



Staff Credit Union

Q Depositor – Qsaver & Term Deposit Accounts

as at 11 August 2008

Q Depositor Product Disclosure Statement (PDS)

This PDS is current from 11 August 2008 and includes this document, its terms and conditions and our current Q Depositor Fees & Charges and Interest Rate Brochure from time to time.

This PDS

This PDS provides information about those Qantas Staff Credit Union Savings Accounts, Payment Services and Term Deposits available to customers who are not shareholders of the Credit Union ('Q Depositor'), to help you make an informed decision on whether to open an account with us.

This PDS includes:

- Product Summaries: pages 3 - 14 ;
- Terms and Conditions and Important Information Credit Union Code of Practice Information: page 15 onwards; and
- Q Depositor Fees & Charges and Interest Rate Brochure -setting out costs and current interest rates for each product;

The Q Depositor Fees & Charges and Interest Rate Brochure is a separate document which forms part of this PDS.

Statement of Advice

If we give you personal advice on term deposits/investment accounts, then you will receive a Statement of Advice which sets out the information you have given us about your circumstances and needs and the advice we have given you on the product.

About Us

Qantas Staff Credit Union Limited is an Australian Authorised Deposit-Taking Institution (ADI) regulated under the Banking Act 1959 by the Australian Prudential Regulation Authority (APRA). As such, we are subject to the same prudential requirements, and depositors receive the same protection, as any other Australian bank, building society or credit union.

We began in 1959, when a small group of Qantas Airways employees formed a financial co-operative for competitive loans and savings accounts. Today we have over 75,000 Members and provide a vastly expanded range of financial services.

A copy of our latest Annual Report can be obtained at our website, www.qantascu.com.au , or by calling 1300 747 747.

Financial Services Guide

For information on our full range of products and services, see our Financial Services Guide (FSG).

Details on our rules, constitution and how to become a shareholding Member of the Credit Union, with access to our full range of products and services, are available at our website, www.qantascu.com.au , or by calling 1300 747 747.

Membership of the Credit Union

This PDS provides information about those deposit accounts and payment services available to customers who are not shareholding Members of the Credit Union ('Q Depositors').

The full range of the Credit Union's products and services are only available to shareholding Members. Membership eligibility and conditions of Membership are governed by the Credit Union's Constitution, which is available at www.qantascu.com.au or can be inspected by arrangement at the Head Office of the Credit Union.

Member Care Statement

Please read this PDS and its Terms and Conditions carefully. Always retain a copy of all PDS documents for future reference.

Each relevant provision of the Credit Union Code of Practice will apply to your account.

The Electronic Funds Transfer Code of Conduct will also apply to all electronic funds transfer transactions to or from your account, such as Online Banking and Telephone Banking.

Qsaver

Product Summary

Qsaver is an at-call savings account designed to be accessed electronically via selected payment services, such as Online Banking, Telephone Banking, direct credit and Bpay. The table below summarises the features of Qsaver.

| Does Qsaver | Yes/No | Comment |
|---|--------|---|
| offer a higher variable interest rate than other Credit Union at-call savings accounts? | Yes | The standard interest rate as at the date of this document is 7.25% pa for balances over \$500,000 and 7.10% pa for balances under \$500,000. However for a limited time only a special bonus interest rate applies of 8%pa for balances over \$500,000 and 7.85% pa for balances under \$500,000. Please refer to the Q Depositor Fees & Charges and Interest Rate Brochure for current rates. |
| have a minimum/maximum deposit or balance? | No | You can deposit as much or as little as you like and do not need to maintain a minimum balance. |
| have a minimum/maximum withdrawal? | No | You can withdraw as much or as little as you like, subject to daily transaction limits. |
| have daily transaction limits? | Yes | Certain payment services may have daily transaction limits. Most Electronic Banking transfers (e.g. Bpay) have a daily limit of \$25,000.00, however transfers to other Australian financial institutions have a default daily limit of \$5,000.00 (which may be changed on application). |

| Does Qsaver | Yes/No | Comment |
|--|--------|---|
| allow Online and Telephone Banking? | Yes | You must have Online Banking access to operate a Qsaver account. Telephone Banking access is available on request. |
| allow Autotransfers (periodical payments)? | Yes | Autotransfers can be established, modified or cancelled via Online Banking, subject to daily transaction limits. |
| allow card access? | No | Debit cards are not available on Qsaver. |
| allow Cheque Book access? | No | Cheque Books are not available on Qsaver. |
| allow Direct Debit withdrawals? | Yes | Simply quote BSB 704865 and your Qsaver account number (<u>not</u> your RIM/customer number). |
| allow Direct Debit deposits? | Yes | Simply complete a Direct Debit Authority form available from Online Banking and mail it to the Credit Union at Locked Bag 6747 Hurstville BC, NSW 1481. |
| allow BPAY payments? | Yes | Remember, BPAY payments made using Online and Telephone Banking do NOT count towards your debit transactions for the purposes of calculating any excess transaction fee for your account. Refer to the Q Depositor Fees & Charges and Interest Rate Brochure. |
| allow Credit Union Cheque withdrawals? | No | Credit Union Cheque withdrawals are not available on Qsaver, except on closure of the account. |
| allow cash deposits/withdrawals? | No | Cash deposits/withdrawals are not accepted into Qsaver. |
| allow Direct Credit deposits? | Yes | Simply quote BSB 704 865 and your Qsaver account number (<u>not</u> your RIM/customer number). |
| allow cheque deposits? | Yes | Cheques can be deposited by mailing to the Credit Union, together with your name and account details written on the reverse of the cheque to be deposited. Third party cheques will <u>not</u> be accepted. |

| Does Qsaver | Yes/No | Comment |
|---|--------|--|
| allow Westpac Deposit Books and Bank@Post deposits? | No | These deposits methods require a Member Cheque Book or debit card and are not available. |
| allow over the counter and call centre transfers and balance enquiries? | No | Please use Online or Telephone Banking for these functions. |
| have any fees? | Yes | Fees and charges do apply, such as excess transaction and dishonour fees. Please refer to the Q Depositor Fees & Charges and Interest Rate Brochure. |
| have regular statements of account? | Yes | Your Qsaver account will appear on your consolidated statement of account either monthly or quarterly. |

Qsaver Features and Benefits

Credit Union's Qsaver provides you with the means to keep track of and enjoy access to your funds, while enjoying a competitive interest rate. The following features and benefits apply:

- Online Banking;
- Telephone Banking;
- SMS Banking;
- Bpay bill payments;
- Periodical payments (autotransfers);
- Direct Debits;
- Direct Credits;
- A number of free debit transactions per month, refer to the Q Depositor Fees & Charges and Interest Rate Brochure for more information;
- Interest is calculated on the daily credit balance and paid to your account monthly;
- Interest rates are tiered based on the amount of the credit balance;
- Monthly or quarterly statements are available (the default option is quarterly statements);
- You can check your account details or make payments via our secure web site or telephone banking 24 hours a day 7 days a week;
- There is no minimum amount to open or maintain your account;
- Maximum daily transaction limits of \$25,000.00 per transaction type for payments and transfers made using Online Banking and Telephone Banking;
- Maximum default daily transaction limit of \$5,000.00 for transfers to other Australian Financial Institutions made using Online Banking (can be changed on request).

Payment Services Features and Benefits

Our Payment Services provide a variety of ways that you can access your Qsaver account. The types of Payments Services offered by the Credit Union and a brief description of their features and benefits are set out below. To

determine whether a Payment Service is included in monthly debit transaction totals, please refer to the Q Depositor Fees & Charges and Interest Rate Brochure.

Account Transfers -You can make transfers from your Qsaver account to other Qsaver accounts within the same RIM (customer identification number) or to other accounts within Qantas Staff Credit Union or to other Australian financial institutions if you have the savings account details. See the Terms and Conditions for Savings Accounts and Other Payment Services for more information.

