaction in accordance with section 24 below;
 - you authorise BOQ Specialist to give to any Additional Cardholder information about your Card Account for the purposes of their use of the additional BOQ Specialist Debit Card.
 - you authorise BOQ Specialist to act on the Instructions of the Additional Cardholder in relation to their use of their additional BOQ Specialist Debit Card, except to the extent that any such Instructions relate to the termination of the Debit Card, the increase of an Additional Cardholder's Monthly Spend Limit or the replacement of an additional BOQ Specialist Debit Card following cancellation of that BOQ Specialist Debit Card by you;

- you can cancel the additional BOQ Specialist Debit Card at any time by cutting it in half diagonally (including cutting in half any chip on the BOQ Specialist Debit Card) and either returning the pieces to BOQ Specialist and requesting the additional BOQ Specialist Debit Card be cancelled or by informing BOQ Specialist (by calling our Client Service Centre on 1300 160 160) that you have destroyed the BOQ Specialist Debit Card and disposed of the pieces securely.

2.4 If an Additional Cardholder does not comply with these Conditions of Use then you (as Primary Cardholder) will be in breach of these Conditions of Use.

2.5 You will not be liable to BOQ Specialist for the value of any Transaction occurring on an additional BOQ Specialist Debit Card after you have cancelled the additional BOQ Specialist Debit Card, except in circumstances where the additional BOQ Specialist Debit Card is used after it has been cancelled for:

- store purchases which are below certain monetary limits (which are set by the relevant merchant's financial institution) where no electronic approvals are in place; or
- Transactions that are processed manually, or
- regular/direct debit payment arrangements which an Additional Cardholder has put in place.

unless the Transactions are fraudulent, unauthorised or disputed, in which case We will investigate in accordance with section 24 below.

2.6 In these circumstances, it is not possible for BOQ Specialist to physically stop the Transaction from occurring. If the additional BOQ Specialist Debit Card is used after you have cancelled it in these circumstances then you will be liable to BOQ Specialist for the value of any Transaction as well as any reasonable costs incurred by BOQ Specialist in collecting the amounts owing.

3. Signing your BOQ Specialist Debit Card

You agree to sign your BOQ Specialist Debit Card as soon as you receive it and before using it, as a means of preventing unauthorised use. You must ensure that any Additional Cardholder who has been issued with a BOQ Specialist Debit Card also sign their card(s) as soon as they receive them and in any event before using the card(s).

4. Security

4.1 The security of a BOQ Specialist Debit Card and PIN is very important as their use by any person provides access to your One Account. You must take care to ensure that each Cardholder's BOQ Specialist Debit Card and PIN are not misused, lost or stolen and that they do not become known to anyone else.

4.2 This Section 4 contains guidelines which should be followed by you and Additional Cardholders to ensure the security of your BOQ Specialist Debit Card and PIN. If Cardholders fail to safeguard their BOQ Specialist Debit Card or PIN, you may increase your liability for unauthorised use (refer to Section 21 below for a list of circumstances where you may be held to be liable for an unauthorised transaction).

To protect BOQ Specialist Debit Cards and PINs, you must ensure that you and every Additional Cardholder:

- sign the BOQ Specialist Debit Card immediately it is received;
- memorise the PIN and never store it with or near the BOQ Specialist Debit Card;
- never write a PIN on a BOQ Specialist Debit Card;
- do not (if the PIN is changed) select a PIN that represents a birth date or a recognisable part of the Cardholder's name. If an obvious PIN such as a name or date is used, you may be liable for any losses which occur as a result of unauthorised use of the PIN before notification to BOQ Specialist that the PIN has been misused or has become known to someone else;
- do not access BOQ Specialist's website via an email link embedded in an email;
- always access the website directly from your internet page;
- maintain up-to-date anti-virus software and a firewall on your computer;
- never disclose a PIN to anyone either verbally, in writing or electronically;
- never lend or give a BOQ Specialist Debit Card to anyone;
- never tell anyone the PIN (including BOQ Specialist and its staff);
- try to prevent anyone else seeing the Cardholder enter the PIN into an Electronic Banking Terminal;
- never leave a BOQ Specialist Debit Card unattended, e.g. in a car or at work;
- immediately report the loss, theft or unauthorised use of a BOQ Specialist Debit Card to the Client Service Centre on 1300 160 160;
- keep a record of the Client Service Centre telephone number with the Cardholder's usual list of emergency telephone numbers;
- examine your Monthly Card Account Statement as soon as you receive it to identify and report, as soon as possible, any instances of unauthorised use; and
- for security reasons, on the Expiry Date, destroy the Cardholder's BOQ Specialist Debit Card by cutting it diagonally in half (including cutting in half any chip on the BOQ Specialist Debit Card) and disposing of it securely.

