

DEFENCE BANK

Visa Credit Card Conditions of Use

January 2019



Defence Bank

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The Credit Card is offered to you on the terms set out in these Conditions of Use and in the Schedule. The terms govern the use of the card and all transactions on the account.

Please read the Schedule and these Conditions of Use carefully. You should also read the information statement "Things You Should Know About Your Proposed Credit Contract" which appears at the end of these Conditions of Use.

If you have any questions concerning these documents, please contact us.

(NB. This document does not contain all the information we are required by law to give you before the contract is made. Further information is contained in the Schedule.)

We are a subscriber to the ePayments Code. The ePayments Code regulates electronic payments including ATM, EFTPOS and credit card transactions, online payments, internet and mobile banking and BPAY.

1 Definitions

In these Conditions of Use and the Schedule:

access code means the Personal Identification Number which is issued to a cardholder by us for use with a card at a device.

account means the account we set up to record transactions under the contract.

account holder means the person or persons in whose name the account is held.

additional cardholder means a person you nominate and to whom we issue an additional card.

annual percentage rate means the annual percentage rate or rates set out in the Schedule and, if varied, the rate as varied.

available credit amount means the amount obtained by subtracting from the credit limit:

- > the debit balance (if any) of the account at that time;
- > any uncleared funds that have been applied to the account (if any); and
- > the amount of all authorised transactions not yet debited to the account (if any).

balance transfer means a transfer to the account, in accordance with clause 11 below, of an amount from a credit or charge account held by you or any other person with another credit provider in Australia.

Bank@Post™ means the nation-wide agency banking service operated by Australia Post, which enables deposit access and access code authorised withdrawals. This only applies where we provide **Bank@Post** facilities.

BECS means the Bulk Electronic Clearing System.

biller means an organisation which tells you that you can make payments to it using BPAY if we allow you to utilise BPAY.

BPAY® means the electronic payment scheme called BPAY operated in co-operation between Australian financial institutions, which enables you to effect bill payments to billers who participate in BPAY, either via telephone or internet access or by any other method approved by us from time to time. This only applies where we provide BPAY facilities.

BPAY payment means a payment transacted by us on your behalf using BPAY. This only applies where we provide BPAY facilities.

business day means a day that is not a Saturday, a Sunday, a public holiday or bank holiday in the place concerned.

card means a credit card we issue to you or to any additional cardholder for use on the account.

card details means the information provided on the card and includes, but is not limited to, the card number and expiry date.

cardholder means you or any additional cardholder.

cash advance means a transaction on the account which results in you receiving actual cash (whether at a branch or via an EFT terminal or by other means) and is deemed to include:

- > a purchase of “quasi-cash” items such as gambling chips or travellers cheques;
- > Corporate Cheque
- > the payment of a bill at a bank or agent of the biller, which is nominated by the biller (for example, the payment of tertiary fees or utility bills);
- > a funds transfer to another account held by you or a third party with us or another financial institution; or
- > a BPAY payment.

charge means an amount debited to the account, including a cash advance, purchase, balance transfer, fee, interest charge, tax and any other amount you have agreed to pay us or be liable for under the contract.

contactless purchase means a transaction made by waving or tapping a card (which is capable of making a contactless purchase) in front of a contactless terminal without having to insert or swipe the card and without having to sign or enter your PIN to authorise the transaction.

contactless terminal means an electronic device which can be used to make a contactless purchase.

contract means the credit contract between you and us, comprising these Conditions of Use and the Schedule.

Credit Code means the National Credit Code.

credit limit means the credit limit for the account set out in the Schedule and, if varied, the credit limit as varied.

cut off time means the time advised to you, prior to you confirming the payment instructions, by which your payment instructions must be received by us in order for those instructions to be processed that business day by BPAY or by us for any other payment or transfer instructions.

delinquent account means the status of the account when you have not met the payment conditions under the contract.

device is an EFT terminal, which we advise can be used to obtain a cash advance with the use of the card and access code.

easy pay is a facility where you may authorise and make a purchase from a merchant using your card only without also having to use an access code or manual signature.

easy pay purchase means a purchase from a merchant utilising Easy Pay.

EFT terminal means the electronic equipment, electronic system, communications system or software controlled or provided by or on behalf of us or any other third party for use with the card and access code to conduct an EFT transaction and includes, but is not limited to, a device and EFTPOS.

EFT transaction means a funds transfer initiated by giving an instruction to us through electronic equipment and using the card, access code and/or card details but not requiring a manual signature, and includes a contactless purchase and an easy pay purchase even though those transactions do not require provision of an access code to authorise the transaction.

EFTPOS (Electronic Funds Transfer Point of Sale terminal) is an EFT terminal which we advise can be used to make purchases with the use of the card (and without the access code).

electronic equipment includes, but is not limited to, an EFT terminal, contactless terminal, computer, television and telephone.

ePayments Code means the electronic payments Code issued by ASIC in September 2011 as varied from time to time and including any substitute document howsoever entitled.

facility means an arrangement through which a person can perform transactions.

identifier means information that you:

- > know but are not required to keep secret; and
- > must provide to perform a transaction.

Examples include an account number, serial number or a BSB number or the name of a payee.

Identification Verification Check is a procedure undertaken by us to satisfy the identity verification requirements of the *Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth)*.

inactive account means a credit card account that has not been operated on either by deposit or withdrawal for a period of 24 months.

merchant means a business which accepts the card as payment for goods and services.

minimum monthly payment means the amount determined in accordance with clause 17.2 below. It will be included in the "Minimum Payment" amount in your statement of account.

mistaken internet payment means a payment through a "pay anyone" internet banking facility and processed by us through BECS where funds are paid into the account of an unintended recipient because you enter or select a Bank/State/Branch (BSB) number and/or identifier that does not belong to the named and/or intended recipient as a result of:

- > your error; or
- > you being advised of the wrong BSB number and/or identifier

but, does not include payments made using BPAY.

participating online merchant means a retailer or merchant who offers goods or services for sale online, who is a participant in Verified by Visa.

purchase means any transaction (other than a cash advance) with a merchant, the payment for which is authorised by a cardholder to be made on the account and includes an order made for goods or services which are not taken.

receiving ADI means an ADI whose customer has received an internet payment and subscribes to the ePayments Code.

Schedule means the Credit Card Schedule, which forms part of your contract with us.

unauthorised means without the knowledge or consent of a cardholder.

unintended recipient means the recipient of funds as a result of a mistaken internet payment.

unpaid daily balance means the unpaid balance of the account (being the excess of all amounts debited over all amounts credited to the account) at the end of each day.

Verified by Visa means the online transaction authentication service provided by us (or our nominated service provider).

we, us, our or the Bank means your Bank that issued you with the Visa Credit Card.

you, your means the account holder. If there is more than one account holder, each is liable jointly and severally under the contract.

2 The credit card contract

When the account is first used (for example, when a card is first used, a balance transfer is made or a payment is made to the account), you will be accepting our offer and be bound by the contract.