Autotransfer (Periodical Payment) -You can make payments or transfers from your Qsaver account to other institutions or suppliers on a regular basis. You can set up, view, modify or delete/cancel the authority via Online Banking or in writing. See the Terms and Conditions for Savings Accounts and Other Payment Services for more information.

Bpay -You can pay one or more bills from your savings account to companies participating in Bpay and displaying the Bpay logo on their bills. The maximum daily limit for Bpay payments made using Online or Telephone Banking is \$25,000.00 per transaction per day. See the Terms and Conditions for Savings Accounts and Other Payment Services for more information.

Direct Debit - You can authorise an institution or supplier to debit your Qsaver by giving them your written authorisation and providing them with BSB number 704 865 plus your Qsaver account number (not your RIM/customer number). You can also authorise the Credit Union to debit your account with another financial institution and credit your Qsaver by completing a direct debit authority form and mailing it to the Credit Union. See the Terms and Conditions for Savings Accounts and Other Payment Services for more information.

Online Banking - You can use Online Banking to access information about our products and services and also to access your accounts. Online Banking allows you to undertake a range of transactions and enquiries. You can obtain account balances, transaction details and interest details. You can make account transfers within your RIM (customer identification number) or to other Credit Union accounts or other Australian financial institutions and make Bpay payments. You can also view or modify autotransfers and future Bpay payments, change your access code, activate cards, send a secure email to the Credit Union and request forms or applications. The maximum payment or transfer is \$25,000.00 per transaction type per day (the default daily limit for transfers to other Australian Financial Institution is \$5,000, which can be changed on request). See the Terms and Conditions for Savings Accounts and Electronic Banking for more information.

Telephone Banking -You can use Telephone Banking to access information about our products and services and also to access your accounts. Telephone Banking allows you to undertake a range of transactions and enquiries. You can obtain account balances, transaction details and interest details. You can make account transfers within your membership or to other Credit Union accounts or other Australian financial institutions and make Bpay payments. The maximum payment or transfer is \$25,000.00 per transaction type per day (the default daily limit for transfers to other Australian Financial Institution is \$5,000, which can be changed on request). See the Terms and Conditions for Savings Accounts and Electronic Banking for more information.

SMS Banking -You can use SMS banking to receive alerts about your accounts. Alerts include direct credit alerts, direct debit alerts, low account balance alerts, high account balance alerts and scheduled balance alerts. As well as request a balance enquiry, most recent transactions, most recent credit transactions, most recent debit transaction and interest earned/paid. See the SMS Banking Terms and Conditions for more information.

Qsaver and Payment Services Risks and Safeguards

There are a number of risks with using a Qsaver account and non-cash payment facilities attached to a Qsaver account, such as:

- Savings accounts may earn lower interest than other forms of investments;
- Excess debit transactions and dishonoured transactions will incur fees;
- Access codes for facilities such as Online Banking and Telephone Banking may be lost or stolen;
- Unauthorised persons may use your access methods and/or codes to purchase goods and/or services or to make withdrawals or transfers, for example Online Banking, Telephone Banking or Bpay;
- You may provide or enter incorrect details for or overpay payments (such as Bpay) or transfers (such as auto transfers (periodical payments));
- Transactions may be debited more than once;
- You may have insufficient funds in your account to cover payments or transfers and a dishonour fee may be charged;
- If you do not use your account for at least 1 year it may be classified as dormant and dormant account fees may be charged;
- If you owe money to us, the credit balance of your Qsaver account can be used, without prior notice, to repay that money.

To safeguard and get the best out of your Qsaver account:

- Transfer large balances into a term deposit to earn higher interest rates or obtain financial advice about other investments that will suit you;
- Keep debit transactions to a minimum to avoid transaction fees;
- Transfer large balances that you do not require to be at-call into an account that does not have Online Banking access, such as a term deposit, to reduce the risk of unauthorised transactions;
- Ensure that you have sufficient cleared funds in your account to cover all payments and transfers that you have made;
- Use SMS Banking to receive alerts if large withdrawals are made from your accounts;
- Protect your account access methods and codes, by keeping them in a safe place and memorising access codes;
- Do not give access methods or disclose access codes to anyone else, including family and friends;
- Do not choose access codes that are obvious, such as birth date, postcode, phone number or consecutive numbers;
- Take care when entering details for payments and transfers and check them before submitting them;
- Keep records or copies of all receipts;
- Check all statements for unauthorised transactions, multiple debit transactions or errors and advise the Credit Union of any you find as soon as possible
- Advise the Credit Union immediately of lost or stolen access codes etc

- Advise the Credit Union immediately if you do not receive your Online Banking access code or Telephone Banking access code within 21 days of applying;
- Make at least one deposit or withdrawal each year;
- Advise us as soon as possible if your address or other relevant details change.

To apply for Qsaver and Payment Services

To apply for a Qsaver or a payment service you can either go to our website www.qantascu.com.au , phone our Member Contact Centre on 1300 747 747 or visit one of our Member Service Centres. Our staff will give or send to you the relevant forms and explain the application process.

Fees & Charges

We charge service fees applicable to our products and services including:

- excess debit transaction fees;
- fees for SMS Banking alerts
- dishonour fees;
- fees for provision of additional statements and copies of documents;
- dormant account fees; and
- telegraphic transfer, international bank draft and bank cheque fees.

Further details of our fees and charges are set out in the Q Depositor Fees & Charges and Interest Rate Brochure (which forms part of this PDS).

You can use your Qsaver account without paying excess debit transaction fees if you keep within the free debit transaction limit. Please refer to the Q Depositor Fees & Charges and Interest Rate Brochure for an explanation of how we calculate the number of debit transactions.

Changes to Fees & Charges

These Fees and Charges are at the discretion of the Credit Union and may be changed at any time without your consent. If they are changed you will be given prior written notice of the change by personal letter, newsletter or account statement. If we introduce new fees and charges we will give you at least 30 days notice.

Government Fees and Charges

The Credit Union currently absorbs all government fees and charges on Qsaver accounts.

Interest

Interest on Qsaver accounts is calculated on the daily balance of the account and credited at the end of each month. Interest rates are tiered based on ranges of dollar amounts. Generally the higher the tier the higher the interest rate.

The daily interest rate is the relevant tier rate divided by 365 and rounded off to four (4) decimal places. If the fifth decimal place exceeds 0.00005, then value is rounded up, and if the fifth decimal place is equal to or less than 0.00005, then value is round down.

The daily interest calculation is rounded off to the second decimal place (nearest cent). If the third decimal place exceeds 0.005, then value is rounded up, and if the third decimal place is equal to or less than 0.005, then value is rounded down.

For example:

IF

The following tiered interest rate structure applies to your account

| <i>Tier</i> | <i>Interest Rate</i> | <i>Daily Interest Rate</i> <i>(rounded off to 4th decimal place)</i> |
|--------------------|----------------------|--|
| \$500,000 and over | 7.00%pa | 0.0192% |
| Below \$500,000 | 6.85%pa | 0.0188% |

AND

the closing balances of your account in March are

| | |
|---------------|-----------|
| 1-15 March | \$450,000 |
| 16 – 31 March | \$550,000 |