5. Reporting the loss or theft of your BOQ Specialist Debit Card

5.1 If a Cardholder believes a BOQ Specialist Debit Card or PIN has been lost, stolen or misused, or the PIN has become known to someone else, the Cardholder should IMMEDIATELY report this by:

In Australia

Calling our Client Service Centre on 1300 160 160

While Overseas

Calling +61 2 9293 2121

- 5.2 At the time of making the report, the Cardholder will be given a reference number to retain as evidence of the date and time of the report.
- 5.3 If the loss, theft or misuse occurs outside of Australia, a Cardholder may choose to notify a financial institution displaying the Visa logo. You must also then confirm the loss, theft or misuse of the BOQ Specialist Debit Card with BOQ Specialist immediately by telephoning the Client Service Centre.
- 5.4 If a BOQ Specialist Debit Card is reported as lost or stolen, BOQ Specialist will issue the Cardholder a replacement BOQ Specialist Debit Card. It will take BOQ Specialist a reasonable time to arrange cancellation and the issue of a replacement BOQ Specialist Debit Card. If a replacement BOQ Specialist Debit Card is issued where the Cardholder has reported your BOQ Specialist Debit Card as lost or stolen, you will not be charged a Card Replacement Fee (or an Overseas Card Replacement Fee if you are overseas). However, if the replacement card needs, at the Cardholder's request to be delivered to you outside the normal course of business, then a card replacement fee is payable and reference is made to the Debit Card Fee Schedule for details of these fees.
- 6. Using your BOQ Specialist debit card**
- 6.1 The BOQ Specialist Debit Card is generally accepted anywhere the Visa logo is displayed in Australia and overseas. The BOQ Specialist Debit Card allows you and any Additional Cardholder access to the full Available Balance that is linked to your One Account, subject to any applicable Monthly Spend Limit, regardless of the signing Instructions that apply to your One Account as reflected in your BOQ Specialist One application form.
- 6.2 Cardholders can use the Debit card to make cash withdrawals at most ATM's throughout Australia and cash withdrawals at ATM's internationally displaying the Visa logo. See the Debit Card Fee Schedule's ATM withdrawal fees. However, please be aware that some terminals charge additional fees which are payable by you. We cannot ensure that ATMs will always have money available or that all financial institutions will provide ATM services to Cardholders.
- 6.3 Cardholders can also use the BOQ Specialist Debit Card to pay for goods or services or withdraw cash at EFTPOS terminals across Australia or to make purchases over the phone or via the internet. Some merchants however may choose not to accept Visa debit cards or may also charge an additional fee for debit card payments. Cardholders should always check with the merchant that it will accept your BOQ Specialist Debit Card before attempting to purchase any goods or services and also if they will be charging Cardholders an additional fee for using the BOQ Specialist Debit Card.
- 6.4 BOQ Specialist does not warrant or accept any responsibility if a merchant chooses not to accept, or has an Electronic Banking Terminal which does not accept your BOQ Specialist Debit Card. Cardholders should always check with the relevant merchant that it will accept a BOQ Specialist Debit Card before purchasing any goods or services.
- 6.5 A BOQ Specialist Debit Card can be used to pay for Transactions that are under \$100.00 by using Visa payWave at Visa payWave participating merchants. Before authorising a Visa payWave Transaction by waving the BOQ Specialist Debit Card over the merchant's enabled Visa payWave terminal, a Cardholder must check that the correct amount is displayed on the Visa payWave terminal. If the Transaction exceeds \$100.00, or if the payWave terminal is faulty, Cardholders will be required to either sign or enter their PIN.
- 6.6 Cardholders may be able to obtain cash by presenting the BOQ Specialist Debit Card to a merchant or branch counter at a financial institution. In these circumstances, Cardholders may be required to provide suitable identification which identifies them as the holder of the BOQ Specialist Debit Card.
- 6.7 Cardholders must not use a BOQ Specialist Debit Card for any unlawful purpose, including the purchase of goods or services prohibited by the laws of Australia and/or the laws of the location where the BOQ Specialist Debit Card is used or where the goods or services are provided, any actual or attempted evasion of a taxation law, or in the furtherance of any offence under any other law. Should a BOQ Specialist Debit Card be used for unlawful purposes, BOQ Specialist may restrict you from accessing any available funds from your One Account (by Debit Card or otherwise).
- 6.8 Where BOQ Specialist has reasonable grounds to suspect that you have not properly disclosed your identity (or the identity of an additional cardholder), or a BOQ Specialist Debit Card has been used for an unlawful purpose, BOQ Specialist is obliged to report such suspicion to the Australian Transaction Reports and Analysis Centre.
- 6.9 You acknowledge that your BOQ Specialist Debit Card details and transaction details may be processed by Visa in countries other than Australia. By using a BOQ Specialist Debit Card, or allowing its use, you agree that information regarding any Transactions and personal information relating to yourself and any Additional Cardholders may be processed outside of Australia.
- 6.10 Subject to applicable law, BOQ Specialist is not responsible in the event that a Cardholder has a dispute regarding the goods or services purchased with your BOQ Specialist Debit Card. In the first instance, you should contact the merchant directly. If you cannot resolve the dispute with the merchant, BOQ Specialist has the ability in certain circumstances to investigate Disputed Transactions on your behalf (refer to section 24.7 below for a list of the circumstances when BOQ Specialist can investigate Disputed Transactions) and attempt to obtain a refund for you.
- 6.11 A Cardholder should never sign a blank debit card transaction voucher. Providing authorisation for an unspecified amount can leave you vulnerable to being charged non-standard and large amounts, without prior notification from the relevant merchant.

