

Visa Credit Card Conditions of Use

Effective date: 1 March 2019

Bank of Heritage Isle

Contact Centre

134 374

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Contents

Before You Use the Card or Account	1
The Credit Card Contract	1
Security	1
1. Terms and Conditions: Definitions	1
2. Opening Your Account/ Account Activation	3
3. Your Credit Limit	3
4. Using Your Card Account	4
5. Processing Transactions	6
6. Credit Card Balance Transfers	6
7. Payments	6
8. Processing Payments	7
9. Interest	8
10. Fees and Charges	8
11. Statements of Account	8
12. Cash Advances at ATMs	9
13. Variation of Annual Percentage Rate	9
14. Variation of Interest Calculation Repayments	9
15. Variation of Credit Fees and Charges	9
16. Other Variations	9
17. Credit Card and PIN Security	10
18. Verified by Visa Terms and Conditions of Use	10
19. Your Liability in Case the Credit Card is Lost or Stolen or In Case of Unauthorised Use	13
20. How to Report Loss, Theft or Unauthorised Use of the Credit Card or Pin	14
21. Steps You Must Take to Resolve Errors or Disputed Electronic Transactions	15
22. Equipment Malfunction	15
23. Credit Card Validity and Expiry	16
24. When You Will Be in Default	16
25. Our Rights When You Are in Default	16
26. Our Other Rights to Cancel Your Card Account	16

27. Closing the Account at Your Request	16
28. When a Credit Card is Closed or Has Been Cancelled	17
29. Closed Accounts with Credit Balances	17
30. Chargebacks	17
31. Payment of Money in Accordance With Law	17
32. Commissions	17
33. Resolving errors or disputes	17
34. Regular Payment Arrangements	18
35. Evidence	19
36. Privacy	19
37. BPAY	19
38. General Matters	20

Before You Use the Card or Account

This document contains important information about your credit card contract and sets out:

- The rules governing the operation of your card account; and
- Your rights and obligations in using your credit card.
- Please retain this booklet for future reference.

The Credit Card is offered to you on the terms set out in the Letter of Offer and these Conditions of Use. Together they form your Credit Card Contract.

It is very important that you read and understand the credit card contract. Please contact us if you do not understand, or are unsure about any aspect of the credit card contract.

In the event of any inconsistency between these Conditions of Use and the Letter of Offer, the Letter of Offer will prevail.

You should also read the notice "Things you should know about your proposed Credit Contract", which is included at the back of this booklet.

(N.B. 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 Letter of Offer.)

The Credit Card Contract

You will accept our offer and be bound by the credit contract and these Conditions of Use when you first do either of the following:

- Use your card
- Activate the account

Before accepting the terms and conditions of the card account we recommend that you consider seeking independent legal or financial advice.

If you do not agree to the terms and conditions in this booklet and the letter of offer:

- Do not use your card account;
- Cut your card (and any additional cards) diagonally in half and return it (and them) to us immediately;
- Destroy your PIN advice – do not return it to us; and
- Contact us immediately to advise us by calling 134 374

Security

As a security precaution, your personal identification number (PIN) will be mailed to you and each additional cardholder separately from these terms and conditions and your credit card.

- The security of credit cards and PINs is very important. Further information on your obligation to secure your card and PIN is provided in clause 17 of the terms and conditions. If your card is lost or stolen please contact us immediately on 134 374.

Clause 17 provides examples of security measures and will not determine your liability for any losses resulting from electronic transactions. Liability for such transactions will be determined in accordance with the ePayments Code.

Information on current interest rates, fees and government charges is available at any branch, at www.heritageisle.com.au or by calling us on 134 374.

1. Terms and Conditions: Definitions

The words listed below have the following meanings throughout this booklet unless otherwise stated:

- **"account"** means the account we set up to record the transactions under the contract.
- **"account holder"** means the person in whose name the card account has been opened.
- **"additional cardholder"** means any person who is nominated by you to effect transactions on your card account and to be issued with a credit card on your card account (limited to one additional cardholder per account).
- **"annual percentage rate"** means the percentage rate or rates per annum used to calculate interest charges as notified to you from time to time.
- **"ATM"** means Automatic Teller Machine and is an Electronic terminal, which we advise can be used to obtain a cash advance with the use of the card and PIN.
- **"available credit"** means the amount obtained by subtracting from the credit limit:
 - the negative (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);
- **"biller"** means an organisation which tells you that you can make payments to it using 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.
- **"BPAY Payment"** means a payment transacted by us on your behalf using BPAY.
- **"BPAY processing day"** means any day on which banks in Melbourne or Sydney are able to effect settlement through the Reserve Bank of Australia.
- **"business day"** means a day that is not Saturday or Sunday or a public holiday or bank holiday in the place concerned.