THEN

your interest for March will be calculated as per the following table:

| Date | Daily Closing Balance | Multiplied by Daily Interest Rate | Daily Interest Rounded off to nearest cent |
|-------------|------------------------------|--|---|
| 1 March | \$450,000.00 | 0.0188% | \$84.60 |
| 2 March | \$450,000.00 | 0.0188% | \$84.60 |
| 3 March | \$450,000.00 | 0.0188% | \$84.60 |
| 4 March | \$450,000.00 | 0.0188% | \$84.60 |
| 5 March | \$450,000.00 | 0.0188% | \$84.60 |
| 6 March | \$450,000.00 | 0.0188% | \$84.60 |
| 7 March | \$450,000.00 | 0.0188% | \$84.60 |
| 8 March | \$450,000.00 | 0.0188% | \$84.60 |
| 9 March | \$450,000.00 | 0.0188% | \$84.60 |
| 10 March | \$450,000.00 | 0.0188% | \$84.60 |
| 11 March | \$450,000.00 | 0.0188% | \$84.60 |
| 12 March | \$450,000.00 | 0.0188% | \$84.60 |
| 13 March | \$450,000.00 | 0.0188% | \$84.60 |
| 14 March | \$450,000.00 | 0.0188% | \$84.60 |
| 15 March | \$450,000.00 | 0.0188% | \$84.60 |
| 16 March | \$550,000.00 | 0.0192% | \$105.60 |
| 17 March | \$550,000.00 | 0.0192% | \$105.60 |
| 18 March | \$550,000.00 | 0.0192% | \$105.60 |
| 19 March | \$550,000.00 | 0.0192% | \$105.60 |
| 20 March | \$550,000.00 | 0.0192% | \$105.60 |
| 21 March | \$550,000.00 | 0.0192% | \$105.60 |
| 22 March | \$550,000.00 | 0.0192% | \$105.60 |
| 23 March | \$550,000.00 | 0.0192% | \$105.60 |
| 24 March | \$550,000.00 | 0.0192% | \$105.60 |
| 25 March | \$550,000.00 | 0.0192% | \$105.60 |
| 26 March | \$550,000.00 | 0.0192% | \$105.60 |
| 27 March | \$550,000.00 | 0.0192% | \$105.60 |
| 28 March | \$550,000.00 | 0.0192% | \$105.60 |
| 29 March | \$550,000.00 | 0.0192% | \$105.60 |
| 30 March | \$550,000.00 | 0.0192% | \$105.60 |
| 31 March | \$550,000.00 | 0.0192% | \$105.60 |

Total Interest credited on 31 March

\$2,958.60

Changes to Interest

Interest changes are at the discretion of the Credit Union, We may change the interest rate, method of calculation or the frequency of interest payments without your consent. If they are changed you will be given notice of the change by personal letter, newsletter or account statement, or in the case of interest rate changes, in a newspaper.

If we:

- change the method of interest calculation, we will give you at least 30 days notice;
- increase your obligation or reduce interest rates, we will notify you no later than the day we make the change;
- reduce your obligations or increase interest rates, we will notify you in our next contact with you after making the change.

If your account is overdrawn interest will be charged on the overdrawn amount calculated on the closing daily balance and debited at the end of the month. The Credit Union will use the same interest rates on overdrawn amounts as the current interest rate for unsecured overdrafts from time to time.

Current Interest Rates are available in the Q Depositor Fees & Charges and Interest Rate Brochure, in newsletters or from our website.

Term Deposit Accounts

Term Deposit Accounts Product Summary

You can choose term deposits for 3, 6, 9, 12, 24 or 36 months.

You can choose for interest to be paid monthly (for all terms), at maturity (for terms 12 months or less) or annually, and at maturity (for terms greater than 12 months).

The minimum term deposit is \$2,000 for 3 months and \$5,000 for other terms.

Term deposits over \$1 million are subject to approval.

At maturity of the deposit the principal and interest (if applicable) can be automatically renewed for the same or closest term (subject to availability) at the interest rate applicable at the time or can be credited to your Qantas Staff Credit Union savings account.

The Credit Union may offer other terms from time to time (“term deposit specials”). Please refer to the relevant Supplementary Product Disclosure Statement for conditions of term deposit specials.

Term Deposit Accounts Features and Benefits

The following features and benefits apply:

- your interest rate is fixed for the term of the term deposit;
- no regular fees or charges are payable over the term of the term deposit;
- you can choose from the available terms, subject to minimum and maximum deposit amounts;
- you can choose the interest payment option that suits you:

- for terms 12 months or less, interest is available at maturity or monthly; and
- for terms greater than 12 months interest is available annually (& at maturity) or monthly;
- at maturity you can choose to renew the term deposit or have the balance of the term deposit credited to your Qantas Staff Credit Union savings account.

Term Deposit Risks and Safeguards

There are a number of risks with having a term deposit, such as:

- market interest rates may rise or fall over the term of the term deposit;
- you cannot access the term deposits until expiry of the term, unless we approve an emergency withdrawal (partial early withdrawals will not be allowed), in which case an interest penalty of the greater of \$10 or 2% per annum, calculated on the amount of the original deposit from the start of the current term until the date of the withdrawal, will apply;
- the amount of the term deposit can only be increased on maturity; and
- if you do not provide maturity instructions in your application form or prior to the maturity date the Term Deposit will be renewed for a further term.

If you apply for a non-standard or “special” term deposit, your deposit will be renewed on maturity at the closest (shortest) standard term deposit rate unless you provide instructions at maturity.

Before you obtain or renew a term deposit account;

- obtain independent financial advice about whether a term deposit is the best investment for you;
- consider whether you may need access to your money prior to maturity to ensure that you select the appropriate term; and
- ensure that you provide maturity instructions prior to the maturity date including for non-standard “special” term deposit rates.

To apply for Term Deposit Accounts

To apply for a term deposit account you can either visit our website www.qantascu.com.au , phone our Member Contact Centre on 1300 747 747 or visit one of our Member Service Centres. Our staff will give or send to you the relevant form and explain the application process.

Fees and Charges

We do not charge any regular fees or charges on term deposits. For other fees and charges refer to our Q Depositor Fees & Charges and Interest Rate Brochure (which forms part of this PDS).

Emergency Withdrawals

In an emergency or in the case of personal hardship, we may exercise our absolute discretion and allow you to withdraw your investment early (partial early withdrawals will not be allowed). A request for an emergency withdrawal must be made in the relevant form at least seven days before the funds are required.

As an emergency withdrawal represents a change to your original agreement, if approved, an interest penalty will be incurred. The interest penalty will be

the greater of \$10 or 2% per annum, calculated on the amount of the original deposit from the start of the current term until the date of the withdrawal.

In the event of the death of a term deposit holder, or any of the joint holders, before the maturity date, and if requested, we will pay both the principal and interest, without penalty, on completion of the normal legal requirements.

Interest

Interest on term deposit accounts is calculated on a daily basis and is fixed for the term of the deposit. Interest will be calculated from the date of lodgement of the Term Deposit, but will not be paid for the day on which the deposit matures.

Interest payable monthly is paid to you each month on the date of the original deposit and at maturity. The amount of monthly interest will vary depending on the number of days in the month. This option is available on all term deposits, except where specified on term deposit specials.

Interest payable at maturity is not paid until maturity of the term deposit. This option is not available on deposits with terms greater than 12 months.

Interest payable annually is paid at the end of each 12 months and at maturity. If you select the annual interest option the interest earned is credited to your savings account and cannot be credited to the Term Deposit until maturity. This option is available on deposits with terms in excess of 12 months.

Current Interest Rates are available in the Q Depositor Fees & Charges and Interest Rate Brochure, from Member Service Centres, in newsletters or from our website

For example:

IF

you have a term deposit with the following features:

| <i>Amount</i> | <i>Term</i> | <i>Interest Rate</i> | <i>Daily Interest Rate</i> | <i>Interest Payable</i> |
|---------------|-------------|----------------------|----------------------------|-------------------------|
| \$10,500.00 | 9 months | 6.00% pa | 0.0164% | monthly |

THEN

the interest credited to your nominated savings account on 28 February, would be calculated as follows:

$$\begin{aligned} \$10,500.00 \times 0.0164\% &= \$1.72 \text{ (rounded off to nearest cent)} \times 28 \text{ (days)} = \\ & \$48.16 \end{aligned}$$

Tax Implications

Interest earned on your savings accounts and term deposit accounts must be declared for income tax purposes. If you do not provide us with your tax file number, or quote an exemption, we will deduct tax from your interest earned at the highest personal income tax rate.

Problems or Disputes

If you have any questions, problems or disputes with the services we provide to you, we would like to hear about them. When you provide feedback to us, we have the opportunity to improve our services to you.