- 6.12 All BOQ Specialist Debit Cards that are issued pursuant to these Conditions of Use remain the property of BOQ Specialist. You must return all BOQ Specialist Debit Cards to Us if We request that you do so.
- 6.13 You must not use your BOQ Specialist Debit Card after the Expiry Date or allow an Additional Cardholder to do so.
- 7. Using your BOQ Specialist Debit Card outside of Australia**
- 7.1 All Transactions conducted overseas will be converted into Australian dollars.
- 7.2 Transactions will either be converted directly into Australian dollars or will be first converted from the currency in which the Transaction was made into Us dollars and then converted to Australian dollars by Visa. The conversion rate used is either:
- a wholesale market rate selected by Visa from a range of wholesale rates one day before the transaction is processed by Visa; or
 - the government-mandated rate in effect for the applicable processing date.
- 7.3 A Foreign Currency Conversion Fee is payable by you when a Cardholder makes a Transaction on a BOQ Specialist Debit Card in a currency other than Australian dollars, or makes a transaction on a BOQ Specialist Debit Card in any currency (including AUD) that is processed by a card scheme or billed by the merchant outside of Australia (refer to the Debit Card Fee Schedule).
- 7.4 Some overseas merchants, and the providers of ATMs, EFTPOS and other terminals may charge a fee or surcharge for use of a BOQ Specialist Debit Card. Once the Cardholder has confirmed the transaction you will not be able to dispute the surcharge. The surcharge may appear on your statement separately or as part of the purchase price.
- 8. Verified by Visa**
- 8.1 Each BOQ Specialist Debit Card has been automatically enrolled with Verified by Visa.
- 8.2 Verified by Visa is a program designed to authenticate online transactions. This means that when Cardholders use a BOQ Specialist Debit Card online to make a purchase at a Verified by Visa Participating Merchant, your, or the Cardholder's, identity may be validated.
- 8.3 Cardholders will be asked to validate identity only when you attempt an online purchase from a Verified by Visa Participating Merchant and the relevant transaction is deemed to be high risk. A transaction may be deemed high risk if it is for a high value or an irregular purchase based on previous BOQ Specialist Debit Card transaction history.
- 8.4 In order to validate identity, you or your Additional Cardholder will be asked to answer personal questions which We will match against the Cardholder's personal information that We have obtained from you.
- 8.5 If the Cardholder is unable to validate identity after three attempts, they will be unable to complete the transaction and the BOQ Specialist Debit Card may be temporarily suspended. Please contact the Client Service Centre on 1300 160 160 to have the suspension on a BOQ Specialist Debit Card removed.
- 8.6 If, after the suspension on a BOQ Specialist Debit Card has been removed and you attempt an online transaction with a Verified by Visa Participating Merchant and again the Cardholder is unable to validate your identity after three attempts, the BOQ Specialist Debit Card may be indefinitely suspended from use with all Verified by Visa Participating Merchants. Please contact the Client Service Centre on 1300 160 160 to have the suspension on a BOQ Specialist Debit Card removed.
- 8.7 Online transactions that are attempted with Verified by Visa Participating Merchants and which are deemed to be very high risk transactions will be automatically declined without asking to validate identity. For assistance in these circumstances, contact the Client Service Centre on 1300 160 160.
- 8.8 Verified by Visa requires use of Microsoft Internet Explorer version 5.5 and above, Netscape Navigator 7.1 and above, Firefox or Safari internet browsers.
- 9. Transaction Limits**
- 9.1 You agree that the BOQ Specialist Debit Card will not be used for any Transaction in excess of the Available Balance.
- 9.2 If a proposed Transaction would otherwise breach this provision, BOQ Specialist may dishonour any payment Instruction given in relation to the Transaction.
- 9.3 A maximum daily transaction limit applies to BOQ Specialist Debit Card Transactions for cash withdrawals through an ATM.
- 9.4 BOQ Specialist may set a daily limit on the maximum Transaction amounts.
- 9.5 BOQ Specialist may impose additional temporary limits on BOQ Specialist Debit Card Transactions in circumstances where Transactions appear to be suspicious or fraudulent. In these circumstances, We will use reasonable endeavors to notify you that We have imposed a temporary maximum transaction limit on your BOQ Specialist Debit Card.
- 9.6 Please note merchants may impose their own transaction limits or restrictions on the amount of cash or value that a Cardholder may obtain with a BOQ Specialist Debit Card.
- 10. Available Balance**
- 10.1 Subject to any transaction limits which We may impose in accordance with section 9, and the maximum monthly spend (if applicable) BOQ Specialist will make funds available to you and any Additional Cardholder up to the Available Balance.
- 10.2 You must not allow withdrawals by BOQ Specialist Debit Card to exceed the Available Balance, unless BOQ Specialist has consented in writing or BOQ Specialist otherwise authorises the Transaction which results in the Transaction exceeding the Available Balance.
- 10.3 Transactions, which are below certain monetary limits (which are set by the relevant merchant's financial institution) and where no electronic approvals are in place or Transactions that are processed manually, are not authorised by Us before they proceed. Accordingly, these circumstances may result in you exceeding your Available Balance (or a Monthly Spend Limit) without our authorisation.

10.4 If a Cardholder conducts a Transaction which results in a debit in excess of your Available Balance, BOQ Specialist is not increasing your Available Balance or agreeing to the provision of credit or any increase to your overdraft limit. If a Transaction exceeds the Available Balance without BOQ Specialist's approval, you must immediately repay to BOQ Specialist any amount in excess of your Available Balance. When BOQ Specialist becomes aware of a Transaction in excess of your Available Balance, BOQ Specialist will take reasonable steps to notify you that your Available Balance has been exceeded unless you have since paid an amount that brings your One Account back into credit (or if you have an approved overdraft, within any agreed credit limit). BOQ Specialist may provide such notification by writing, email, SMS message or through your internet banking, or in any other way it determines.