- **“card account”** means your credit card set out in the Letter of Offer to you to record transactions under the contract.
- **“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 debit to your card account (whether or not your card account is in credit or debit), which results in you receiving actual cash (whether at a Branch or via electronic equipment or by other means) and includes;
 - to purchase quasi-cash items such as gambling chips, cheques or travellers cheques;
 - to pay a bill at a Bank or via an approved agent of the biller (for example when funds are used to pay an electricity or phone bill);
- a BPAY payment;
- a funds transfer to another account held by you or a third party with us or another financial institution. (This may include Internet Banking or Redidial).
- **“charge”** means any 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
- **“chargeback”** means the relevant card operating rules for transferring the transaction amount of a disputed credit card transaction from the merchant’s financial institution to your card account.
- **“code”** means the Customer Owned Banking Code of Practice.
- **“credit card”** means a Visa Credit Card we issue you or an additional cardholder for use on your card account.
- **“credit card balance transfer”** means a transfer to the account, in accordance with clause 6 below, of any amount from a credit or charge account held by you or any other person with another credit provider in Australia.
- **“credit card contract”** means the offer Credit Contract between you and us, comprising these Conditions of Use and the Letter of Offer.
- **“credit limit”** means the credit limit for the account set out in the letter of offer, 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.
- **“Electronic transaction”** means a payment, funds transfer or cash withdrawal transaction initiated using electronic equipment that is not intended to be authenticated by comparing a manual signature with a specimen signature.
- **“Electronic 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 PIN to conduct an electronic transaction and includes, but is not limited to, an ATM and EFTPOS.
- **“EFTPOS” (Electronic Funds Transfer Point of Sale Terminal)** is an Electronic terminal which we advise can be used to make purchases with the use of the card.
- **“electronic equipment”** includes, but is not limited to, an Electronic terminal, computer, television and telephone.
- **“identifier”** means information that a cardholder must provide to perform a transaction and which the cardholder knows but is not required to keep secret, such as an account number or a serial number.
- **“inactive account”** means a credit card account that has not been operated either by deposit or withdrawal for a period of 24 months.
- **“Letter of Offer”** means the offer letter, including the Financial Information Table, which we send you advising of our approval of your application for the card. It forms part of your contract with us.
- **“merchant”** means a business which accepts the card as payment for goods and services.
- **“minimum amount”** in respect to any statement period, means the minimum payment due plus any overdue amounts and any overlimit amount specified in the statement for that statement period.
- **“National Credit Code”** means the National Credit Code set out in Schedule 1 to the National Consumer Credit Protection Act 2009 (Cth).
- **“overdue amount”** means any “monthly payments” that remain unpaid from previous statements of accounts.
- **“overlimit amount”** means the amount by which, at any time, the outstanding balance of your card account exceeds the approved credit limit.
- **“PayWave”** means the functionality on specific Visa Credit cards that enables you to make small value purchases at participating Merchant outlets without using a PIN.
- **“Bank of Heritage Isle or the Bank”** means Police Bank Ltd ABN 95 087 650 799 as the product issuer and its successors and assigns.

- **"PIN"** means the Personal Identification Number which is issued to a cardholder by us for use with a card at an ATM or EFTPOS.
- **"pass code"** means a PIN or any other password or code that the user must keep secret and which may be required to authenticate an electronic transaction or the user. It does not include a security number printed on the card.
- **"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 good or services are not taken.
- **"regular payment arrangement"** means either a recurring or an instalment payment agreement between you (the cardholder) and a merchant in which you have preauthorised the merchant to bill your Linked Account at predetermined intervals (e.g. monthly or quarterly) or at intervals agreed by you. The amount may differ or be the same for each transaction.
- **"statement"** means your statement of account.
- **"statement period"** means the period to which a statement applies.
- **"terms and conditions"** means the terms and conditions in this booklet and the terms in the Letter of Offer, each as amended from time to time.
- **"total payment due"** in respect of any statement period, means the minimum payment due plus any overdue amounts and any overlimit amount specified in the statement for that statement period.
- **"transaction"** means a transaction on your account, including withdrawing cash from an ATM, purchasing goods and/or services at VISA outlets, and making a payment via the internet or telephone using the card number.
- **"transaction date"** means the date on which a transaction takes place.
- **"unauthorised transaction"** means a transaction which is made without your knowledge, consent or authorisation, (including an unauthorised electronic transaction).
- **"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.
- **"user"** means you, any additional cardholder and any other individual authorised by you and us to perform transactions.
- **"we", "us", "our" or "Bank"** are references to Police Bank Ltd, ABN 95 087 650 799, AFSL/ Australian Credit Licence No. 240018. 25 Pelican Street, Surry Hills NSW 2010.
- **"you"** means the person in whose name the card account has been opened.