You can contact us 24 hours a day, seven days a week from anywhere by:

- Email -log into Online Banking, select Other Functions from the menu and then select Send Secure Mail Message
- Fax - 02 9582 3400
- Mail - Locked Bag 6747, Hurstville BC NSW 1481

Or you can contact us by telephone between 8 am and 5 pm Monday to Friday (excluding public holidays) on 1300 747 747.

We will aim to resolve the matter when you first contact us. If we cannot resolve your issue there and then, we will commit to taking the following steps:

1. Let you know who is handling your complaint;
2. Keep you informed of what is happening; and
3. Aim to resolve your complaint within 21 days.

If you make a complaint in writing or request a written response to your complaint, we will inform you of the outcome of the complaint in writing promptly. If the dispute is not resolved in a manner acceptable to you, we will explain the reasons for the outcome and the further action you can take.

Please note, we comply with the Electronic Funds Transfer Code of Conduct and the Credit Union Code of Practice complaint investigation and resolution procedures in respect of those matters covered by those codes.

Unresolved Complaints

If you are dissatisfied with the outcome, and you'd like an independent review, you can refer your complaint to The Financial Co-operative Dispute Resolution Scheme at:

- Mail - P.O. Box 372, Clayfield, Qld 4011;
- Phone -1300 139 220;
- Fax -1300 139 221; or
- Email - ombudsman@fcds.org.au

For further information on solving problems or disputes, please call us on 1300 747 747 or ask at any Member Service Centre for our Dispute Resolution Brochure.

Privacy and Confidentiality

Our Privacy Policy explains our commitment to the protection of your personal information. You may obtain a copy of our Privacy Policy by:

- Going to "Our Privacy Policy" on our web site at www.qantas.com.au;
- Calling 1300 747 747;
- Asking at any of our Member Service Centres.

In addition to the Credit Union's duties under legislation, we have a general duty of confidentiality towards you, except in the following circumstances:

- Where disclosure is compelled by law;
- Where there is a duty to the public to disclose;
- Where the interests of the Credit Union require disclosure;
- Where disclosure is made with your express or implied consent.

Credit Union Details

These accounts are provided by:
Qantas Staff Credit Union Limited
ABN 53 087 650 557 AFSL No. 238305

Address 420 Forest Road, Hurstville NSW 2220

For further information please contact us at any of the following:

- Phone - 1300 747 747
- Email -log on to Online Banking, select Other functions and select Send a Secure Message
- Fax - 02 9582 3400
- Mail - Locked Bag 6747, Hurstville BC NSW 1481

Terms and Conditions and Important Information

1. Savings Accounts Terms and Conditions – page 15

The terms and conditions applying to your Qsaver account are contained in Schedule 1, which forms part of this statement. Please read the terms and conditions carefully as they are designed, in part to help you and us protect your account from fraudulent transactions.

2. Electronic Banking (including online and telephone banking) Terms and Conditions and Conditions of Use – page 17

The terms and conditions of use applying to your use of Electronic Banking, including online and telephone banking, are contained in Schedule 2, which forms part of this statement. Please read the terms and conditions carefully as they are designed, in part, to help you and us protect your account from fraudulent transactions.

3. Other Payment Service Terms and Conditions – page 25

The terms and conditions of use applying to your use of other payment services, such as Bpay, periodical payment (autotransfer) and direct debit are contained in Schedule 3, which forms part of this statement. Please read the terms and conditions carefully as they are designed, in part, to help you and us protect your account from fraudulent transactions.

4. Term Deposit Accounts Terms and Conditions – page 27

The terms and conditions of use applying to your use of your Term Deposit Account are contained in Schedule 4, which forms part of this statement. Please read the terms and conditions carefully.

5. Credit Union Code of Practice - Important Information about Your Account – page 29

Important information about your account is contained in Schedule 5, which forms part of this statement. Please read the important information carefully as it includes information about quoting your tax file number, identification requirements to open your account and account combination or set off.

Schedule 1

Terms and Conditions - Savings Account

Credit Union Code of Practice -The relevant provisions of the Credit Union Code of Practice apply to your account.

Account Access -Online Banking and Telephone Banking operating on your account will be subject to the terms and conditions applicable to the facility and the Electronic Funds Transfer Code of Conduct. Periodical Payment (auto transfer), Direct Debit or other payments services will be subject to the terms and conditions applicable to those services. Copies of these terms and conditions are available on request. We may change or stop a payment service without your consent.

Account Combination or Set Off -We reserve the right to use any credit balance in any savings account you have with us to repay any debt you owe us.

Account Opening -The Important Information in Schedule 5 explains how to open an account with us. We reserve the right to not provide a savings account or related service. When you open an account you may have to quote your Tax File Number (TFN) to avoid having tax taken out of your interest payments.

General Descriptive Information -We will provide you on request with general descriptive information concerning our products or services. Refer to the Important Information in Schedule 5. This includes information about:

- account opening procedures;
- our obligations in relation to management of personal information;
- complaint handling procedures;
- our right to combine accounts;
- information checks;
- what to do if you encounter financial difficulty;
- the importance of reading these terms and conditions;
- time taken for clearing a cheque;
- the circumstances under which cheques may be dishonoured.

Information on current interest rates and fees and charges is available on request or in the Q Depositor Fees & Charges and Interest Rate Brochure.

Fees and Charges -We may charge fees and charges on your account. Refer to the Q Depositor Fees & Charges and Interest Rate Brochure.

Interest Calculation / Payment Method - We will calculate interest on the daily balance of your account and pay it to your account at the end of each calendar month. The daily interest rate is the relevant annual rate divided by 365. More than one interest rate may apply to your account. We will give you information on current interest rates on request.

Account Closure -We may:

- close any of your savings accounts;
- and/or classify your savings accounts as dormant if there have been no transactions for at least 1 year (excluding interest or fees); even though the account may have a credit balance. We will give you reasonable notice before doing so.

Credit Reversal -We may reverse any credit to any of your savings accounts that we have received on your behalf if we, for any reason whatsoever, do not receive value for the credit or the credit is reversed by the payee's financial institution.

Overdrawn Accounts -We do not agree to provide any credit in relation to your account. We may, at our discretion, honour a periodical payment (autotransfer), direct debit or other transaction. If your account becomes overdrawn for any reason, immediate repayment is required and we may charge you a fee and interest on the overdrawn amount as well as any reasonable legal fees we incur in obtaining the amount from you. The interest rate that we may charge on overdrawn amounts is the same as the interest rate for unsecured overdrafts and current interest rates are available on request.

Deposits -There is no minimum balance that must be maintained in your account. Cheques deposited to your accounts will be credited conditionally. Some deposits that include both cheque and cash will also be credited conditionally, where the Credit Union cannot ascertain the amount of the cash component of the deposit. Amounts credited will be debited back to your account if the cheque is not met. Credits may not be available until we have been advised that the cheque has been cleared. Arrangements cannot be made for special clearance on any cheque deposit. If a cheque deposited is refused payment by the paying bank, we may charge a fee (see the Q Depositor Fees & Charges and Interest Rate Brochure). All cheques for deposit can only be accepted if in the name of the account holder (no third party cheques will be accepted). A cheque will not be accepted if it is "stale", i.e. the date of the cheque is more than 15 months ago.

Account Withdrawal and Access Limits - Withdrawals at call are available, except for cash and cheque withdrawals. There are no minimum permitted deposits and withdrawals. We may not allow a withdrawal unless we have proof of identity of the member or signatory making the withdrawal which is acceptable to us. We may require written authorisation from the account holder for withdrawals and written authorisation acceptable to the Credit Union is required from the customer for a third party to conduct a withdrawal. You may make payments or transfers via Online Banking or Telephone Banking up to a maximum of \$25,000.00 per transaction type per day. Each day ends at 12 midnight Eastern time (New South Wales). The default daily transaction limit for transfers to an Australian Financial Institution is \$5,000, which may be changed on request.

Statements of Account -You will receive a statement for each account held at least quarterly. The statement gives details of the transactions, fees and charges and interest for the account.