10.5 You agree that each time that your Available Balance is exceeded, you will be charged a one-off Overdrawn Account Fee. The amount of the fee is set out in the Schedule of Fees attached.

10.6 You will not be charged any Overdrawn Account Fee in circumstances where We agree for your Available Balance to be temporarily exceeded, except in circumstances where you exceed your new temporary Available Balance (in which case section 10.5 applies).

11. Additional Cardholder Spend Limits

11.1 For each Additional Cardholder, the Primary Cardholder may set a Monthly Spend Limit. If no Monthly Spend Limit is set by the Primary Cardholder, an Additional Cardholder's Monthly Spend Limit defaults to the One Account's Available Balance.

11.2 A Monthly Spend Limit may be set by the Primary Cardholder by contacting the Client Service Centre on 1300 160 160. In these circumstances, BOQ Specialist will then immediately arrange for the Additional Cardholder's Monthly Spend Limit to apply to the Debit Card and such request usually will take effect within one hour of BOQ Specialist receiving the request. For Company Accountholders the Accountholder can set the monthly spend limit for additional Cardholders.

11.3 An Additional Cardholder's Monthly Spend Limit resets at the start of each statement period. If, in any relevant month, an Additional Cardholder's Monthly Spend Limit is reached, the Additional Cardholder will not be able to perform any further Transactions using the Debit Card until such time as the Monthly Spend Limit resets.

11.4 The Primary Cardholder must contact the BOQ Specialist Client Services Centre to reduce or increase an Additional Cardholder's Monthly Spend Limit. BOQ Specialist will then arrange for the Additional Cardholder's Monthly Spend Limit to be reduced or increased. Such request will usually take effect as soon as possible after BOQ Specialist receives the request.

11.5 When an Additional Cardholder completes Transactions, this will decrease your Available Balance. An Additional Cardholder will be restricted from accessing his or her Monthly Spend Limit where there are insufficient funds.

11.6 Any payments made to the One Account are applied to the Available Balance and are not applied to an Additional Cardholder's Monthly Spend Limit.

11.7 If an Additional Cardholder exceeds his or her Monthly Spend Limit, any recurring payment arrangements that are established by the Additional Cardholder may not be processed and in such circumstances, the Additional Cardholder will be required to contact the relevant merchant to discuss alternative payment methods.

12. Authorisation and Processing of Transactions

12.1 Certain Transactions on your Debit Card may need to be authorised by Us before they can proceed. In these circumstances, prior to the Transaction being completed, the relevant merchant's financial institution will obtain authorisation from Us for the Transaction to be processed. Once authorisation is obtained, it will reduce the amount of available funds in your One Account. If circumstances occur where authorisation is obtained from Us but the relevant Transaction is not completed, your Available Balance may be reduced for a certain period of time.

12.2 Transactions will not necessarily be processed to your One Account on the same day that you conduct the relevant Transaction. The date that BOQ Specialist processes a Transaction and applies that Transaction to your One Account is referred to as the "Transaction Statement Date". The Transaction Statement Date is the date that appears on your One Account Monthly Statement.

12.3 Where Cardholders make multiple Transactions on the same day, debit Transactions are posted to your One Account before credit transactions.

12.4 BOQ Specialist has the right to refuse authorisation for you to effect any Transaction if:

- BOQ Specialist has cancelled or suspended the Debit Card in accordance with these Conditions of Use (refer to section 20);
- the Transaction will result in your Available Balance being exceeded;
- an Additional Cardholder has exceeded their Monthly Spend Limit;
- BOQ Specialist has reason to suspect that the Transaction is for or connected with any unlawful purpose;
- any Cardholder breaches any provision of these Conditions of Use; or
- there is any other reasonable cause.

13. Statements and Receipts

13.1 A transaction record will be available for each Transaction carried out with a BOQ Specialist Debit Card at an Electronic Banking Terminal.

13.2 Cardholders should always check the Transaction amount indicated on any:

- printed transaction record is correct before signing it; or
- Electronic Banking Terminal is correct before entering the PIN.

13.3 Cardholders should obtain, check and retain all printed transaction records (including sales and cash advance records) issued to them for checking against your One Account Monthly Statements.

13.4 BOQ Specialist will send to the Primary Cardholder a One Account Monthly Statement. All amounts shown on the One Account Monthly Statement will be in Australian dollars.

13.5 You may request an additional copy of your One Account Monthly Statement at any time however fees and charges will apply. Refer to the Debit Card Fee Schedule.

14. Transactions debited to your One Account using your Debit Card

14.1 You will be liable for any transactions entered into by you or anyone else with your knowledge and consent and BOQ Specialist may debit your One Account for the transaction amounts including:

- amounts of withdrawals or transfers from your One Account initiated at any Electronic Banking Terminal;
- the price of goods and services brought from merchants including where payment is made remotely by mail, telephone or internet orders;
- amounts shown on all cash advance vouchers;
- amounts shown on all transaction vouchers completed by merchants with your express or implied authority; and
- any other amounts BOQ Specialist may debit to your One Account under these Conditions of Use.