2. Opening Your Account/ Account Activation

- 2.1 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. A card is only valid for the period printed on it. It cannot be used before its commencement date or after its expiry date.
- 2.2 The account is a single account for all cards which may be issued under the contract.
- 2.3 Activation of your card can be completed via internet banking (www.heritageisle.com.au) or by phoning the Contact Centre on 134 374. Please note - if you do not activate your card, it will not work for card presented transactions.
- 2.4 Using your card account (or having an additional card holder use your card account) for the first time, or an authorised transfer request is processed will constitute:
 - Your agreement to these terms and conditions; and
 - Your acceptance of our offer
- 2.5 You must sign the signature panel on the reverse of your credit card with a ballpoint pen immediately upon receiving it and ensure that additional cardholders do the same.
- 2.6 All cards issued remain our property and must be returned or destroyed if we ask you to do so.
- 2.7 Subject to these Conditions of Use, you are liable for all charges on the account including charges incurred by an additional card holder. You must ensure that all cards are used in accordance with these Conditions of Use.
- 2.8 We will provide a PIN to use the card with certain electronic equipment. You agree to protect this PIN as a means of preventing fraudulent or unauthorised use of the card. We may also give you or allow you to select another pass code for transactions. You must keep any pass code secret. Please refer to clause 17 for more requirements and guidelines in relation to security.

3. Your Credit Limit

- 3.1 Your credit limit is set out in the Letter of Offer. 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.
- 3.2 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. Please refer to the letter of offer for details.
- 3.3 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. We will advise you as soon as possible if we do so.

- 3.4** We will debit transactions on the account against any positive (Cr) balance before reducing the available credit amount.
- 3.5** 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.

4. Using Your Card Account

4.1 How you can use your card account.

You agree that we can debit your card account with all transactions authorised by you or any additional cardholder. You can authorise transactions by:

- For an international transaction, presenting your credit card to a merchant and signing a docket acceptable to us;
- Presenting your credit card at any Branch and signing a withdrawal form;
- Using your credit card, either alone or together with your PIN, with any electronic equipment;
- Transferring funds electronically using Internet Banking or Redial;
- Providing your credit card details to a merchant or to any other party to whom payment is to be made, either directly or indirectly (via a third party), in a manner approved by us; or
- Requesting a credit card balance transfer from another credit provider;

You can also give standing authorities, addressed in clause 4.8.

4.2 PayWave Functionality.

If you have been issued with a Visa Debit PayWave card which is identifiable by the PayWave logo, you will be able to make faster purchases. Instead of swiping your card as you always have, you will only need to tap you Visa card against the PayWave reader.

Payments using the PayWave functionality can only be made at a participating merchant outlet and if your purchase is AU\$100 or less. If your purchase is over AU\$100, you will need to enter a PIN.

The Visa and Bank security systems continue to protect you for unauthorised transactions. The same conditions apply to your Visa Debit PayWave transactions as your other Visa card transactions.

4.3 You are authorising a purchase, not always a price.

You can authorise a transaction for either:

- A particular amount; or
- Particular goods or services.

Warning: Where you authorise a transaction for particular goods or services, you may be authorising the payment of amount which is larger

than you may initially expect. For example, in authorising a transaction for car rental services you can be authorising not just the payment of rental but also the cost of any damage to the car while you are hiring it.

4.4 Authorisations

- a. The merchant or other person involved in the transaction may require and obtain an authorisation before the transaction is made. This is to establish that there are sufficient funds available in your card account for the transaction. An authorisation may be complete in advance for a transaction that will occur later such as hotel room or car hire, and transactions at unmanned terminals (for example at airport car park payment booths).
- b. Authorisations by us:
 - i. We may choose at any time not to authorise a transaction, where this is required for security or credit risk purposes. We shall not be liable to you or anyone else for any loss or damage resulting from our refusal to do so.
 - ii. 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 7 business days.
- c. Authorisations by you:
 - i. You are confirming that the transaction correctly represents the purchase price of the goods or services obtained, or the amount of the cash advance;
 - ii. You agree that we provide you with credit equal to the amount of the transaction on the date on which you made the transaction; and
 - iii. You must pay (in Australian dollars) the amount of that transaction.