Sweep Terms -We may transfer funds (sweep) between accounts in your RIM (customer identification number) to meet some withdrawals which would otherwise overdraw your account. Sweeps will operate at our discretion and the Credit Union accepts no responsibility to make sweeps. The Credit Union shall not incur any liability from failure to do so for any reason.

Variations -We may vary the terms and conditions without your consent. If we vary the terms and conditions we will give you notice of the change by notice in a newspaper advertisement, a newsletter, your statement of account or by individual notice sent to you. When we give you notice will depend on the type of change and whether it increases or decreases your obligations.

If we:

- introduce a new fee or charge, we will give you at least 30 days notice;
- change the method of interest calculation and increase your obligations, we will give you at least 30 days notice;
- change the method of interest calculation and decrease your obligations, we will notify you in our next contact with you after making the change;
- change the frequency of debiting or crediting interest and increase your obligations, we will give you at least 30 days notice;
- change the frequency of debiting or crediting interest and decrease your obligations, we will notify you in our next contact with you after making the change;
- change a standard fee and charge and increase your obligations, we will notify you no later than the day we make the change;
- change a standard fee and charge and decrease your obligations, we will notify you in our next contact with you after making the change;
- reduce interest rates, we will notify you no later than the day we make the change;
- increase interest rates, we will notify you in our next contact with you after making the change;
- make other changes and increase your obligations, we will notify you no later than the day we make the change; or
- make other changes and decrease your obligations, we will notify you in our next contact with you after making the change.

Schedule 2

Terms and Conditions and Conditions of Use -Electronic Banking (Including Online/Internet Banking and Telephone Banking)

Electronic Banking includes Online (Internet) Banking and/or Telephone Banking. References to Electronic Banking are to Online Banking and Telephone Banking jointly and severally.

Terms and Conditions

1. It is your sole obligation to maintain equipment, such as your personal computer, in proper working order to use electronic banking.
2. The Credit Union may in its discretion:
 - refuse to accept an application;
 - terminate your access to Electronic Banking;
 - terminate Electronic Banking generally;
 - limit (or alter) facilities available through Electronic Banking either generally or to you;
 - terminate Electronic Banking to you at any time without notice if the Credit Union believes Electronic Banking is being misused either by you or any other person using your Electronic Banking Access Code(s); without assigning reasons and in any such event you shall have no claim upon the Credit Union.
3. If Electronic Banking is extended to you and an Electronic Banking Access Code(s) is given to you, the Access Code(s) will give access to details of and transactions on your Credit Union account(s) to the holder. You must not divulge the Access Code(s) to any other person and in the event that you learn any other person has become aware of the Access Code(s) or if

you lose the Access Code(s) you must immediately advise the Credit Union. In such an event you may be required to pay a fee if a further Access Code(s) is allocated to you.

4. The Credit Union will use its best endeavours to maintain Electronic Banking without being responsible for any interruptions to Electronic Banking and the Credit Union does not give any warranty as to when any service or transaction requested by you through Electronic Banking will be effected.
5. Your use of Online Banking is subject to the Electronic Banking Conditions of Use (see below) and your use of Electronic Banking signifies that you have read, understood and accepted them.
6. You may change your Access Code(s) through Online Banking or Telephone Banking.
7. The Credit Union will debit or credit your account(s) with the value of all transactions.
8. The Credit Union will deliver your Access Code(s) by mail or such other methods approved by the Credit Union from time to time.

ELECTRONIC BANKING

Conditions of Use (valid from 1 April 2002)

BEFORE YOU USE ELECTRONIC BANKING

Please read these Conditions of Use. They apply to all EFT transactions, which are funds transfers to or from your account (except business accounts) initiated by giving an instruction to us through such electronic banking services as telephone banking and Online Banking ("Electronic Banking").

EFT transactions use an access method, which is a method authorised and accepted by us as authority to act on an instruction given through electronic equipment (such as telephones and computers) to debit or credit your account. Access methods may include one, or a combination, of devices (such as cards), identifiers (such as user Ids or account numbers) and codes (such as personal identification numbers (PINs) or passwords), but not manual signatures. For example, your account number and access code.

If you fail to properly safeguard your access method you may increase your liability for unauthorised use.

Your first use of Electronic Banking will automatically constitute your understanding and acceptance of these Conditions of Use.

If these Conditions of Use are not clear to you, contact us BEFORE using your access method.

IMPORTANT POINTS TO REMEMBER TO SAFEGUARD YOUR ACCOUNT

1. memorise your access method, including your code(s);
2. never tell anyone your access method, including your code(s);
3. don't choose a code(s) that is easily identified with you, e.g. your birth date or your car registration;
4. don't choose a code(s) that is merely a group of repeated numbers;

5. try to prevent anyone else seeing you enter your access method into electronic equipment;
6. exercise caution when saving access methods in electronic equipment and do not save access methods in shared electronic equipment (i.e. do not use the remember password functions on your web browser);
7. do not leave electronic equipment unattended while connected to Electronic Banking;
8. immediately report the loss, theft or unauthorised use of your access method to us; and
9. examine your account statement as soon as you receive it to identify and report, as soon as possible, any instances of unauthorised use.

NB: These are guidelines for safeguarding your account (refer to paragraph 9(7) of these terms and conditions).

1. INTRODUCTION

Generally speaking, these Conditions of Use apply to EFT Transactions only. Other aspects of accounts or transactions are governed by their relevant terms and conditions (for example credit contract terms and conditions).

We may attach other services to Electronic Banking by notice to you in writing.

In conducting EFT transactions with us you acknowledge that you have read, and understand, these Conditions of Use and are obliged to comply with them.

2. APPLICATION OF CODES

We warrant that we will comply with the requirements of the Electronic Funds Transfer Code of Conduct as established by the Australian Securities and Investments Commission ("EFT Code").

The provisions of the Credit Union Code of Practice ("CU Code") also apply to the use of Electronic Banking. If you would like copies of either Code you should contact us.

3. ACCESS METHOD SECRECY

You agree that:

- You will not record your access method on anything with or near any device or identifier.
- You will not tell anyone your access method or let anyone see it;
- You will try to prevent anyone else seeing you enter your access method into any electronic equipment.
- You will not leave any electronic equipment unattended while connected to Electronic Banking.
- If you think that your access method has become known to someone else, you will notify us immediately.

4. REPORTING THE LOSS OR THEFT OF YOUR ACCESS METHOD

If you believe your access method record has been lost or stolen, or your access method has become known to someone else, you should IMMEDIATELY report this to us. You can contact us by telephoning 1300 747 747 (8.00am to 5.00pm) or by secure email via our Online Banking website.

5. USING Electronic Banking

You may use Electronic Banking to undertake EFT transactions such as transferring between linked accounts or making Bpay payments. In addition, you may use online banking to modify or suspend periodical payments. We reserve the right to change the EFT transactions that you may conduct via Electronic Banking.

We will advise you:

- on our website what EFT transactions you can perform via online banking; and
- on our telephone banking service menu what EFT transactions you can perform via telephone banking.

You may only conduct EFT transactions on those accounts authorised by us that have been linked to your access method.

We will debit or credit, as applicable, your linked accounts with the value of all EFT transactions carried out using your access method.

If any of your linked accounts are in the name of more than one person, then the liability of those persons under these Conditions of Use is joint and several for transactions carried out on those accounts.

Transactions will not necessarily be processed on the same day they occur.

You will continue to be liable to us for the value of any debit transaction occurring after you have closed your accounts or after you have resigned from your membership with us.

6. TRANSACTION LIMITS AND RESTRICTIONS

You agree that you will NOT use your access method to overdraw the balance in any of your linked accounts.

We:

- may set limits on the minimum and maximum transaction amounts, on a daily or cumulative basis;
- may set restrictions on the use or processing of transactions (for example processing cut off times);
- will advise you of the transaction limits and/or restrictions on the use or processing of transactions at the time you apply for your access method or on the relevant system or equipment (such as our website or telephone banking service)

7. AUTHORISATIONS

You:

- acknowledge that we have the right to refuse authorisation for you to effect any transaction for any reason; and
- agree that we will not be liable to you or anyone else for any loss or damage that you or anyone else suffer as a result of our refusal to authorise any transaction.