3 Account activation and card security

- 3.1 All cards issued remain our property and must be returned or destroyed if we ask you to do so.
- 3.2 A card can only be used if the account to which it relates has been activated and the card has been signed by the cardholder. We will activate the card for you. A card is only valid for the period printed on it. It cannot be used before its commencement date or after its expiry date.
- 3.3 The account is a single account for all cards which may be issued under the contract.
- 3.4 You must sign the card as soon as you receive it and before you use it. You must also ensure that each additional cardholder signs his or her card as soon as it is received and before it is used.
- 3.5 Subject to these Conditions of Use, you are liable for all charges on the account including charges incurred by an additional cardholder. You must ensure that all cards are used in accordance with these Conditions of Use.
- 3.6 You or an additional cardholder must notify us **immediately** on becoming aware that a card is lost, stolen or used without your authority, or that an access code has become

known to someone else (or you suspect that it has become known to someone else) by:

- > telephoning the Card Service Centre 24 hour toll free hotline in Australia on the numbers listed below; or
- > advising any financial institution that displays the Visa logo.

Cardholder lost and stolen card
hotline 1800 648 027 Australia wide,
7 days a week, 24 hours a day

If the loss, theft or misuse occurs OUTSIDE AUSTRALIA you or an additional cardholder must notify an organisation displaying the Visa sign and also then confirm the loss, theft or misuse of the card or breach of access code security:

- a) with us by telephone or priority paid mail as soon as possible; or
- b) telephoning the Visa Card Hotline number for the country the cardholder is/are in, which must be obtained from us prior to departure (see clause 15). We will acknowledge the notification by giving a reference number that verifies the date and time we were contacted. Please retain this number as evidence of the time of contacting us. If for any reason the hotline is unavailable and this prevents notification, you will not be liable for any unauthorised transaction during this period which could have been prevented had the hotline been available, provided we are notified within a reasonable time of the hotline becoming available again.

> Delay in notifying us may increase your liability.

3.7 If a card is used (in cases not involving EFT transactions) without the authority of a cardholder, you are liable for that use before we are advised of it, up to the credit limit less any amount recovered by us by exercising our rights (if any) under the operating rules applicable to the Visa credit card scheme against other parties to that scheme.

3.8 You are liable for all losses caused by unauthorised EFT transactions unless any of the circumstances specified in clause 3.9 below apply.

3.9 a) You are not liable for losses:

- i) where it is clear that a cardholder has not contributed to the loss;
- ii) that are caused by the fraudulent or negligent conduct of our employees or agents or companies involved in networking arrangements or of merchants or of their agents or employees;
- iii) that are caused by the same transaction being incorrectly debited more than once to the same account;
- iv) relating to a forged, faulty, expired or cancelled card or access code;
- v) that would exceed the amount of your liability to us had we exercised our rights (if any) under the Visa International Rules and Regulations against other parties to those rules and regulations; or

- vi) resulting from unauthorised use of the card or access code:
 - (1) in relation to an EFT transaction which does not require access code authorisation, before receipt of the card;
 - (2) in relation to an EFT transaction which requires access code authorisation, before receipt of the access code; or
 - (3) in either case, after notification to us in accordance with these Conditions of Use that the card is being used without authority, that it has been lost or stolen, or that access code security has been breached.
- b) You will be liable for any loss of funds arising from any unauthorised EFT transaction using a card or access code if the loss occurs before notification to us or the Visa Card Hotline that the card has been misused, lost or stolen or the access code has become known to someone else and if we prove, on the balance of probabilities, that you or an additional cardholder contributed to the loss through:
 - i) fraud;
 - ii) telling or showing an access code to another person or allowing it to be seen by another person (including family and friends);
 - iii) recording an access code on a card or keeping a record of an access code on anything which is kept with or near a card unless reasonable steps have been taken to carefully disguise the access code or to prevent

- unauthorised access to that record;
- iv) when changing an access code, selecting an access code which represents your or the additional cardholder's birth date or a recognisable part of your or the additional cardholder's name;
 - v) extreme carelessness in failing to protect the security of an access code; or
 - vi) unreasonably delaying notifying us or the Visa Card Hotline of the misuse, loss or theft of the card or of an access code becoming known to someone else and the loss occurs between the time you or an additional cardholder did, or reasonably should have, become aware of these matters and the time of notification to us or the Visa Card Hotline.

However, you will not be liable for:

- (1) the portion of the loss that exceeds any applicable daily or periodic transaction limits on your account;
 - (2) the portion of the loss which exceeds the credit limit of the account; or
 - (3) all losses incurred on any account which you had not agreed with us could be accessed using the card and access code.
- c) Where an access code was required to perform the unauthorised transaction and clause 3.9(b) does not apply, your liability for any loss of funds arising from an unauthorised transaction using the card, if the loss occurs before notification to us or the Visa Card Hotline that the card has been misused, lost or stolen or the

access code has become known to someone else, is the lesser of:

- i) \$150;
- ii) the actual loss at the time of notification to us or the Visa Card Hotline of the misuse, loss or theft of the card, or of the access code becoming known to someone else (except that portion of the loss that exceeds any daily or periodic transaction limits applicable to the use of your card or your account); or
- iii) the balance of your account.

d) Notwithstanding any of the above provisions, your liability in the event of an unauthorised EFT transaction will not exceed your liability under the provisions of the ePayments Code, where that code applies.

3.10 In all cases where you notify us of an unauthorised EFT transaction on an account, we will not hold you liable for losses that would exceed the amount of your liability had we exercised our rights (if any) under the operating rules applicable to the Visa credit card scheme against other parties to that scheme.

3.11 You will not be liable for any loss suffered because an EFT terminal accepted a cardholder's instructions but failed to complete the transaction. If an EFT terminal malfunctions and you should have been aware that the EFT terminal was unavailable for use or malfunctioning, we will only be responsible for correcting errors in the account and refunding any charges or fees imposed as a result.

4 Additional cardholders

- 4.1 We may issue a card to any person you nominate, provided that person is over the age of 18 years and satisfies the identity verification requirements of the **Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth)**.
- 4.2 All transactions effected or authorised by an additional cardholder will be treated as having been authorised by you and you will be responsible for them.
- 4.3 You must ensure that each additional cardholder receives a copy of the contract, reads and understands it and protects their card and access code in the same way as the contract requires you to protect your card and access code. If an additional cardholder does not comply with the contract, you will be liable to us.
- 4.4 You acknowledge and agree that any additional cardholder can:
- > operate the credit card account in the same way that you can (however, an additional cardholder cannot ask us to increase the credit limit or nominate another person to receive a card); and
 - > access financial information about the account including information relating to transactions, the account balance, the available credit amount and the minimum monthly payment.
- 4.5 If you instruct us to cancel a subsidiary card in writing, you will not be liable for any losses

resulting from continuing (unauthorised) use of the subsidiary card following cancellation, provided you:

- > take all reasonable steps to ensure the card(s) is destroyed or returned to us; and
- > do not act fraudulently or otherwise cause the loss.