4.5 Credit card acceptance

- a. Financial institutions and merchants displaying the appropriate credit card symbol will normally honour credit cards. However, credit card promotional material displayed on any premises cannot be taken as a warranty by the financial institution, merchant of any person carrying on business there that all goods and services available at those premises may be purchased with the credit card.
- b. The price the merchant charges for goods and services purchased using the card may vary from the price the merchant charges for the same goods and services purchased with cash.
- c. Unless required to do so by law (for example, by the consumer guarantees that services rendered with due care and skill and will be fit for their purpose), we do not accept any liability for:
 - i. 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

- ii. Goods and services purchased with a card. However, you are generally entitled to reverse or charge back a transaction where the transaction has been effected using the Visa credit card or by providing the card details to acquire goods or services and you have a dispute with the merchant (for instance, the merchant has not provided you with the goods and/or the services you paid for and you have tried to get a refund and were unsuccessful). Chargebacks are governed by the operating rules applicable to the Visa credit card scheme.

Please refer to clause 30 or contact the Bank for more information about your chargeback rights.

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

4.6 Using your credit card overseas

- Transactions made overseas may take longer than normal to be processed on your account and appear on your statement.
- All transactions made overseas on the Visa credit card will be converted to 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 process the transaction).
- A Visa International Fee is payable if and when you use the Credit Card overseas and the transaction is in a foreign currency. All overseas transactions are converted to Australian dollars and are subject to this fee equal to 3% of the value of the transaction. A proportion of the fee may be retained by Bank of Heritage Isle. The amount of this conversion fee is subject to change from time to time and we will advise you in advance of any such change in accordance with clause 15.
- Some overseas merchants and automatic teller machines charge a surcharge for making an electronic 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.
- Before travelling overseas, you or an additional cardholder should consult with us to obtain Visa Card Reporting Line telephone numbers for the country of destination.
- 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.
- Some overseas merchants and electronic

terminals allow the cardholder the option to convert the value of the transaction into Australian dollars at the point of sale, also known as Dynamic Currency Conversion. Once you have confirmed the transaction you will not be able to dispute the exchange rate applied.

4.7 Using your card

- 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.
- The maximum daily ATM cash advance amount for the account is AUD\$1,000 or as we advise you from time to time in accordance with clause 16.
- Some merchants and financial institutions may impose a lower maximum and/or a minimum amount on electronic transactions.
- Cash advances from ATMs will only be available upon entry of the correct PIN in conjunction with the use of the card.
- You may request a balance transfer in accordance with clause 6 below.
- You agree that we can debit the account with all transactions authorised by a cardholder. Transactions can be authorised by:
 - i. Using a card, alone or together with your PIN, at any electronic terminal;
 - ii. For an international transaction, presenting a card to a merchant and signing a voucher or other documentation acceptable to us authorising the transaction; or
 - iii. Providing the card details to a merchant or any other party to whom a payment is to be made either directly or via a third party, in a manner acceptable to us, for example, over the phone or online.
- You agree to pay (in Australian dollars) the amount of the transaction.

4.8 Regular payment arrangements

- a. You can, at any time, authorise another person ("third party") a regular payment to debit the account.
- b. To cancel such an arrangement, you should notify that third party according to any arrangements between you and that third party. You must also notify us.
- c. 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.

4.9 Additional cardholder

- a. We may issue a card to any person you nominate, provided that person is over the age of 16 years and satisfies the identity verification requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006.
- b. 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.
- c. You must ensure that each additional cardholder receives a copy of the contract, reads it and protects their card and PIN in the same way as the contract requires you to protect your card and PIN. If an additional cardholder does not comply with the contract, you will be liable to us.
- d. You can at any time revoke the authority of an additional cardholder to operate the account by calling us or visiting any Branch. We will only cancel the additional card when:
 - i. You return the additional card to us; or
 - ii. You tell us in writing that you have taken all steps to return the additional card to us.
- e. We will then cancel the additional card. Except for transactions which were processed and approved before we received your instructions and transactions we are otherwise unable to stop, you will not be liable for transactions effected by the additional cardholder after we receive your instructions to revoke their authority.
- f. You acknowledge and agree that any additional cardholder can:
 - i. Operate the credit card account in the same way that you can; and
 - ii. Access financial information about the account including information relating to transactions, the account balance, the available credit amount and the minimum monthly payment.
- g. We will not allow an additional cardholder to increase the credit limit, nominate another person to receive a card, or close the account.