8. DEPOSITS VIA EFT TRANSACTIONS

Any deposit you make using an EFT transaction will not be available for you to draw against until your deposit has been verified and the funds cleared by us. If there is a discrepancy between an amount recorded by electronic equipment as being deposited and the amount recorded as being received, we will notify you.

9. YOUR LIABILITY IN CASE YOUR ACCESS METHOD IS LOST OR STOLEN OR IN THE CASE OF UNAUTHORISED USE

- (1) You are not liable for any unauthorised use of your access method:
 - (a) before you have actually received your access method;
 - (b) after you have reported it lost or stolen;
 - (c) if you did not contribute to any unauthorised use of your access method.
 - (d) if the losses were caused by the negligence or fraudulent conduct of our employees or companies involved in networking arrangements or merchants;
 - (e) if the losses relate to any component of an access method that is forged, faulty, expired or cancelled; and
 - (f) if the losses are caused by the same transaction being incorrectly debited more than once to the same account.
- (2) For the purpose of paragraph 9.(1) (c) you will be taken to have contributed to any loss caused by unauthorised use of your access method if you:
 - (a) voluntarily disclose your access method to anyone, including a family member, friend or other financial institution;
 - (b) voluntarily allow someone else to observe you entering your access method into electronic equipment or leave electronic equipment unattended while connected to Electronic Banking;
 - (c) act with extreme carelessness in failing to protect the security of your access method;
 - (d) write or indicate your access method (without making any reasonable attempts to disguise it) on any article or articles likely to be lost or stolen at the same time;
 - (e) allow anyone else to use your access method;
 - (f) unreasonably delay notification of:
 1. your access method being lost or stolen; or
 2. unauthorised use of your access method; or
 3. the fact that someone else knows your access method.
- (3) If you are taken to have contributed to the unauthorised use of your access method under paragraph 9 (2), your liability will be the lesser of:
 - (a) the actual loss when less than your account balance);
 - (b) your account balance; or
 - (c). 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 your code, up to and including the day you make your report.
- (4) In determining liability under paragraph 9 (3) (c):
 - (a) where your access method has been lost or stolen, the number of days will be calculated by reference to the day when you should reasonably have become aware that it was lost or stolen; and
 - (b) 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.
- (5) Where it is unclear whether or not you have contributed to any loss caused by unauthorised use of your access method, your liability will be the lesser of:
 - (a) \$150;
 - (b) your account balance; or

- (c) the actual loss at the time we are notified of the loss or theft of your access method.
- (6) In determining your liability under paragraph 9(5):
 - (a) we will consider all reasonable evidence including all reasonable explanations for an unauthorised use having occurred; and
 - (b) the fact that an account is accessed with the correct access method, while significant, is not of itself conclusive evidence that you have contributed to the loss.
- (7) Your liability for losses occurring as a result of unauthorised access will be determined under the EFT Code. The guidelines set out at the beginning of these conditions of use to safeguard your account, are guidelines only.

10. RESOLVING ERRORS ON ACCOUNT STATEMENTS

If you believe a transaction is wrong or unauthorised or your account statement contains any instances of unauthorised use or errors, you must promptly notify us. As soon as you can, you must also provide us with the following:

- your name and address and account number;
- details of the transaction or the error you consider is wrong or unauthorised;
- a copy of the account 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;
- other users authorised to operate the account;
- whether your access method is secure.

If we are unable to settle your complaint immediately to your satisfaction, we will advise you in writing of the procedures for further investigation and resolution and may request further relevant details from you.

Within 21 days of receiving these further relevant details from you, we will:

- advise you in writing of the results of our investigations; or
- advise you in writing that we require further time (not exceeding a further 24 days) to complete its investigation.

Where an investigation continues beyond 45 days, we will provide you with monthly updates on the progress of the investigation and a date when a decision can be reasonably expected, except in cases where we are waiting for a response from you and you have been advised that we require such a response.

If we find that an error was made, we will make the appropriate adjustments to your account including interest and charges (if any) and will advise you in writing of the amount of the adjustment.

If:

1. we are a party to a Industry Dispute Resolution Scheme; and
2. that scheme provides a matter can be heard under the scheme if we do not give a final decision on the matter within a specified time, we will advise you in writing about the option of taking the matter to the Scheme within 5 business days after the specified time period expires. When we advise you of the outcome of its investigations, we will;
 - give you reasons in writing for our decision by reference to these Conditions of Use and the EFT Code of Conduct;
 - advise you of any adjustments we have made to your account; and

- advise you in writing of other avenues of dispute resolution (including Consumer Affairs Agencies and Small Claims Courts) if you are not satisfied with our decision, including the right to request that the decision be reviewed by our senior management.

If we decide that you are liable for all or any part of a loss arising out of unauthorised use of your code, we will:

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

If we fail to carry out these procedures or cause unreasonable delay, we may be liable for part or all of the amount of the disputed transaction where our failure or delay has prejudiced the outcome of the investigation.

11. MALFUNCTION

Other than to correct the error in your account and the refund of any charges or fees imposed on you as a result, we will not be liable to you for any loss caused by our system or equipment malfunctioning if you were aware, or should have been aware, that our system or equipment was unavailable for use or was malfunctioning.

12. STATEMENTS AND RECEIPTS

A transaction reference will be available for each EFT transaction. A transaction record for online banking may be printed. You should obtain and retain all transaction references and/or records for checking against your account statements.

We will send you an account statement at least every 3 months. You may request more frequent account statements.

You may request a copy of your account statement at any time.

13. FEES AND CHARGES

We reserve the right to charge a fee for any EFT transaction or for issuing additional or replacement access methods and we are irrevocably authorised to debit your linked accounts with those fees.

You will be advised by us of any applicable fees and charges at the time you apply for your code.

14. GOVERNMENT FEES AND CHARGES

We reserve the right to pass on to you any fees, charges, duties and taxes that are imposed on Electronic Banking by government or by any regulatory authority. We are also irrevocably authorised to debit your linked accounts with those fees, charges, duties and taxes.

15. CHANGES TO CONDITIONS OF USE

We reserve the right to change these Conditions of Use and to vary the fees and charges that apply to Electronic Banking.

We will notify you in writing at least 30 days before the effective date of a change if it will:

- impose or increase charges for transactions for Electronic Banking or for issuing additional or replacement access methods;
- increase your liability for unauthorised use; or
- adjust daily withdrawal limits.

We may notify you of other changes either through:

- notices on, or sent with account statements;
- notices on online banking websites or in branches; or

- press advertisements;
and, in the last two cases, we will give you written advice of the changes at the time of your next account statement after the change.

Written notice will not be given of a variation that is required by an immediate need for us to restore or maintain the security of our systems or your linked accounts.

You will be taken to have received a written notice from us under this paragraph 15 in the due course of post if it is mailed to the last address for you known to us. If a written notice is delivered to you personally the date of delivery is the date you receive the notice.

If you retain and use your access method after notification of any authorised changes your use of your access method shall be subject to those changes.

16. OTHER GENERAL CONDITIONS

These Conditions of Use govern your Electronic Banking access to your linked accounts with us. Each transaction on a linked account is also governed by the terms and conditions to which that account is subject. If there is any inconsistency between these Conditions of Use and the terms applicable to any of your accounts these Conditions of Use prevail except to the extent that they are contrary to any applicable legislation, the EFT Code or the CU Code.

You agree that you will promptly notify us of any change of address for the mailing of any notifications which we are required to send to you.

We may post all statements and notices to you at your registered address as provided for in our Constitution. If your account is a joint account each party to that account is jointly and severally liable for all EFT transactions.

17. INTERPRETATION

For the purposes of these Conditions of Use, 'day' means a 24 hour period commencing at midnight Eastern Standard Time or Eastern Summer Time, as the case may be, in Sydney.