Your liability to BOQ Specialist continues notwithstanding that you may have closed your One Account or that you may have ceased to be a customer of BOQ Specialist.

14.2 BOQ Specialist will deduct from your Available Balance the value of all Transactions carried out by the use of a BOQ Specialist Debit Card issued on your One Account. BOQ Specialist will (in the first instance) consider a Transaction as having been authorised by you when:

- you conduct a Transaction;
- your or an Additional Cardholder's BOQ Specialist Debit Card is used to conduct a Transaction; or
- your or an Additional Cardholder's BOQ Specialist Debit Card is presented to a merchant (or someone else on behalf of a merchant) in a way acceptable to BOQ Specialist.

14.3 Fraudulent transactions can occur on a BOQ Specialist Debit Card. Where you advise BOQ Specialist that a Transaction that has been debited from your Available Balance is fraudulent, unauthorised or disputed, BOQ Specialist will investigate and review that Transaction in accordance with section 24 of these Conditions of Use. We may close your One Account and/or cancel the BOQ Specialist Debit Card pursuant to section 20 of these Conditions of Use. If We take either or both of these steps We may issue a replacement BOQ Specialist Debit Card to the relevant Cardholder and, if relevant, allocate a new Card Number.

14.4 All Purchases, cash advances and fees and charges will

be debited from your Available Balance in accordance with these Conditions of Use.

15. Fees and Charges

15.1 The fees and charges outlined in the Debit Card Fee Schedule apply. You agree to pay to BOQ Specialist all fees and charges that are set out in the Debit Card Fee Schedule. BOQ Specialist will deduct these fees and charges from your Card Account balance by debiting the amount of the fee or charge in accordance with this section 15 and the Debit Card Fee Schedule. All fees and charges that are set out in the Debit Card Schedule are inclusive of any relevant GST.

15.2 If you consider BOQ Specialist has incorrectly charged you a fee or charge, you may dispute this by contacting BOQ Specialist in accordance with section 24. Any incorrectly charged fee or charge will be reversed by BOQ Specialist.

16. Government Fees and Charges

BOQ Specialist reserves the right to pass on to you any fees, charges, duties and taxes that are imposed on the use of your BOQ Specialist Debit Card by any government or by any regulatory authority. You authorise BOQ Specialist to debit your Available Balance with those fees, charges, duties and taxes.

17. Regular Payment Arrangements

17.1 You are encouraged to maintain a record of all regular payments you or any Additional Cardholder arranges with merchants (including the merchant's name, contact details and the amount(s) and date(s) upon which payments are to be processed). Regular payments can be either a recurring payment or an installment payment. A regular payment arrangement represents an agreement between a Cardholder and a merchant in which you preauthorise the relevant merchant to bill your One Account using the BOQ Specialist Debit Card at predetermined intervals (e.g. monthly or quarterly) or at intervals as agreed by you. The amount may differ or be the same for each transaction.

17.2 To either change or cancel any regular payment arrangement, the Cardholder should contact the relevant merchant at least 15 days prior to the next scheduled payment. Until the Cardholder notifies the merchant, BOQ Specialist is required to process transactions from the merchant. If possible, you should retain a copy of any request to change or cancel any regular payment arrangement. If the merchant does not comply with the request to cancel or change the regular payment arrangement, you may be able to dispute the charges.

17.3 Should a Card Number be changed (i.e. as a result of a lost or stolen card), Cardholders must request the merchant(s) to change the details of the existing regular payment arrangement(s). If this is not done, the existing regular payment arrangement may either not be honoured by BOQ Specialist or the merchant may stop providing the goods and/or services to the Cardholder.

17.4 Should you elect to close your One Account or your One Account is closed by Us, all Cardholders should contact all merchants with whom they have a regular payment arrangement with to revise the regular

payment arrangement details as failure to do so may result in the merchant failing to provide the Cardholder with the relevant goods and/or services.

- 17.5 You will be liable to BOQ Specialist for any regular payments made under a regular payment arrangement, after you close your One Account or your One Account is closed by Us.

18. Complaints and the Dispute Resolution Scheme

If you have a complaint, query or dispute, you should immediately contact Us on: 1300 160 160.

Alternatively, should you wish to make a complaint in writing, please address your correspondence to:

Complaints Officer – Head of Compliance
BOQ Specialist Bank Limited
GPO Box 2539
SYDNEY NSW 2001

If you are not satisfied with our internal complaints resolution procedures, you have the right to complain to the following independent external complaints resolution body of which We are a member:

Financial Ombudsman Service Limited
GPO BOX 3
MELBOURNE VIC 3001
Telephone: 1300 780 808

19. Renewal of your BOQ Specialist Debit Card

- 19.1 BOQ Specialist will forward to you and any Additional Cardholder a replacement BOQ Specialist Debit Card before the Expiry Date of your current BOQ Specialist Debit Card or additional BOQ Specialist Debit Card. However, you will not be provided with a replacement BOQ Specialist Debit Card if you are in breach of these Debit Card Conditions of Use, or of the Terms and Conditions applying to the linked One Account (including where you have not ensured that an Additional Cardholder complies with requirements in them).
- 19.2 If you do not require a replacement BOQ Specialist Debit Card, either for yourself or an Additional Cardholder, you must notify BOQ Specialist before the Expiry Date of your current BOQ Specialist Debit Card or additional BOQ Specialist Debit Card.
- 19.3 BOQ Specialist may issue a replacement BOQ Specialist Debit Card to you or any Additional Cardholder at any time. All such cards are subject to these Conditions of Use. Typically BOQ Specialist will do this in circumstances where it considers that the security of your BOQ Specialist Debit Card or PIN may have been compromised or where BOQ Specialist is required to issue new cards to all its cardholders as a result of Visa scheme rule changes. In these circumstances, you will not be charged a Card Replacement Fee.