5. Processing Transactions

- 5.1 We will process all transactions on your card account on the date that they are received by us. This may differ from the transaction date (for example, we may be provided with information concerning a credit card purchase a number of days, weeks or months after you pay for a taxi fare using your credit card).
- 5.2 We are entitled to process transactions received on a particular day in any order we see fit. This may vary from the order in which you entered into them.
- 5.3 Any withdrawal, or payment from your card account will be made:

- First from any positive balance; and
- Then from any available credit in your card account.

6. Credit Card Balance Transfers

- 6.1 You may transfer the balance of a credit or charge account from another credit provider to your account if we agree to the transfer and if:
 - The balance of your account after the transfer will not exceed your credit limit; and
 - The amount transferred is not less than \$500; and
 - Your account is not a delinquent account.
- 6.2 Balances transferred may be offered on a lower rate of interest for the amount of the balance transfer.
- 6.3 The balance transfer interest rate will apply to the amount that you transfer for the offer period. If any portion of your balance transfer amount remains owing at the end of the applicable period, it will revert to the standard retail purchase interest rate.
- 6.4 New purchases and cash advances made after the transfer will be at the standard rate of interest.
- 6.5 We may refuse or limit a transfer at our discretion.
- 6.6 We will not be liable for any overdue payment or interest incurred on the account when transferring the payment to the organisation nominated. You must pay interest charged by us on balance transfers at the applicable annual percentage rate. Interest applies from the date of funding your balance transfer request, until you repay the transferred amount in full.
- 6.7 In authorising us to transfer any funds to pay an outstanding balance from another credit/store card account(s), it is not our responsibility to arrange closure of the account(s). This is your responsibility.
- 6.8 Once your balance transfer has been forwarded to the organisation you have nominated, no responsibility will be accepted by the Bank for delays in processing the payment.
- 6.9 We may, at our discretion, require you to cancel your credit card or charge account with the transferring credit provider as a condition of transfer.

7. Payments

7.1 How payments are applied:

Payments made to your account will be applied in the following order, towards payment of:

- Government duties, taxes previously statedmented;
- Interest charges on cash advances previously statedmented;

- Cash advances that are shown on any statement of account;
- Cash advances that have been incurred but yet to appear on any statement of account;
- Interest on cash advances, retail purchases and Government Fees that have been stated in the past month;
- Interest charges on retail purchases previously stated;
- Retail purchases and Bank fees that are shown on any statement of account;
- Current retail purchases and Bank fees that have been incurred but are yet to appear on any statement of account;
- Interest on balances transferred that have been stated in the past month;
- Balance transfers that are shown on any statement of account; and
- Current balance transfers that have been incurred but are yet to appear on any statement of account.

7.2 You must pay:

- Immediately any amounts shown on your statement as past due amounts or overlimit amounts; plus
- The Minimum Payment Due shown on each statement by the Payment Due Date shown on that statement.

You may also pay as much as you wish towards the closing balance of the statement of account in addition to the amounts mentioned. Subject to clause 9, if the closing balance is paid in full, you may be entitled to an interest-free period in respect to certain transactions.

Note that:

- The Minimum Payment Due is calculated as 2.5% of the Closing Balance on the statement (rounded to the nearest dollar), but if that percentage amount is less than \$5, we may (but are not required to) make the minimum repayment \$5. If the Closing Balance is less than \$5, the Minimum Payment Due is the Closing Balance;
- The statement of account will also include overdue amounts and overlimit amounts in the Total Payment Due amount;
- The Payment Due Date is 24 days from the end of the statement period, but if that would be a day that is not a business day, the Payment Due Date will be the next business day; and
- A reversal or refund of charges is not a payment to your card account.

7.3 Payments must be made in Australia using Australian currency.

7.4 If you are 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. Payments can be made only in the following ways:

- By depositing funds at any Branch;
- By sending a cheque drawn on an Australian financial institution or money order to the address at the back of this booklet (we will not accept cheques drawn on a foreign financial institution);
- Using Bank@Post;
- By transferring funds from an account using Internet Banking or Redial;
- By transferring money immediately, or as a Periodic Payment transfer from another Bank account using Internet Banking;
- By transferring money immediately from an account using Redial; and
- By paying electronically from an account held at another financial institution or via Direct Credit.