5 Credit limit

- 5.1 Your credit limit is set out in the Schedule. You can ask us to increase the credit limit at any time but we are not required to agree. It will be increased only at your request or with your consent.
- 5.2 The credit limit is the maximum amount of credit you may obtain on the account. The account balance must not exceed the credit limit. Any amount in excess of the credit limit must be paid to us immediately.
- 5.3 We can reduce or cancel the credit limit at any time, whether or not you are in default under the contract and without prior notice to you.
- 5.4 We will advise you if we do so. We will debit transactions on the account against any positive (Cr) balance before reducing the available credit amount.
- 5.5 You may reduce the credit limit at any time by contacting us.
- 5.6 You may reduce the credit limit to any amount (including nil) unless a minimum credit limit applies to your card.
- 5.7 If you have requested a reduced credit limit that is not a whole dollar amount, we may

exercise our right under clause 5.3 to further reduce your credit limit to the nearest whole dollar amount.

- 5.8 Where a minimum credit limit applies to your card, you may reduce the credit limit to any amount that equals, or exceeds, the minimum credit limit. The minimum credit limit applicable to a particular type of card is the amount determined by us from time to time and is stated on defencebank.com.au
- 5.9 If you are not satisfied with any minimum credit limit applicable to your card, you should terminate your credit contract in accordance with clause 22.
- 5.10 The credit limit does not change simply because we debit an amount to the account that causes the account balance to exceed the credit limit.

6 Code of practice

- 6.1 We warrant that we will comply with the requirements of the ePayments Code where those requirements apply to your dealings with us.
- 6.2 You may obtain general descriptive information about Bank products and services from us on request.

7 Using the card

- 7.1 The account must not be used for any unlawful purpose, including the purchase of goods or services prohibited by the laws of

the jurisdiction of purchase.

- 7.2 The maximum daily device cash advance amount for the account is AUD\$1,000 or other amount specified in the Schedule or as we advise you from time to time.
- 7.3 Some merchants and financial institutions may impose a lower maximum and/or a minimum amount on EFT transactions.
- 7.4 Cash advances from devices will only be available upon entry of the correct access code in conjunction with the use of the card.
- 7.5 A cash advance cannot be made using a card at a contactless terminal.
- 7.6 The current daily transaction limits for contactless purchases are \$100 for each transaction and \$300 in the aggregate or as advised from time to time.
- 7.7 The current transaction limit for each easy pay purchase is \$35.00 or as advised from time to time.
- 7.8 Where you make a contactless purchase or an easy pay purchase the merchant is required to issue you with a receipt for the transaction on request and you should ensure one is offered.
- 7.9 When making a contactless purchase or an easy pay purchase you must check that the correct amount of the purchase is displayed on the contactless terminal or on the merchant's register before using your card to make the purchase.
- 7.10 You may request a balance transfer in accordance with clause 11 below.
- 7.11 You agree that we can debit the account with all transactions authorised by a cardholder.

Transactions can be authorised by:

- > using a card, alone or together with your access code, at any EFT terminal;
- > using your card only to make a contactless purchase;
- > using your card only to make an easy pay purchase;
- > presenting a card to a merchant and signing a voucher or other documentation acceptable to us authorising the transaction; or
- > providing the card details to a merchant or to any other party to whom payment is to be made, either directly or via third party, in a manner acceptable to us, for example, over the phone or online.

7.12 You agree that we can debit the account with the amount of a mistaken internet deposit.

7.13 A transaction can be authorised for a particular amount or for particular goods or services. For example, if you hire a car, you may authorise a transaction for both the rental and any additional costs, such as the cost of any damage to the vehicle.

7.14 When a transaction is authorised by a cardholder:

- > the cardholder is confirming the validity of the amount of the transaction, that is, the transaction correctly represents the purchase price of the goods or services obtained, or the amount of the cash advance;
- > you agree that we are providing you with credit equal to the amount of the

transaction on the date on which the transaction is made; and

- > you agree to pay (in Australian dollars) the amount of that transaction.

8 Authorisation

- 8.1 We may choose at any time not to authorise a transaction. We shall not be liable to you or anyone else for any loss or damage resulting from our refusal to do so and you indemnify us in respect of any such loss, except as otherwise provided by these Conditions of Use.
- 8.2 Once we authorise a transaction we will reduce the available credit amount. If the transaction is not completed, the available credit amount may not be reinstated for up to five business days after the authorisation is obtained.

9 Direct debit and other standing authorities

- 9.1 You can, at any time, authorise another person (a “debit user”) pursuant to a “Direct Debit Request” or similar periodic authority to debit the account.
- 9.2 To cancel such an authority:
- > you should notify that third party according to any arrangements between you and that third party; and
 - > you may also ask us to cancel such an authority and we will promptly do so on receipt of your written request.

- 9.3 We will accept and process your complaint that a periodic debit was not authorised or is otherwise irregular. However, we may request that you endeavour to resolve the complaint with the merchant or supplier first.
- 9.4 In some circumstances, if the account number changes, the account is closed, a card is lost, stolen or cancelled, and you fail to provide alternative payment details (for example, your new account number) to the third party, we may stop processing the debit transactions, after giving notice to the third party, and this may cause the third party to stop providing you the goods and services.

10 Credit card acceptance

- 10.1 Financial institutions and merchants displaying the Visa symbol will normally honour your credit card. However, credit card promotional material displayed on any premises cannot be taken as a warranty by the financial institution, merchant or any person carrying on business there that all goods and services available at those premises may be purchased with the credit card.
- 10.2 The price the merchant charges for goods and services purchased using the card may vary from the price a merchant charges for the same goods and services purchased with cash.
- 10.3 Unless required to do so by law, we do not accept any liability for:
- > any financial institution or merchant

displaying a Visa symbol who refuses to accept or honour a card, does not allow cash advances or imposes limits or conditions on use of a card; or

> goods and services purchased with a card.

10.4 Any complaints about goods and services purchased with a card must be resolved directly with the merchant concerned.

11 Balance transfer

You may request us to transfer to the account the outstanding balance of a credit or charge account held by a cardholder or any other person with another credit provider, provided that:

- > a balance transfer will only be permitted up to the available credit amount;
- > the balance transfer amount is \$200 or greater than \$200;
- > the account is not delinquent; and
- > a balance transfer may be refused by us at our discretion.

12 Interest rates

The annual percentage rate that applies to the account is stated in the Schedule. The **“daily percentage rate”** is calculated by dividing the annual percentage rate by 365. If a change is made to the annual percentage rate, you will be notified in accordance with clause 24.2.

13 Interest

In this clause, Due Date means the date set out in your statement of account as the date the minimum monthly payment is due.

13.1 Interest-Free Purchases

- a) We do not charge interest on a purchase listed in a statement of account for any day that is within an “interest-free period for purchases”
- b) An interest-free period for purchases listed in a statement of account only applies in circumstances where the statement of account has an opening balance of zero or a credit balance (meaning a positive (credit/savings) balance).
- c) Where an interest-free period for purchases listed in a statement of account applies, the interest-free period for purchases listed in that statement of account:
 - i) starts on the first day of the statement period shown on the statement of account, and
 - ii) ends the day after you fail to pay in full the closing balance of that statement of account by its Due Date.