20. Cancelling or Suspending your BOQ Specialist Debit Card

- 20.1 BOQ Specialist reserves the right to cancel or suspend a BOQ Specialist Debit Cards at any time. For example, We may cancel or suspend your BOQ Specialist Debit Cards:
- for security reasons where the BOQ Specialist Debit Card or any feature associated with it has been or

is reasonably suspected by BOQ Specialist to have been compromised;

- if you are in breach of these Debit Card Conditions of Use, or of the Terms and Conditions applying to the linked One Account (including where you have not ensured that an Additional Cardholder complies with requirements in them), and the breach is of a serious nature;
- if you have failed to pay any amounts due under these Debit Card Conditions of Use, or under the Terms and Conditions applying to the linked One Account, on its due date for payment;
- if it has not been activated within a reasonable period of issue (usually 90 days);
- for any other reasonable cause.

If We cancel a BOQ Specialist Debit Card, BOQ Specialist will notify you that the BOQ Specialist Debit Card has been cancelled.

We may also cancel the One Account and your BOQ Specialist Debit Cards at any time with 30 days advance notice.

- 20.2 You may cancel your Debit Card at any time by telephoning our Client Service Centre on 1300 160 160. In these circumstances, you must either return all BOQ Specialist Debit Cards to Us cut in half for your protection (including cutting the chip on the BOQ Specialist Debit Card in half) or confirm by telephone that all BOQ Specialist Debit Cards have been destroyed and that you have disposed of the pieces securely.
- 20.3 BOQ Specialist may restrict the ability for you to access any Available Funds on your One Account and prevent you and the Additional Cardholders from using the BOQ Specialist Debit Card in circumstances where you are in default in accordance with section 20.1 and BOQ Specialist has notified you of the default and advised you that it will restrict your One Account if you do not rectify the relevant default in accordance with the time frames set out in the notice BOQ Specialist provided to you.
- 20.4 You must not use your BOQ Specialist Debit Card after it has been cancelled or suspended or your One Account has been restricted or closed. In some circumstances your BOQ Specialist Debit Card may be used for store purchases which are below certain monetary limits (which are set by the relevant merchant's financial institution) and where no electronic approvals are in place or if a Transaction is processed manually. If you use your BOQ Specialist Debit Card after it has been cancelled or restricted or your One Account has been closed in these circumstances then you will be liable to BOQ Specialist for the value of any Transaction as well as any reasonable costs incurred by BOQ Specialist in collecting the amounts owing which include interest calculations at the prevailing interest rate. Any such amounts are immediately due and owing upon demand by BOQ Specialist.
- ## 21. Your Liability in case your BOQ Specialist Debit Card is lost or stolen or in the case of Unauthorised use
- 21.1 You are not liable for any unauthorised use of your BOQ Specialist Debit Card:

- in relation to a Transaction evidenced by a sales or cash advance voucher, before you or the Additional Cardholder have actually received the BOQ Specialist Debit Card;
 - in relation to a Transaction at an Electronic Banking Terminal, before you or the Additional Cardholder have actually received the PIN;
 - after you or the Additional Cardholder has reported it lost or stolen under Section 5;
 - due to the same Transaction being incorrectly debited to your One Account more than once;
 - resulting from the fraud or negligent conduct of our employees or agents; or
 - if the Cardholder did not contribute to any unauthorised use of your BOQ Specialist Debit Card.
- 21.2 For the purpose of section 21.1(6), We will undertake an assessment to consider whether you or the Additional Cardholder have contributed to any loss caused by unauthorised use of your BOQ Specialist Debit Card. This assessment will include a review of whether you or the Cardholder:
- voluntarily allowed someone else to observe you entering your PIN into an Electronic Banking Terminal;
 - wrote or indicated the PIN on the BOQ Specialist Debit Card;
 - wrote or indicated the PIN or Identification on any article carried with the BOQ Specialist Debit Card or likely to be lost or stolen at the same time as the BOQ Specialist Debit Card;
 - allowed anyone else to use the BOQ Specialist Debit Card; or
 - unreasonably delayed notification of:
 - (i) the BOQ Specialist Debit Card or PIN record being lost or stolen;
 - (ii) unauthorised use of the BOQ Specialist Debit Card; or
 - (iii) the fact that someone else knows the PIN.
- 21.3 If We can prove on the balance of probability that you or the Additional Cardholder have contributed to the unauthorised use of the BOQ Specialist Debit Card under section 21.2, your liability will be the lesser of:
- the actual loss when less than your Available Balance; or
 - your Available Balance; or
 - in relation to Transactions carried out at Electronic Banking Terminals an amount calculated by adding the actual losses incurred for each day, up to the current daily withdrawal limit, on which unauthorised use occurred before you reported the loss, theft or unauthorised use of the BOQ Specialist Debit Card, up to and including the day the report was made.
- 21.4 In determining liability under section 21.3(3):
- where the BOQ Specialist Debit Card has been lost or stolen, the number of days will be calculated by reference to the day when you or the Additional Cardholder should reasonably have become aware that it was lost or stolen; and
 - the current daily withdrawal limit is the limit applicable at the time of the Transaction, by reference to the status and/or type of Electronic Banking Terminal at which the Transaction occurred.
- 21.5 Where a code (e.g. a PIN) was required to perform the unauthorised Transaction and it is unclear whether or not you or the Additional Cardholder have contributed to any loss caused by unauthorised use of the BOQ Specialist Debit Card, your liability will be the lesser of:
- \$150; or
 - your Available Balance; or
 - the actual loss at the time BOQ Specialist is notified of the loss or theft of the BOQ Specialist Debit Card.
- 21.6 In determining your liability under this section 21:
- BOQ Specialist will consider all reasonable evidence including all reasonable explanations for an unauthorised use having occurred; and
 - the fact that an account is accessed with the correct PIN, while significant, is not of itself conclusive evidence that you or the Additional Cardholder have contributed to the loss.
- 21.7 The guidelines set out in section 4 of these Conditions of use to safeguard your Debit Card, are the minimum security measures you and every Additional Cardholder should take. If you disagree with our processes, you should contact Us and request that We review our decision in accordance with section 24 below.
- ## 22. Visa Zero Liability
- 22.1 In addition to the limits placed on your liability as described in section 21 above, Visa's scheme rules provide that BOQ Specialist shall limit your liability to nil in the following circumstances:
- the unauthorised Transactions were not effected at an ATM;
 - you or any cardholder have not contributed to any loss caused by unauthorised use of your BOQ Specialist Debit Card as described in section 21.2; and
 - you have provided all reasonably requested documentation to BOQ Specialist, which may include provision of a statutory declaration and police report.
- 22.2 Where this Visa zero liability section applies, BOQ Specialist will endeavour to refund the amount of the unauthorised Transactions within 24 hours, subject to:
- you having provided all reasonably requested information to BOQ Specialist;
 - you are not otherwise in default or have breached these Conditions of Use;
 - your Card Account is not in arrears, other than as a result of the unauthorised Transactions; and
 - BOQ Specialist has not reasonably determined that further investigation is necessary before refunding the amount of the unauthorised Transactions based on:

- (i) the conduct of the One Account;
- (ii) the nature and circumstances surrounding the unauthorised Transactions; and
- (iii) any delay in notifying BOQ Specialist of the unauthorised Transactions.

22.3 Any refund is conditional upon the final outcome of BOQ Specialist's investigation of the matter and may be withdrawn by BOQ Specialist where it considers that this section shall not apply as a result of that investigation. In making any determination in respect of this section, BOQ Specialist will comply with the requirements of section 24 of the Conditions of Use.

23. Indemnity

23.1 To the extent permitted by law, and subject to section 23.2, 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 your obligations under; or
- acted negligently or fraudulently

in connection with these Conditions of Use.

23.2 The indemnity in section 23.1 does not apply to any loss or liability that We may have arising under the *National Consumer Credit Protection Act 2009* (Cth).

24. Resolving errors on Account Statements

24.1 If you believe a Transaction is wrong or unauthorised or your One Account Monthly Statement contains any instances of unauthorised use or errors, you must immediately notify BOQ Specialist by calling the Client Service Centre on 1300 160 160.

As soon as possible, you must also provide BOQ Specialist the following:

- your name, details of the Transaction or the error you consider is wrong or unauthorised;
- a copy of the BOQ Specialist One Monthly Statement in which the unauthorised Transaction or error first appeared;
- the dollar amount and an explanation as to why you believe it is an unauthorised Transaction or an error;
- details of other users authorised to operate the account; and
- details of whether your BOQ Specialist Debit Card is signed and your PIN secure.

24.2 If BOQ Specialist is unable to settle your complaint to your satisfaction, it will advise you in writing of the procedures for further investigation and resolution and may request further relevant details from you.

24.3 If BOQ Specialist finds that an error was made, it will make the appropriate adjustments to your One Account including interest and charges (if any) and will advise you in writing of the amount of the adjustment.

24.4 When BOQ Specialist advises you of the outcome of its investigations, it will;

- give you reasons in writing for its decisions by reference to these Conditions of Use; and

- advise you of any adjustments it has made to your Card Account.

24.5 If BOQ Specialist decides that you are liable for all or any part of a loss arising out of unauthorised use of your BOQ Specialist Debit Card, it will:

- give you copies of any documents or other evidence it relied upon; and
- advise you whether or not there was any system or equipment malfunction at the time of the Transaction.

24.6 If BOQ Specialist fails to carry out these procedures or causes unreasonable delay, BOQ Specialist may be liable for part or the entire amount of the disputed Transaction where its failure or delay has prejudiced the outcome of the investigation.

24.7 BOQ Specialist has the ability to investigate Disputed Transactions which occur using a BOQ Specialist Debit Card. The Visa scheme has a dispute resolution process that is contained in Visa's operating rules. The process sets out specific circumstances and time frames in which a member of the scheme (for example, BOQ Specialist, a bank or financial institution) can claim a refund in connection with a Disputed Transaction on a cardholder's behalf. This right is referred to as a "chargeback right". Accordingly, BOQ Specialist's ability to investigate a Disputed Transaction on your behalf is limited to the time frames imposed pursuant to the Visa scheme rules. The time frames vary between 75 days and 120 days so it is important that you notify Us as soon as you become aware of a Disputed Transaction, otherwise We will not be in a position to investigate a Disputed Transaction on your behalf.