8. Processing Payments

8.1 We will treat payments and other credits as made only when they are applied to your card account in the ordinary course of business. The following rules generally apply:

- Cash payments at a Bank of Heritage Isle Branch are credited to your card account on the same day.
- Cheque payments received via Bank@Post are credited when received, but must be cleared before they can increase your available funds. This is generally seven working days after cheque payment is received.
- Cheque payments are credited when received, but must be cleared before they can increase your available funds. This is generally four working days after cheque payment is received.
- Payments made at a branch of another financial institution can take up to three business days to be credited to your card account.
- If you pay by mail, we credit your card account on the date of receipt (if this is before 3pm) on a business day. It is important that you allow enough time for mail to reach us.
- If you pay via Internet Banking on a business day we credit your card account on the same day if you pay by 3pm.
- If you pay electronically from a non-Bank account we credit your credit card account on the same day if it is a business day and the payment is complete before the cut off time used by the financial institution. In each case, if a payment is received after the cut-off time we credit it on the following business day.
- 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 through the Bank@Post system will not be available to increase the available credit amount until honoured.)

- 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 letter of offer.

9. Interest

9.1 Rate of Interest.

Your Letter of Offer shows the annual percentage rate used to calculate the interest charges on your card account. Each statement also sets out the annual percentage rate applying to the statement period.

9.2 Interest calculation.

We calculate interest daily by multiplying the relevant parts of unpaid daily balance of the account at the end of each day by the daily percentage rate. The daily percentage rate is the annual percentage rate divided by 365. The relevant parts of the unpaid daily balance vary depending on whether an interest free period applies.

9.3 No interest-free period applies.

No interest free period applies to purchases made during a statement period if you do not qualify for it in respect of that statement period (i.e. if you do not pay the closing balance in full by the due date). In this case, interest is calculated daily based on the whole of the daily balance of the account (i.e. interest is payable on any purchase transaction from the date of purchase).

9.4 Interest free period.

- From the start of each statement period, you will receive an interest free period on new purchase transactions of up to 55 days. This means that you will not pay interest on purchases made during that interest free period. At the end of the interest free period, interest will accrue on purchases made during the interest free period to the extent that you have not paid the closing balance in full by the due date.
- However, the interest free period does not apply to balance transfers, cash advances or any opening balance. Interest is charged on cash advances from the date of each advance until it is paid.

9.5 Debiting interest charge.

The interest charge will be debited to your card account on the last day of each statement period, as shown on your account.

9.6 Interest on deposits.

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

10. Fees and Charges

- Fees and charges applying to your credit card will be charged to your account at the times and in the amounts stated on your Letter of Offer and Schedule of Fees and Charges.
- Fees applying to your Credit Card account will be debited on the date incurred. In some instance, we may choose to delay charging your account until the last day of the month.
- The annual fee will be debited on the first statement of account after acceptance of the credit card contract, and after that annually in advance. You are not entitled to any refund of the annual fees if your card account is closed mid-year.
- You are liable to pay all government taxes, rates and other charges incurred in respect of receipts or withdrawals made to or from your card account.
- Any fee or charge in foreign currency will be converted to Australian dollars in accordance with clause 4.5 and 4.6.
- All fees and charges debited to the account will be payable by you in accordance with clause 7.

11. Statements of Account

- We will send a statement of account to you each month unless we are excused by law from sending a statement to you.
- Your monthly statement will show the details of all amounts processed to or from your card account during the statement period, including:
 - The purchase price of all goods and services purchased with your credit card;
 - The amounts of all cash advances;
 - Interest and fees and charges debited;
 - Payments or refunds credited to your card account;
 - Balance transfer transactions
- Checking statements of account.**

You must check your statements carefully once you receive them and should notify us promptly of any transactions that you believe to be unauthorised, disputed or in error. See further clause 19 for how delays in notifying us affect your liability for unauthorised transactions. Details of our dispute resolution procedure are set out in clause 34 and the procedure to effect a chargeback is set out in clause 30.
- 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.

- 11.5** You may request a copy of any statement of account at any time subject to any fee referred to in the Letter of Offer.

12. Cash Advances at ATMs

You can obtain cash advances using your credit card and any additional cardholder may do so using their card.

- 12.1** We may vary the daily cash withdrawal limit.

13. Variation of Annual Percentage Rate

- 13.1** We may vary the annual percentage rate of interest at any time.