By way of example, if the Due Date for payment on a statement of account is the 24th day of the month, interest commences to be charged on a purchase from the 25th day of the month where the full amount of the closing balance of the statement of account has not been paid by the Due Date.

- d) Where a statement of account has an opening debit balance (in other words an amount is owing as at the start of the statement period) there is no interest-free period for purchases listed in that statement of account.

13.2 Cash Advances

There is no interest-free period for cash advances. Cash advances incur interest in

accordance with clause 13.4 from the date the transaction is posted to your account until the date the transaction is paid in full.

13.3 Mistaken Internet Deposits

Where we debit the account in respect to a mistaken internet deposit, that deposit is treated as if it were a cash advance for interest calculation purposes

13.4 Calculation of Interest

Subject to clause 13.1, interest is calculated daily by applying the daily percentage rate to the unpaid daily balance of the account and is debited to the account on the last day of the statement period.

13.5 Interest on deposits

We will not pay you interest on any credit balance on the account.

14 Fees and charges

14.1 You must pay us the fees and charges in the amounts and at the times set out in the Schedule, as required by these Conditions of Use or as notified under clause 24. We may debit them to the account and they will appear in your statement of account.

14.2 You must pay us an amount equal to any government tax, duty or charge imposed by law in any country in respect of the card, the account or contract, the use of the card or any transaction in relation to the account, including duty on credit card transactions and duty on credit business. You must pay such amounts whether or not you are primarily

liable for the tax, duty or charge under the relevant law.

- 14.3 You must pay the “Annual Fee” referred to in the Schedule (as varied from time to time). The Annual Fee will be debited to the account upon acceptance of your application for the credit card facility and then annually in advance until the credit card account is closed and is paid in full (except where the Schedule otherwise provides). No refund of the fee, or any part of it, is payable when the credit card account is closed.
- 14.4 Any fee or charge in foreign currency will be converted into Australian dollars in accordance with clause 15.1.
- 14.5 All fees and charges debited to the account will be payable by you in accordance with clause 17.
- 14.6 Enforcement expenses may become payable under the credit contract in circumstances where a default has occurred.

15 Using the card outside Australia

- 15.1 All transactions made overseas on the Visa card will be converted into Australian currency by Visa International, and calculated at a wholesale market rate selected by Visa from within a range of wholesale rates or the government mandated rate that is in effect one day prior to the Central Processing Date (that is, the date on which Visa processes the transaction).
- 15.2 All transactions made overseas on the Visa card are subject to a currency conversion

fee equal to a percentage of the value of the transaction. The currency conversion fee is payable to CUSCAL Limited and Defence Bank in their respective capacities of principal member of Visa International under which Defence Bank can provide the Visa card and Defence Bank as the issuer of the card. The amount of the currency conversion fee is set out in the Schedule and is subject to change from time to time. We will advise you in advance of any such change.

- 15.3 Some overseas merchants and automatic teller machines charge a surcharge for making an EFT transaction. Once you have confirmed the transaction you will not be able to dispute the surcharge. The surcharge may appear on your statement as part of the purchase price.
- 15.4 Before travelling overseas, you or an additional cardholder should consult us to obtain Visa Card Hotline telephone numbers for the country of destination.
- 15.5 You may not be able to make contactless purchases or easy pay purchases in some overseas countries. Different transaction limits may apply.
- 15.6 A cardholder must comply with all applicable exchange control and tax laws governing the use of the card and you indemnify us against liability, loss, fees, charges or costs arising as a consequence of a failure to comply with them.

16 Statements

- 16.1 We will send you a statement of account each month where there is any financial

activity or a balance outstanding on the account. In all cases we will send you a statement of account at least every 6 months and you may request more frequent statements.

- 16.2 Each debit and credit to the account takes effect on the date we assign to it which may not be the date on which it is processed and we may adjust any debit or credit at any time to reflect your and our obligations and the terms of this contract.
- 16.3 You should check each statement of account and tell us of any entry in the statement which you dispute.
- 16.4 You may request a copy of any statement of account at any time subject to any fee referred to in the Schedule.

16A Mistaken Internet Deposits

Where a deposit is made to your account via a 'pay anyone' internet banking facility and the sender of those monies asserts that they made a mistaken internet payment and you are the unintended recipient of those funds, then we are obliged to investigate the matter and may be required to return those funds to the sender's ADI. In those circumstances we are regarded as a "receiving ADI" and the obligations imposed on us in that capacity are as set out in clause 34B.

We may debit or place a stop on your account at any time in respect to a mistaken internet deposit until such time as we have complied with our obligations under the

ePayments Code in our capacity as a receiving ADI.

17 Payments

- 17.1 You must pay us immediately upon receipt of the statement of account:
- > the amount (if any) by which the closing balance exceeds the credit limit; and
 - > the amount (if any) of any minimum monthly payment which remains unpaid from a previous statement of account (shown as "overdue payment/s" in the statement of account).
- 17.2 You must also pay us by the statement "Due Date" the amount of a minimum monthly payment (if any) for the month in respect of which the statement of account is issued.
- The minimum monthly payment is as stated in the Schedule as amended by advice to you from time to time.
- 17.3 The statement of account will include all amounts owing under clause 17.1 and 17.2 in the "Minimum Payment" amount on the statement.
- 17.4 You may pay us as much as you wish towards the closing balance of the statement of account in addition to the amounts referred to in clauses 17.1 and 17.2. Subject to clause 13, if the closing balance is paid in full, you may be entitled to an interest-free period in respect of certain transactions.

- 17.5 A payment of the account can only be made in Australia and in Australian dollars.
- 17.6 If you will be overseas when a payment is due, it will be necessary to arrange for payments to be made to the account in Australia in your absence.
- 17.7 For the purpose of this clause 17, a reversal or refund of charges to the account is not a payment to the account.
- 17.8 A payment will not be treated as made until the date we credit the payment to the account in the ordinary course of business. If paying by mail you should allow adequate time for the payment to reach us before the statement due date. (The proceeds of any payment made by cheque or other instrument or through the Bank@Post system will not be available to increase the available credit amount until honoured.)
- 17.9 If the statement "Due Date" is not a business day, the payment must be made on or by the last business day immediately before the statement "Due Date".
- 17.10 If your cheque or other payment instrument is not honoured in full when first presented or if a payment through the Bank@Post system is not honoured in full, the payment will not constitute a valid payment and you will be charged the payment dishonour fee referred to in the Schedule.

18 Application of payments

We will apply payments we credit to the account first to amounts owing on a previous statement of account, then to amounts shown on a current

statement of account and then to amounts debited but which have not yet appeared in a statement of account, in each case in the following order:

- > interest charges;
- > cash advances;
- > mistaken internet deposits;
- > purchases;
- > government duties or charges; and
- > fees and charges.