25. Malfunction

25.1 Other than to correct the error on the One Account and the refund of any charges or fees imposed on you as a result of the error, BOQ Specialist will not be liable to you or any Additional Cardholder for any loss caused by an Electronic Banking Terminal malfunctioning if you or the Additional Cardholder were aware, or should have been aware, that the terminal was unavailable for use or was malfunctioning.

25.2 Where an EFTPOS device is not working, the merchant may provide alternative manual processing of the Transaction. Cardholders will be required to present the BOQ Specialist Debit Card and sign a voucher. The voucher authorises BOQ Specialist to debit your One Account (which will increase the balance owing to BOQ Specialist).

26. Changes to Conditions of Use

26.1 BOQ Specialist may make changes to these Conditions of Use any time by providing you with notice in accordance with 26.3.

26.2 If you wish to close your One Account as a result of any change or variation We make to the Conditions of Use, you must contact BOQ Specialist to close your One Account. In these circumstances, you will not be charged any fees or charges associated with Us closing your One Account, providing you are not in default of the Terms and Conditions and Conditions of Use and you pay all monies owing.

26.3 Changes to Fees and Charges of BOQ Specialist Debit Card

- We may notify you of an increase in the amount of a fee or charge, the introduction of a new fee or charge or a change in the frequency or the time for payment of a fee or charge by giving you written notice no later than 20 days before the change takes effect. Alternatively, notice may be given by publishing a notice in a newspaper circulating in your State or Territory. In this case, We will confirm the change before or when your next One Account Monthly Statement is sent after the change takes effect.
- Where the change reduces or removes a card fee or charge or extends the time for payment of a debit card fee or charge, We will provide you with notice when We send your next One Account Monthly Statement to you. This notice may occur before or after the change takes effect.

26.4 Other changes

We may notify you of any other changes by giving you written notice including by email no later than 20 days before the change takes effect. These changes may include imposing, removing or adjusting transaction limits.

27. Other General Conditions

- 27.1 You agree that you will promptly notify BOQ Specialist of any change of address and/or any other contact details for the mailing delivery of any notifications, which BOQ Specialist is required to send to you.
- 27.2 A certificate signed by an authorised person of BOQ Specialist stating the Available Balance of the One Account is sufficient evidence of the amount of your liability to BOQ Specialist at the date of issuing the certificate.

Debit Card Fee Schedule (Including Fees for One Account)

Fee Name	Description	Amounts
One Account		
Overdraft facility application fee	Upfront fee where Overdraft Facility applied for	\$395
Account keeping fee		Nil
Direct debit fee		Nil
Transaction fee (overnight)		Nil
Transaction fee (international)	Charged for international payment requests	\$30
Transaction fee (Real Time Gross Settlement (RTGS))	Charged for same day payment requests	\$30
Dishonour fee	Charged for each inward Dishonour	\$45
Bank cheque	Charged for each Bank Cheque request	\$10
Online Banking security credential		Nil
Replacement of Online Banking security credential	Charged for replacement of lost or damaged Online Banking security credential	\$50
Overdrawn account fee	Payable if clients overdraw their account	\$15
Trace fee	Payable on customer initiated trace requests	\$20
Duplicate & interim statement fee	Payable from your card account on each request of a statement or copy of a statement in addition to the monthly statement We give you in accordance with the Conditions of Use.	\$5
Bank audit certificate	Charged for each Bank Audit Certificate request	\$30
Adviser service fee (if applicable)	Refer to page 5 of the application form for details	
Debit card		
ATM transactions per activity	For ATMs, you will be charged a fee by the ATM owner for use of their ATM. The amount of the fee may be different for each ATM owner or type of transaction and will be charged to your card account at the same time you make your transaction.	5 free withdrawals per month, per account at any major Australian bank* ATM. Thereafter ATM owner fees apply.
Foreign ATM fee	Charged for each transaction at an ATM outside of Australia.	\$5
Express card delivery	Priority handling cost for replacement Card	\$40
Express PIN delivery	Priority handling cost for replacement PIN	\$30
GCAS emergency card replacement fee	Payable and deducted from your card account on issuance of a replacement card outside Australia.	US\$175
Disputed item fee	Payable per disputed transaction not resolved in your favour.	\$35
Voucher retrieval fee	Payable for each voucher retrieval you request BOQ Specialist to obtain from a relevant merchant.	\$10
Foreign currency conversion fee	Payable when you make a transaction on your card account in a currency other than Australian dollars, or you make a transaction on your card account in any currency (including AUD) that is processed by the card scheme or billed by the merchant outside Australia. 1.0% of the total amount of each such transaction is payable to Visa as a currency conversion charge and the remaining 1.95% of the total amount of each such transaction is an administration fee payable to BOQ Specialist.	2.95% of the total value amount of each such transaction

*Major bank include ATMs branded: CBA, ANZ, WBC, NAB, STG.

Client service centre
T 1300 160 160
boqspecialist.com.au

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**BOQ
SPECIALIST**

Distinctive banking