A reference to:

- one gender includes the other gender; and
- the singular includes the plural and the plural includes the singular.

Schedule 3

Terms and Conditions - Other Payment Services

General Terms and Conditions for Other Payment Services

The relevant Credit Union Code of Practice requirements apply to our payment services.

Although we will endeavour to effect payments we accept no responsibility to make them, and accordingly we will not incur any liability through any refusal or omission to make all or any of the payments or by reason of late payment or by any omission to follow any instructions.

Payments are subject to any current or future arrangement you have with us in relation to your account.

We may in our absolute discretion determine the priority of payment by us of any monies pursuant to payment services or any other order on your account.

We may stop an instruction for future payments at any time by notice in writing to you, or without notice at any time after being advised by the payee that no further payment is required.

A payment instruction will remain effective for our protection in respect of payments made in good faith after your death, bankruptcy or cancellation of the instruction until we receive notice of any of those events.

We are not required to pay any amount which exceeds the available balance of your account.

There is no charge to you for payment services, unless monthly transaction limits are exceeded (refer to the Community Investor Fees & Charges brochure).

Specific Terms and Conditions for Bpay

BPay is a centralised bill payment service that allows you to pay one or more bills from your savings account to different companies.

You can Bpay any bills that display the BPay logo in the payment instruction section.

You must provide the biller number for the company to whom the payment is to be made (the biller) and your customer reference number. These numbers should be shown in the payment instruction section of your bill or should be available from the biller.

Bpay payments can be made via Online Banking or Telephone Banking, at any time (whenever Online Banking and/or Telephone Banking is available), and these are NOT included in monthly transaction totals.

All "pay now" BPay transactions are debited to your account immediately. If a request is made after 3 pm (Eastern Standard Time) on a business day or at any time on a weekend or public holiday, the payment will not be sent to the biller until the following business day.

All scheduled (future "one off" or "periodic") Bpay transactions are debited to your account on the due date. You must ensure that you have sufficient funds available in your account(s) to cover any scheduled items by the close of business on the due date.

All BPay transactions are given a receipt number immediately.

We cannot order a stop payment once you have instructed us to make a payment.

Bpay View is also available. Please contact us to find out how to register.

Specific Terms and Conditions for Periodical Payment (autotransfer)

An autotransfer is an authority for us to make payments from your account on a periodic basis by cheque or direct credit to another person.

You can establish, suspend, cancel or modify an autotransfer by advising us in writing or via Online banking.

All autotransfers are included in monthly transactions totals. Dishonour fees may apply if there are insufficient funds in an account to pay a autotransfer. Refer to the Q Depositor Fees & Charges and Interest Rate Brochure for more information.

Specific Terms and Conditions for Direct Debits

A direct debit is an authority from you to another person or institution ("merchant") to make payments by electronically debiting your account.

To establish a direct debit you must enter into an agreement with a merchant by completing a Direct Debit Request and providing your account details. You may cancel a direct debit by giving notice in writing to the merchant or to us.

All direct debits withdrawals are included in monthly transaction totals. Dishonour fees may apply if there are insufficient funds in an account to pay a direct debit. Refer to the Q Depositor Fees & Charges and Interest Rate Brochure for more information.

Deposits made by Direct Debit from another financial institution

If you choose to make an opening deposit and/or Regular Savings Plan contributions to your savings account by Direct Debit, the following terms and conditions will also apply.

If you have any queries concerning this agreement or any drawings made under it, please call 1300 747 747. If you wish to stop or cancel your drawing arrangements or dispute a payment, please direct your query to us initially in accordance with clause 2 below. If you dispute a payment we will respond to your dispute within 5 business days of receipt.

1 Direct Debit Deposit arrangements

Your signature on the Direct Debit request form allows us to debit your designated account for the amount/s specified. We will give you written notice of any changes to your drawing arrangements at least 14 days before those changes occur.

If a direct debit date falls on a day which is not a business day, the drawing will be made on the next business day.

Funds transferred by direct debit from another institution, whilst credited to your account, are subject to clearance.

We will keep your direct debit records and account details confidential, except where the disclosure of certain information to your financial institution is necessary to enable us to act in accordance with your drawing arrangements.

We may disclose the information in the event of a claim or relating to an alleged incorrect or wrongful debit, or otherwise as required by law.

2 Your rights

You can cancel, alter or suspend your drawing arrangements at any time by calling into any Member Service Centre at least 2 business days before the cancellation, alteration or suspension is to take effect. You can also stop or defer an individual drawing by writing to us at least 2 business days before the date the drawing is made. If you consider that a drawing has been initiated incorrectly, you should call and seek advice.

3 Your responsibilities

It is your responsibility to:

- ensure that your designated account can accept direct debits (direct debiting may not be available on all accounts, please check with your financial institution).
- check that you have filled in your correct account details on the Direct Debit Request form;
- ensure that there are sufficient cleared funds in your designated account by the due date to enable drawings to be made in accordance with your instructions. If there are insufficient funds in your designated account to enable a drawing to be made, any amount debited to your account in anticipation of that drawing being made will be reversed. In these circumstances we may charge a dishonour fee (refer to the Q Depositor Fees & Charges and Interest Rate Brochure); your financial institution may also charge a dishonour fee;
- advise us in writing if your designated account is transferred, closed or any other account details change;
- arrange a suitable payment method if your drawing arrangements are cancelled.

Schedule 4

Terms and Conditions - Term Deposit Account

Credit Union Code of Practice - The relevant provisions of the Credit Union Code of Practice apply to your account.

General Descriptive Information We will provide you on request with general descriptive information concerning our products or services and member chequing facility. Refer to the Important Information in Schedule 5.

This includes information about:

- account opening procedures;
- our obligations in relation to management of personal information;
- complaint handling procedures;
- our right to combine accounts;
- information checks;

- what to do if you encounter financial difficulty;
- the importance of reading these terms and conditions; and
- time taken for clearing a cheque.

Information on current interest rates and fees and charges is available on request or in the Q Depositor Fees & Charges and Interest Rate Brochure.

Account Opening -The Important Information in Schedule 5 explains how to open an account with us. When you open an account you may have to quote your Tax File Number (TFN) to avoid having tax taken out of your interest payments.

Fees and Charges -We do not charge any regular fees or charges on term deposits. For other fees and charges refer to our Q Depositor Fees & Charges and Interest Rates Brochure.

Instructions -You must complete an application form and account instructions to establish a Term Deposit Account. A Term Deposit Account will only be opened in the account holder(s) name(s). Written notice is required to alter the instructions for a Term Deposit Account.

Restrictions -We may set maximum and minimum amounts for Term Deposit deposits and terms.

Interest Rate -The interest rate on your Term Deposit Account will not change during the term of the deposit, unless agreed between you and us. If we quote you an interest rate for a Term Deposit, the rate may differ if the deposit is not made on the same day. The interest rate for new Term Deposits may be varied without notice.

Interest Calculation -Interest is calculated on daily balances. The daily interest rate is the relevant annual rate divided by 365. We will not change the method of interest calculation or payment during the term of the deposit. Interest will be calculated from the date of lodgement of the Term Deposit, but will not be paid for the day on which the deposit matures.

Interest Payment -Interest will be paid in accordance with the account instructions received from you when the Term Deposit was established.

Withdrawal Restrictions -You acknowledge that a Term Deposit is lodged on the understanding that it is not withdrawn before the maturity date.

Early Withdrawal - Reduced Interest

We may agree to repay all of your deposit before the term is ended in the case of emergency or personal hardship. If we do, interest will be paid at a reduced rate from the date of the deposit to the date of the withdrawal. The reduced rate will be decided by us from time to time and can be much lower than the rate that would otherwise apply if the funds were in a savings account. Any interest paid at the higher rate on amounts withdrawn before maturity will be recalculated at the reduced rate and the difference payable on deducted interest on withdrawal, or if this is not sufficient, from the principal at the time of withdrawal.