19 Default

19.1 You will be in default under this contract if you:

- > fail to pay us any amount when it is due;
- > exceed the credit limit;
- > fail to comply with any of your other obligations under the contract; or
- > give us incorrect or misleading information in connection with this contract.

19.2 If you default we may (subject to clause 19.3):

- > cancel all cards;
- > require you to pay us on demand the outstanding balance of the account (including amounts which you become liable to pay under the contract and which are yet to be debited to the account);
- > exercise any other rights that the law gives us; and
- > require you to pay us on demand all enforcement expenses we reasonably incur in the exercise of our rights against

you, including legal fees.

- 19.3 Our right to take action against you under clause 19.2 may be subject to a requirement of the Credit Code that we first give a notice requiring you to remedy the default within the period of 30 days.

If so, the Credit Code provides that you will be deemed to have failed to remedy the default specified in the notice if, at the end of the time allowed by that notice, you have remedied that default but have committed another of the same type.

- 19.4 If an obligation to pay us an amount under the contract becomes merged in a court order or judgement, you must pay us interest on that amount daily until paid at the rate of interest applying to our Visa Credit Cards at that time.

20 Cancellation of the card by us

- 20.1 We reserve the right to close the account at any time.

- a) We may close the account without prior notice if:
- i) we believe that use of a card or the account may cause loss to you or to us (for example, if you are in default under the contract or under the Conditions of Use applicable to another credit facility provided by us to you); or
 - ii) the credit limit has been exceeded. (Note that we may elect not to close

the account for this reason but the fact that we have elected not to do so on one or more previous occasions does not stop us from closing it when ever the credit limit has been exceeded).

b) We may also close the account upon giving you not less than fourteen days written notice.

20.2 If the account is closed, all cards issued in relation to the account will be cancelled.

20.3 We will not cancel any individual card without good reason but we may cancel a card at any time without prior notice if we believe that use of the card may cause loss to you or us.

20.4 Where we cancel a card or close your account without prior notice, we will notify you as soon as practicable after we have done so.

21 Cancellation of the card by you

21.1 You may close the account at any time by contacting us (whether by telephone, in writing, online or by other means). If the account is closed, all credit cards issued in relation to the account will be cancelled.

21.2 You may request us in writing, in accordance with clause 4.5, to cancel the card of an additional cardholder.

21.3 Written requests should be mailed to the postal address of the Bank as set out in your statement of account.

22 When a card is cancelled or the account is closed

22.1 When we cancel a card, including when you request it:

- > we will confirm the cancellation;
- > the card must not be used; and
- > the card must be returned to us (cut diagonally in half) or you must satisfy us that it has been destroyed.

22.2 If the account is closed, including when you request it:

- > all cards must not be used;
- > all cards must be returned to us (cut diagonally in half) or you must satisfy us that they have been destroyed;
- > you must pay the minimum monthly payment each month if an outstanding balance remains;
- > your obligations under the contract will continue until you pay us the total amount you owe us (including amounts which you become liable to pay under the contract and which are not yet debited to the account); and
- > you should cancel all periodic debit authorities which apply to the account.

22.3 If the account has a credit balance when it is closed, we will send you a cheque for that balance (unless those funds have been remitted as unclaimed money in accordance with the law) or deposit the funds into any of your accounts with us.

23 Change of address

You must tell us promptly if you change your address.

24 Changes to the contract

24.1 We may change the contract at any time without your consent including:

- > changing the annual percentage rate;
- > changing the method of calculating the minimum monthly payment;
- > changing the frequency of any payment;
- > changing the amount or frequency of payment of any fee or charge;
- > imposing a new fee or charge;
- > reducing (but not increasing) the credit limit;
- > changing the method of calculating or debiting interest; and
- > changing the maximum daily cash withdrawal limit.
- > changing applicable transaction limits.

24.2 We will give you notice of any change in accordance with any requirement of the Credit Code or any other Code or law which may apply. For example, we will give:

- > notice of an increase in the annual percentage rate by writing to you or by newspaper advertisement no later than the day on which the increase is to take effect;
- > at least 20 days written notice if we:

- a) increase charges relating solely to the use of the card, access code or card details or the issue of any replacement card, access code or card details;
- b) increase your liability for losses for EFT transactions;
- c) impose, remove or adjust a daily or other periodic transaction limit applying to the use of the card, access code, card details, the account or electronic equipment;
- d) change the amount, frequency or time for payment of a credit fee or charge or the minimum monthly payment;
- e) make any other change to the contract which increases your obligations or reduces the time for any payment;
- f) any change in the manner in which interest is calculated or the frequency with which it is debited; or
- g) the imposition of a new fee or charge.

24.3 We will supply information on current interest rates and fees and charges on request.

25 Card renewal

We may automatically issue you and any additional cardholder with a replacement card whenever the current card expires at our discretion. The use of any replacement card is subject to this contract.

26 No waiver

Our rights under this contract are unaffected by any delay in exercising them, by us giving you any time or other indulgence, or by the acceptance of monies

from you after you default.

27 Assignment

We may assign or otherwise deal with our rights under the contract without your consent and in any way we consider appropriate and you authorise us to disclose any information about the account to any person in connection with the assignment.

28 Commissions and related payments

- 28.1 If you take out "Credit Card Insurance" (a form of consumer credit insurance) through an arrangement we have with an insurance company then we may receive commission for the introduction of insurance business. The commission will be disclosed to you in the Schedule.
- 28.2 If you choose to debit the premiums from your account (annually or monthly), such a debit will be shown on your statement.

29 Evidence

- 29.1 You agree that a sales voucher or other record of a transaction provided by a merchant or device is admissible evidence of the transaction and of the amount shown, even if it is not signed by a cardholder, and that, unless the contrary is established, it is conclusive evidence.
- 29.2 You also agree that a statement given by us stating the amount of the outstanding balance of the account, or any other amount recorded

on the account, is admissible evidence that the amount is in fact owing at the date of the statement and that, unless the contrary is established, it is conclusive evidence.

30 Credit Code

If any provision of the contract is invalid or unenforceable under the Credit Code, it is to be severed from the contract without affecting the validity of the remainder.

31 Privacy

31.1 We comply with applicable Privacy laws. General information about how we collect, use and disclose personal information about you is set out in our Defence Bank Products and Services - Conditions of Use. Our Privacy Policy provides additional information about how we handle your personal information. Both of these documents can be viewed on our website at defencebank.com.au or are available on request.