- 13.2** If the variation under this clause increases your obligations, we must give you written notice at least 20 days before the increase takes effect by:

- Publishing a notice in a newspaper and sending you notification in your next statement of account; or
- Giving you written notice.

- 13.3** If the variation does not increase your obligations, we will send you notification in your next statement of account.

14. Variation of Interest Calculation Repayments

- 14.1** We may vary how we calculate interest or how often we debit interest. We may also vary:

- The amount, frequency or time of repayments; or
- The amount of calculating repayments; or
- The method of calculating the minimum repayments.

- 14.2** If the variation increases your obligations, we must give you written notice at least 20 days before the increase takes effect.

- 14.3** If the variation does not increase your obligations, we will send you notification in your next statement of account.

15. Variation of Credit Fees and Charges

- 15.1** We may:

- Vary the amount or frequency of any credit fee or charge;
- Add a new credit fee or charge;
- Vary the method of calculating any credit fee or

charge;

- Vary or introduce charges relating solely to the use of the card, PIN or card details or the issue of any replacement card, PIN or card details

- 15.2** We may vary this credit card contract to add a default rate of interest or increase or decrease any default rate of interest so added.

- 15.3** If the variation under this clause increases your obligations, we must give you written notice at least 20 days before the increase takes effect by:

- Publishing a notice in a newspaper and sending you notification in your next statement of account; or
- Giving you written notice.

- 15.4** If the variation does not increase your obligations, we will send you notification in your next statement of account.

16. Other Variations

- 16.1** We may change the contract at any time without your consent for one of more of the following reasons:

- We may vary this credit card contract to comply with any change or anticipated change to any relevant law, code of practice, guidance or general industry practice.
- To reflect any decision of court, ombudsman or regulator;
- To reflect changes in our systems or procedures, including for security reasons;
- As a result of changed circumstances (including by adding benefits or new features);
- To respond proportionately to changes in the cost of providing the card or the account; or
- To make them clearer.
- If the variation under this clause increases your obligations, we must give you written notice at least 20 days before the increase takes effect.

- 16.2** If a variation under this clause does not increase your obligations, we will send you notification in your next statement of account.

- 16.3** Other changes may be made by agreement between you and us.

- 16.4** We may reduce (but not increase) the credit limit without your consent;

- 16.5** We may increase charges relating solely to the use of the card, PIN or card details or the issue of any replacement card, PIN or card details;

- 16.6** We will supply information on current interest rates and fees and charges on request.

17. Credit Card and PIN Security

17.1 It is very important that you keep your credit card secure and ensure any additional cardholder also does. If you or they fail to observe the following security requirements you may increase your liability for any unauthorised use of the credit card.

You must:

- a. sign the back of your credit card immediately upon receipt;
- b. destroy your credit card by cutting it diagonally in half as soon as it has reached its expiry date;
- c. not let anyone else use your credit card;
- d. take reasonable steps to protect your credit card from loss or theft; and
- e. immediately notify us if you become aware that:
 - Your credit card or your card account details (for example, the number and expiry date of your credit card) have been used by someone else without your authority; and
 - Your credit card has been lost or stolen, and you must ensure that any additional cardholder also does so.
 - Telephoning our hotline:

VISA CARD REPORTING LINE

Monday to Friday, 8am to 6pm

Local: 134 374

International: +61 3 6348 3444

Outside of Business Hours

Local: 1300 705 750 (option 3)

International: +61 2 8299 9534

17.2 Warning- you must keep your PIN and password secure.

You may be liable for any loss suffered from an unauthorised transaction where you have failed to secure your password or PIN or an additional cardholder has done so. You and they must not:

- a. Choose a PIN which is clearly related to you or them (such as birth date, post code, phone number or car registration number) or which represents a recognisable part of your or their name;
- b. Choose a PIN which has an easily retrieved combination (such as repeated or consecutive numbers or letters e.g. 1111, 1234, BBBB or BCDE);
- c. Write or in any way indicate the PIN on the card even if disguised; or
- d. Keep a record of the PIN (without making a reasonable attempt to disguise it) on any item

normally carried with or stored with the credit card.