Maturity of Term Deposit -We will send you a letter of notification of maturity approximately two weeks prior to the maturity date for your Term Deposit. You may then nominate to have the principal on maturity renewed, transferred to a savings account or paid by cheque. If you do not nominate how the principal is to be repaid or interest paid, we will pay principal and interest in accordance

with the account instructions received from you when the Term Deposit was established. If you did not nominate how the principal is to be repaid and interest paid in the account instructions either, we will renew the principal and interest for a further term. If the Term Deposit is renewed by us, the interest rate and other conditions will be those applicable to any other Term Deposit made on that day for the same amount and term.

Certificates -Term Deposit Certificates will be issued for all Term Deposits on establishment and when individual deposits are rolled over.

Cheque Deposits -Cheques deposited to your account(s) will be credited conditionally. Amounts credited will be debited to your account if the cheque is not met. Credits may not be available until we have been advised that the cheque has been cleared. All cheques for deposit can only be accepted if in the name of the account holder (third party cheques will not be accepted). A cheque will not be accepted if it is “stale”, i.e. the date of the cheque is more than 15 months ago. If a cheque deposited to your account is dishonoured, any interest accrued on the deposit from the day the cheque was credited to your account will be reversed by us and a dishonour fee may apply.

Credit Reversal -We may reverse any credit to your account that we have received on your behalf if we, for any reason whatsoever, do not receive value for the credit or the credit is reversed by the payee’s financial institution.

Statements of Account -You will receive a statement for each Term Deposit held at least quarterly. The statement gives details of transactions, interest paid and year to date interest.

Schedule 5

Important Information - Credit Union Code of Practice

We are subject to the Credit Union Code of Practice. This means that each relevant provision of the Credit Union Code of Practice will apply to your accounts and that we are required to give members certain general descriptive information.

This schedule provides general descriptive information about:

- Your account with us; and
- Identification requirements.

YOUR ACCOUNT WITH US

Account Name -The law does not allow you to open or maintain an account using a false name. However, if you are commonly known by more than one name, you can open an account in one of those names. You must advise us of all the other names that you use and are known by.

The same rules apply to becoming a signatory to an existing account.

If you change your name, for example upon marriage, you will need to give us a change of name statement. We will give you guidance with the procedure to change the name of your account.

Identification - Credit Unions and all other financial institutions must apply procedures to prove your identity when you open a new savings or term

deposit account. We will need to complete a full check of your identity. Refer to the section below on identification requirements.

Tax File Numbers -You are not required to quote your tax file number when you open an account however, under the law, if you choose not to provide your tax file number, we must deduct withholding tax on any interest you earn on the account. The government sets the withholding tax rate and may vary it at any time.

The deduction of withholding tax will form part of your normal income tax, just as when your employer deducts tax from your salary or wages. When you fill out your tax return, including your interest earned along with your regular income, you can claim the withholding tax paid on the interest as tax already paid together with the tax your employer deducts from your salary or wages. If you give your tax file number, we will not deduct any withholding tax on any interest that you earn on your account. However, you will still be required to disclose any interest you earn on the account as income when you complete your tax return at the end of the financial year.

Terms and Conditions - We have terms and conditions governing your savings accounts, payment services and term deposits. You should always read these terms and conditions before opening the account. The terms and conditions set out your rights and obligations. It is important that you understand these rights and obligations. We will give you terms and conditions when you open an account.

Account Combination or Set Off -In certain circumstances, we may have the right to use any credit balance in any savings account you have with us to repay any debt that you owe us.

You should check the terms and conditions of your account to see if we reserve the right to do this. However, even if we do not reserve the right in the terms and conditions of your account, the law sometimes permits us to do it anyway.

We will give you a notice promptly after exercising any right we have to combine your accounts.

Cheque Clearance - When you deposit a cheque to your account it may take up to 5 business days to clear. During this period you will NOT be able to withdraw any of the proceeds of that cheque.

Credit Union Corporate Cheques - One of the ways you may be able to withdraw funds from your account is by asking us to issue a corporate cheque. We will advise you if we charge a fee for issuing a corporate cheque.

If you lose a corporate cheque or somebody steals it, you can ask us to stop payment on the corporate cheque. You will need to provide evidence of the loss or theft of the cheque. You may also have to give us an indemnity - the indemnity protects us if someone else claims that we wrongfully stopped the cheque. We will not stop payment on a corporate cheque if you use the cheque to buy goods or services and you are not happy with them. You must seek compensation or a refund directly from the provider of the goods or services. You should contact your Government Consumer Agency if you need help.

Confidentiality of your personal details - Apart from any duty of confidentiality under legislation, we have a general duty of confidentiality towards you except where:

- disclosure is required by law;
- there is a duty to the public to disclose;
- our interests require disclosure; or
- disclosure is made with your express or implied consent.

Subject to that, we may not disclose information about you to another person without your consent. We may disclose information about you to a related entity where:

- the information is necessary to enable an assessment to be made of your total liabilities to us and to the related entity; and
- the related entity provides financial services which are related or ancillary to those we provide, unless you tell us not to do so.

Let us know if you do not wish to disclose information about you to a related entity providing related financial services.

Please refer to our Privacy brochure.

Correction of customer information -We will provide you, on request with, information about you which is readily accessible to us and which may lawfully be provided. The information we are required to provide is limited to our record of your address, occupation, marital status, age, sex, accounts with us and balances and statements relating to those accounts. This is called "Customer Information".

We need not comply with your request unless you have identified, as clearly as possible, the Customer Information requested.

We may charge you a fee for our reasonable costs of supplying Customer Information. Refer to the Q Depositor Fees & Charges and Interest Rate Brochure.

You may request the correction of your Customer Information. If we are satisfied that the relevant information is incorrect, we will make the requested correction.

We will deal with your request for access to Customer Information, or request for its correction within a reasonable time.

Please refer to our Privacy brochure.

Other duties - We will not collect information about you by unlawful means.

We will not collect, use or disseminate information about your:

- political, social or religious beliefs or affiliations;
- race, ethnic origins or national origins; or
- sexual preferences or practices;

except to collect, use or disseminate this information in accordance with the Credit Union Code of Practice and National Privacy Principles.

We will take reasonable steps to protect personal information we hold about you against loss and against access, use, modification or disclosure that is unauthorised. We will require all staff with access to your personal information to maintain confidentiality concerning that information.

We will comply with the requirements of the National Privacy Principles and any Credit Reporting Code of Conduct issued by the Privacy Commissioner under the Privacy Act (Cth).

Please refer to our Privacy brochure.

What to do if you have a complaint - Please refer to the Problems and Disputes section of this PDS, the Complaint section of our FSG or our Dispute Resolution brochure, which contain information relating to the dispute resolution procedures we have put in place. These are available from our Member Services Centres or by calling 1300 747 747. Information is also available on our website, www.qantascu.com.au.

IDENTIFICATION REQUIREMENTS

Credit Unions and all other financial institutions must apply procedures to prove your identify when you open accounts, including savings or terms deposit accounts. On these occasions, we will need to complete a full check of your identity.

This procedure will generally occur once only and will involve:

- making a series of checks on certain information provided by you (we may need to obtain more details from you than we have taken previously, but this is necessary to comply with the laws);
- other methods may be available.

Please call us for further details.

These procedures are part of the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth), which is designed to help prevent people from using the financial system for tax evasion, terrorism financing and money laundering. We support this Australia-wide effort to fight crime and will do everything we can to make these procedures as smooth as possible for customers.

Information Checks - To be fully identified you may be required to provide documents to us or a service provider (e.g. Australia Post) to enable us to confirm your full name, address and date of birth. Documents which may be provided solely, or in combination, include Australian Driver license, Proof of Age, Passport, Birth Certificate, Australian Government Pension Card and Mortgage Documents.

We may also verify information provided by you using reliable and independent documentation and/or electronic data. We may disclose your personal information to a service provider (e.g. Veda Advantage Information Services and Solutions Limited) to provide this service to us.

Call 1300 747 747

for more information or visit our website:

qantascu.com.au

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