32 Card security guidelines

- 32.1 The security of your credit card is very important. The following guidelines provide examples of security measures and will not determine your liability for any losses resulting from unauthorised EFT transactions. Liability for such transactions will be determined in accordance with the ePayments Code.
- 32.2 Guidelines for ensuring the security of the card and access code:

- a) sign the back of the card immediately upon receipt;
- b) destroy the card on the expiry date by cutting it diagonally in half;
- c) do not let anyone else use the card;
- d) take reasonable steps to protect the card and access code from loss, theft or unauthorised use;
- e) make sure you do not leave your card in an EFT Terminal or with a merchant;
- f) notify us in accordance with clause 3.6 immediately you become aware that a card has been lost or stolen, or a card, access code or card details have been used by someone else without your authority;
- g) do not tell or show the access code to another person or allow it to be seen by another person, including family and friends;
- h) if you change the access code, do not select an access code which represents your birth date or a recognisable part of your name. If you do use an obvious access code such as a name or date you may be liable for any losses which occur as a result of unauthorised use of the access code before notification to us that the access code has been misused or has become known to someone else; or
- i) do not record the access code on the card or keep a record of the access code on anything which is kept with or near the card unless reasonable steps have been taken to carefully disguise the access code

or to prevent unauthorised access to that record.

33 Error or dispute resolution

- 33.1 If you have a dispute or believe that an error has occurred in any transaction, charge, refund or payment or on a statement of account, you should contact us promptly on the telephone numbers listed at the back of this booklet, as set out in our communication (including statements of account) with you or by visiting one of our branches.
- 33.2 To assist with our investigations you will need to provide the following information:
- > your name, address, membership number, card number and account details;
 - > details of the transaction, charge, refund or payment in question;
 - > the details of any error believed to have occurred on a statement of account; and
 - > the amount of the suspected error or disputed transaction, charge, refund or payment.

We may require you to confirm in writing the details of any error which you believe has occurred in relation to a transaction, charge, refund or payment, or to a statement of account.

We will investigate your dispute, and if unable to settle it 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.

In the majority of cases you will be advised of the outcome of our investigation and the reason(s) for our decision in writing within 21 business days. Should there be exceptional circumstances causing a delay, we will inform you that more time is required and provide reason(s) for doing so. In these circumstances, it is our expectation that your dispute is resolved within a maximum of 45 days from the date you lodged it with us.

If you are still not satisfied with our final response, you may lodge a complaint with our external dispute resolution scheme - the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

Mail: Australian Financial Complaints
Authority

GPO Box 3, Melbourne VIC 3001

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires. You should also note that if our internal dispute resolution process is still in progress, AFCA may request that our internal review be completed before considering your complaint any further. In the event 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. When we advise you of the outcome of our investigations, we will notify you in writing of the reasons for our decision by reference to these Conditions of Use and (if applicable) the ePayments Code and advise you of any adjustments we have made to your account.

However, if we decide that you are liable for all or any part of a loss arising out of unauthorised use of the card or access code, we will:

- a) give you copies of any documents or other evidence we relied upon; and
- b) advise you in writing whether or not there was any system or equipment malfunction at the time of the relevant transaction.

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

- 33.3 Should we resolve your dispute by exercising our rights under the operating rules applicable to the Visa credit card scheme, different time limits may apply. If so, we will inform you in writing of those time limits and when you can reasonably expect a decision, and we will suspend your obligation to pay any amount which is the subject of your dispute or any credit or other charges related to that amount until your complaint has been

resolved.

- 33.4 Where you make application to us for a variation of your contractual obligations on the grounds that you are suffering hardship or contact us after we have issued you with a notice that you are in default of your obligations under your loan contract, then the procedures set out in clauses 33.1 - 33.3 apply, save and except that:
- a) you must, in addition to the information we require as set out in clause 33.2, provide us with sufficient details of your financial situation to enable us to make an informed decision about your application;
 - b) we must complete our investigation and advise you of the outcome in writing within 21 days of the day we receive all the information from you necessary to make a decision on the matter;
 - c) if agreement is reached in relation to your request then we will notify you in writing of the agreement reached and any variation to your contractual obligations within 30 days of reaching the agreement.
- 33.5 Where the EFT transaction which you believe is wrong or unauthorised is the result of a mistaken internet payment made to an unintended recipient then you need to follow the procedures set out in clause 34B, in lieu of the procedures set out in this clause.

34 BPAY

- 34.1 This clause will apply if we offer BPAY

facilities and you, or an additional cardholder instruct us to make a BPAY payment from your account.

34.2 Procedures

To instruct us to make a BPAY payment you must advise us of the biller's code number (found on your bill), your Customer Reference Number (eg your account number with the biller), the amount to be paid and your card number. You acknowledge that we are not obliged to effect a BPAY payment if you do not give us any of that information or if any of the information you give us is inaccurate.

34.3 We will debit the value of each BPAY payment and any applicable fees to your account. Instructions will not be acted upon if there are insufficient funds available in your account.

34.4 A BPAY payment is treated as received by the biller to whom it is directed:

- a) on the date you instruct us to make that payment, if we receive your instruction by the cut off time on a business day; or
- b) on the next business day after you instruct us to make the payment, if we receive your instruction after the cut off time on a business day or on a non-business day.

Notwithstanding this, a delay may occur in processing a BPAY payment if a biller, or another financial institution participating in BPAY, does not comply with its BPAY obligations. While it is expected that any

delay in processing a BPAY payment will not continue for more than one business day, it may continue for a longer period.

34.5 Processing BPAY payments

You must be careful to ensure that you tell us the correct amount you wish to pay. If you instruct us to make a BPAY payment and you later discover that the amount you told us to pay was less than the amount you needed to pay, you can make another BPAY payment for the difference between the amount actually paid to the biller and the amount you needed to pay.

We will not accept an order to stop a BPAY payment once you have instructed us to make that BPAY payment.

You should check your statement of account carefully and promptly report to us as soon as you become aware of any BPAY payments that you think are errors or that you did not authorise. You should notify us immediately if you become aware that you have made a mistake (except for a mistake as to the amount you meant to pay – for those errors see above) when instructing us to make a BPAY payment, or if you did not authorise a BPAY payment that has been made from your account.

34.6 Liability for unauthorised transactions

We will attempt to make sure your BPAY payments are processed promptly by the participants in BPAY and you must tell us promptly if:

- a) you become aware of any delays or mistakes in processing your BPAY payment;
- b) you did not authorise a BPAY payment that has been made from your account; or
- c) you think that you have been fraudulently induced to make a BPAY payment.

Your liability for unauthorised transactions will be determined in accordance with clauses 34.7 - 34.10.

34.7 Liability for mistaken payments

If you are responsible for a mistaken BPAY payment and we cannot recover the amount from the person who received it within 20 business days of us attempting to do so, you will be liable for that payment.

34.8 Indemnity

You indemnify us against any loss or damage we may suffer due to any claim, demand or action of any kind brought against us arising directly or indirectly because you did not observe any of your obligations under this clause or acted negligently or fraudulently under these Conditions of Use.

34.9 Biller consent

If you notify us that a BPAY payment made from your account is unauthorised, you must provide us with a written consent addressed to the biller who received that payment allowing us to obtain information about your account with that biller as is reasonably required to investigate the payment. If you do not give us that consent, the biller may

not be permitted under law to disclose to us the information we require to investigate the payment.

34.10 Consequential damage

This clause does not apply to the extent that it is inconsistent with or contrary to any applicable law or code of practice to which we have subscribed. If those laws or that code would make this clause illegal, void, unenforceable or impose an obligation or liability which is prohibited by those laws or that code, this clause is to be read as if it were varied to the extent necessary to comply with those laws or, if necessary, omitted.

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

34A Reversals and chargebacks

You are generally entitled to reverse or chargeback a transaction where you have used your Visa credit card to acquire goods or services and the merchant has not provided you with the goods and or services you paid for. Reversal and or chargeback is governed by the operating rules applicable to the Visa credit card scheme.

NOTE – BPAY payments are irrevocable. BPAY payments for goods and or services using your Visa

credit card will also be governed by the operating rules applicable to BPAY as published by BPAY from time to time. If you use your Visa credit card to make a BPAY payment, you do not have the right to reverse the payment or chargeback the transaction, notwithstanding that the merchant failed to deliver the goods and or services to you.

34B Mistaken internet payments

- 34B.1 This clause applies where you or an additional cardholder make a mistaken internet payment through a “pay anyone” internet banking facility, but does not include payments made using BPAY. For payments using BPAY please refer to clause 34.
- 34B.2 This clause only applies where the receiving ADI subscribes to the ePayments Code. If the receiving ADI is not a subscriber to the ePayments Code we will be unable to seek recovery of a mistaken internet payment made to an unintended recipient and the provisions of clause 34A will not apply.
- 34B.3 You are liable for all payments made using a “pay anyone” internet banking facility, but we will seek to recover funds from an unintended recipient as a result of a mistaken internet payment in the circumstances set out in this clause.
- 34B.4 In this clause we explain the circumstances in which we will seek to recover funds on your behalf from an unintended recipient, and the circumstances in which you will be liable for losses arising from a mistaken internet payment.

- 34B.5 It is important when using an internet banking facility to make a payment that you use the correct identifiers.
- 34B.6 You need to be aware that when making a payment using a 'pay anyone' internet facility:
- (a) your funds may be credited to an account of an unintended recipient if the BSB or other identifiers you use do not belong to the named recipient; and
 - (b) it may not be possible for us to recover funds from an unintended recipient.
- 34B.7 When you or an additional cardholder discover a mistaken internet payment has been made, you need to notify us as soon as you become aware of that fact.
- 34B.8 To notify us and report a mistaken internet payment please contact us:
- > By telephone on (03) 8624 5888 or **1800 033 139** between 8am and 8pm, on business days (Melbourne time). A message service is available outside these hours.
 - > By facsimile on (03) 8624 5892
 - > By email via **info@defencebank.com.au**
 - > Via our website at **defencebank.com.au**
 - > By mail to our Registered Office located at **Level 5, 31 Queen Street, Melbourne VIC 3000**
- 34B.9 When a mistaken internet payment is reported we will investigate the matter, contact the receiving ADI and satisfy ourselves that:

- (a) a mistaken internet payment has occurred; and
- (b) there are sufficient funds available in the account of the unintended recipient to the value of the mistaken internet payment.

34B.10 What then happens depends on how long after the mistaken internet payment was made you report the matter to us. The relevant periods are:

- > Within 10 business days of the payment;
- > Between 10 business days and 7 months after the payment;
- > More than 7 months after the payment.

34B.11 Where a mistaken internet payment is reported within 10 business days of the payment being made, then, after satisfying ourselves as to the matters set out in clause 34B.9:

- (a) we will send the receiving ADI a request for return of the funds, and
 - (i) if the receiving ADI is satisfied that a mistaken internet payment has occurred and there are still sufficient funds in the account of the unintended recipient, then the receiving ADI is under an obligation under the ePayments Code to return the funds to us within 10 business days of receiving our request; or
 - (ii) if the receiving ADI is not satisfied that a mistaken internet payment has occurred, the receiving ADI may still seek, but is not obliged to seek, the consent of the unintended recipient

to return the funds to us.

- (b) when we receive any returned funds from the receiving ADI we will credit your relevant account as soon as practicable.

34B.12 Where a mistaken internet payment is reported between 10 business days and 7 months after making the payment, then, after satisfying ourselves as to the matters set out in clause 34B.9:

- (a) we will send the receiving ADI a request for a return of the funds, and
- (b) the receiving ADI is obligated under the ePayments Code to investigate the reported mistaken payment within 10 business days of receiving our request; and
- (c) if the receiving ADI is satisfied that a mistaken internet payment has occurred and there are sufficient funds in the account of the unintended recipient, then the receiving ADI must
 - (i) prevent the unintended recipient from withdrawing the funds from their account for a further 10 business days; and
 - (ii) notify the intended recipient that the receiving ADI will itself withdraw the funds from their account if the unintended recipient does not establish an entitlement to those funds within the period of 10 business days; and

- (iii) if the unintended recipient does not establish an entitlement to the funds within 10 business days the receiving ADI is obliged to return the funds to us; or
- (d) if the receiving ADI is not satisfied that a mistaken internet payment has occurred, it may still seek, but is not obliged to seek, the consent of the unintended recipient for return of the funds to us;
- (e) when we receive any returned funds from the receiving ADI we will credit your relevant account as soon as practicable.

34B.13 Where a mistaken internet payment is reported more than 7 months after making the payment, then, after satisfying ourselves as to the matters set out in clause 34B.9:

- (a) we will send the receiving ADI a request for a return of the funds, and
 - (i) if the receiving ADI is satisfied that a mistaken internet payment has occurred, it must, under the ePayments Code, seek the consent of the unintended recipient to return of the funds; or
 - (ii) if the receiving ADI is not satisfied that a mistaken internet payment has occurred, it may still seek, but is not obliged to seek, the consent of the unintended recipient for return of the funds to us; and
- (b) when we receive any returned funds from the receiving ADI we will credit your relevant account as soon as possible.

- 34B.14 Where in clause 34B.13(a)(i) the receiving ADI seeks the consent of the unintended recipient to return of the funds, but the unintended recipient does not so consent or respond the receiving ADI has no further obligations in the matter.
- 34B.15 In circumstances where the unintended recipient of a mistaken internet payment is receiving income support payments from Centrelink, the receiving ADI must recover the funds from the unintended recipient in accordance with the Code of Operation for Centrelink Direct Credit Payments, which in essence means that recovery may have to be made by instalments with certain minimum protective amounts. Where this circumstance occurs we will notify you.
- 34B.16 In circumstances where both ourselves and the receiving ADI are satisfied that a mistaken internet payment has occurred, but there are not sufficient credit funds available in the account of the unintended recipient to the full value of the mistaken internet payment, the receiving ADI must use its reasonable endeavours to retrieve the funds from the unintended recipient for return to us, which may involve arranging with the unintended recipient for repayment by instalments.
- 34B.17 We will inform you in writing of the outcome of your report of a mistaken internet payment within 30 business days of the day on which you make the report.
- 34B.18 If you are not satisfied with the manner in which your report about a mistaken internet payment has been dealt with either by

ourselves or the receiving ADI you may lodge a complaint and we must deal with that complaint in accordance with our internal dispute resolution procedures and if you are still not satisfied, you may refer the matter to our External Dispute Resolution Scheme.

34B.19 In this clause it is stated that a receiving ADI must do certain things. The stated obligations of a receiving ADI are those imposed upon it by the ePayments Code. We accept no liability for a failure by a receiving ADI to comply with its obligations under the ePayments Code.

35 Verified by Visa

- 35.1 The Verified by Visa service is designed to provide you with improved security when your card is used to make a purchase online.
- 35.2 This clause will apply when you make an online purchase from a participating online merchant.
- 35.3 When you participate in the Verified by Visa programme, you may be asked to verify personal details held by us in order to complete the transaction.
- 35.4 Should your card have been compromised in any way, please notify us immediately as you may be liable for unauthorised transactions.
- 35.5 In addition to the terms set out in this clause, all other conditions of use that apply to your card and account still apply. If there is any inconsistency between the terms set out in this clause and the other conditions of use, the other conditions of use will apply to the extent of the inconsistency.

- 35.6 In addition to any other requirements elsewhere in these conditions of use relating to maintaining security of your card you agree to:
- a) Never lend your card to anybody;
 - b) Use care to prevent anyone seeing the card details being entered at the time of authentication; and
 - c) Immediately report unauthorised use of the card to us.
- 35.7
- a) You may use Verified by Visa to make purchases online. However, the Verified by Visa service may only be available in connection with participating online merchants.
 - b) When making an online purchase or other transaction for which Verified by Visa applies, you may be asked to provide certain information to us that allows us to validate your identity and verify that you are the cardholder of the specified card. The information that you provide may be validated against information we hold about you and may be validated against information held by third parties.
 - c) If you are unable to provide the requested information to validate your identity, or if the information you provide is inaccurate or incomplete, or if the authentication process otherwise fails, the merchant may not accept your card or payment for that transaction and you may be unable to complete an online transaction using your card.

- d) In order to use Verified by Visa, you must have the equipment and software necessary to make a connection to the Internet.
 - e) In the event you have a question regarding the authentication process or a transaction using your card, you should contact us.
- 35.8 Additional cardholders may use the Verified by Visa service, but may be required to confirm their identity using the primary account holders' details.
- 35.9 We may discontinue, terminate or suspend (permanently or temporarily) the Verified by Visa service, or any part of the Verified by Visa service, without giving you prior notice. We may also change any aspect or functionality of the Verified by Visa service at any time without giving you prior notice.
- 35.10
- a) You will know that an online merchant is a participating online merchant because you will see the Verified by Visa logo and you may be asked to verify your identity before completing an online transaction with that merchant.
 - b) We do not endorse or recommend in any way any participating online merchant.
 - c) Your correspondence or business dealings with, or participation in promotions of, online stores through Verified by Visa, including payment for and delivery of related goods or services not purchased via Verified by Visa, and any other terms, conditions, warranties or representations

associated with such dealings, are solely between you and the online store. Except as otherwise required by law, we have no responsibility or liability whatsoever arising out of or related to those dealings or the online store's goods, services, acts or omissions.

- 35.11 a) Subject to any warranty which is imported into the terms set out in this clause by law and which cannot be excluded, the Verified by Visa service is provided by us "as is" without warranty of any kind, either express or implied, including, but not limited to, any implied warranties of merchantability, fitness for a particular purpose, title or non-infringement.
- b) We will not be liable for any damages whatsoever arising out of or in relation to:
- i) your use of or access to (or inability to use or access) the Verified by Visa services; or
 - ii) any other failure of performance, error, omission, interruption or defect, or any loss or delay in transmission or a transaction.
- c) If you are dissatisfied with any aspect of the Verified by Visa service, your sole and exclusive remedy is to terminate participation in the Verified by Visa transaction or service.

35.12 Whilst using the Verified by Visa service and our Internet banking services, you agree not to:

- a) impersonate any person or entity using the Verified by Visa authentication process;
- b) upload, post, email or otherwise transmit any material that contains software viruses or any other computer code, files or programs designed to interrupt, destroy or limit the functionality of any computer software or hardware or telecommunications equipment used by the Verified by Visa service or by us;
- c) spam or flood our Internet banking service or the Verified by Visa service;
- d) modify, adapt, sub-license, translate, sell, reverse engineer, decompile or disassemble any portion of the Verified by Visa service;
- e) remove any copyright, trademark, or other proprietary rights notices contained in the Verified by Visa service;
- f) "frame" or "mirror" any part of the Verified by Visa service without our prior written authorisation;
- g) use any robot, spider, site search/retrieval application, or other manual or automatic device or process to retrieve, index, "data mine," or in any way reproduce or circumvent the navigational structure or presentation of the Verified by Visa service;
- h) otherwise interfere with, or disrupt the Verified by Visa service or our Internet banking services or servers or networks

connected to us or the Verified by Visa service or violate the terms set out in this clause or any requirements, procedures, policies or regulations in relation to the Verified by Visa service; or

- i) intentionally or unintentionally violate any applicable local, state, national or international laws or regulations relevant or applicable to the Verified by Visa service.

- 35.13 a) If you breach the Terms set out in this clause, this may affect your liability for unauthorised transactions. If it is determined that you have contributed to the loss, you may be held liable for the transactions notwithstanding that they are unauthorised.
- b) If you suspect that your card details have become known to someone else or there is a security concern, you must immediately notify us of such security concern. If you delay in notifying us of the security concern after you knew or ought to have known of the security concern, you may be in breach of the terms set out in this clause and you may be liable for all transactions on the card until notification occurs.

Information statement

(The Credit Code requires us to give you this statement. References in it to the “credit provider” are a reference to us.)

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 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 Australian Financial Complaints Authority (AFCA) and can be contacted at:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority
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://www.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 cannot 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 can not 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 can not do with the property.

18. What can I do if I find that I can not 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, you can 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 the 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 can not 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 your 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 can not agree on a suitable arrangement?

If the credit provider refuses your request to change repayments, you can ask the credit provider to review this 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 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.

IF YOU HAVE ANY COMPLAINTS ABOUT YOUR CREDIT CONTRACT, OR WANT MORE INFORMATION, CONTACT YOUR CREDIT PROVIDER. 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 AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (AFCA) AND CAN BE CONTACTED AT:

ONLINE: WWW.AFCA.ORG.AU

EMAIL: INFO@AFCA.ORG.AU

PHONE: 1800 931 678,

MAIL: AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY, GPO BOX 3 MELBOURNE VIC 3001.

PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

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WE'RE HERE TO HELP

It's easy and convenient to contact us.
Here's how:

-  **1800 033 139** (8am to 8pm AEST weekdays)
-  **visit your local Defence Bank branch**
-  **defencebank.com.au**
-  **info@defencebank.com.au**

Defence Bank Limited

ABN 57 087 651 385 AFSL/Australian Credit Licence 234582
Head Office, Level 5, 31 Queen Street
Melbourne VIC 3000
B029 (01/19)



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