- e. Allow any other person to see the password or PIN being entered, or provided;
- f. Disclose the password or PIN to any other person;
- The following are examples of what is NOT a reasonable attempt to disguise a PIN:
 - Recording the PIN as a telephone number where no other numbers are recorded;
 - Recording the PIN amongst other numbers or letters with any of them marked to indicate the PIN;
 - Recording the PIN in reverse order;
 - Recording the PIN as a telephone number or name in its correct sequence;
 - Recording the PIN disguised as a date or an amount; and
 - Recording the PIN in an easily understood form.
- To assist you, we publish security guidelines. A copy of the current guidelines is available at heritageisle.com.au.
- A reasonable attempt to protect the security of a PIN record includes making any reasonable attempt to disguise the PIN within the record, or prevent unauthorised access to the PIN record, including by:
 - Hiding or disguising the PIN record, including by:
 - Hiding or disguising the PIN record in a place where a PIN record would not be expected to be found;
 - Keeping a record of the PIN in a securely locked container; or
 - Preventing unauthorised access to an electronically stored record of the PIN record.

The above guidelines may differ from the circumstances in which you are liable for losses resulting from unauthorised electronic transactions under the ePayments Code. Your liability for such losses will be determined under the ePayments Code.

18. Verified by Visa Terms and Conditions of Use

Important: The Verified by Visa service is designed to provide you with improved security when your Visa card is used to make a purchase online. We encourage you to join the growing number of users who enjoy additional security by using the Verified by Visa service and by shopping at participating Verified by Visa online merchants.

These Conditions of Use govern the Verified by Visa service and form the agreement between you and

us regarding the use of the service, so please read them carefully.

To participate in the Verified by Visa programme, you may be asked to verify personal details held by your

Bank in order to complete the transaction. Should your Visa card have been compromised in any way, please notify us immediately as you may be liable for unauthorised transactions.

We strongly recommend that you print or save a copy of these Conditions of Use for your record and future reference. You can also obtain a copy of these Conditions of Use by contacting us.

18.1 Accepting these Conditions of use

- a. By completing or attempting to complete a Verified by Visa transaction, you are deemed to accept these Conditions of Use.
- b. You agree to be bound by these Conditions of Use each time you use Verified by Visa.

18.2 Definitions

a. In these Conditions of Use:

- “**account**” means your Visa Card account.
- “**participating online merchant**” means a retailer or merchant who offers goods or services for sale online, who is a participant in Verified by Visa.
- “**you**”, “**your**” or “**yours**” means an account holder (or an additional cardholder), as relevant, who makes an online transaction using Verified by Visa.
- “**Verified by Visa**” means the online transaction authentication service provided by us (or our nominated service provider).
- “**Visa Card**” means the Visa debit or credit card issued to you or an additional cardholder by your Bank.

18.3 Application of Conditions of use.

These Conditions of Use apply to the Verified by Visa service and the Verified by Visa transactions conducted on your account. In addition to these Conditions of Use, all other terms and conditions that apply to your Visa card and account (“Account Terms”) still apply. If there is any inconsistency between these Conditions of Use and your Account Terms, your Account Terms will apply to the extent of the inconsistency.

18.4 Guidelines for maintaining the security of your Visa Card

- a. Never lend your Visa card to anybody.
- b. Use care to prevent anyone seeing the Visa card details being entered at the time of authentication.
- c. Immediately report unauthorised use of the Visa card to us.

- d. You should examine periodical statements of your account immediately upon receiving them to identify and report, as soon as possible, any instances where the Visa card has been used without your authority.

18.5 Using the Verified by Visa service

- 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 Visa 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 Visa card or payment for that transaction and you may be unable to complete an online transaction using your Visa 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 Visa card, you should contact us.

18.6 Additional Cardholders

- a. Subject to the account terms and conditions, you will be liable for all transactions conducted on your account which are undertaken by an additional cardholder.
- b. Additional cardholders may use the Verified by Visa service, but may be required to confirm their identity using the primary account holders’ details.

18.7 Privacy

- a. We (or our nominated service provider) may collect personal information about you for the purposes of providing the Verified by Visa service to you.
- b. You authorise us to disclose personal information to others in order to execute your instructions including, but not limited to, conducting the Verified by Visa service to you.
- c. You authorise us to disclose personal information to others in order to execute your instructions including, but not limited to, conducting the Verified by Visa service and investigating disputes or allegations of unauthorised transactions, or if it is required by law.

- d. For more details of how your personal information is handled, please refer to our privacy policy, which can be viewed by accessing our Internet home site or you can obtain a copy by calling us.

18.8 Termination of Verified by Visa

- a. 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.

18.9 Participating Online Merchant

- 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.

18.10 Exclusions of Liabilities

- a. Subject to any warranty which is imported into these Conditions of Use 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, as provided in these Conditions of Use.

18.11 Your Conduct

- a. Whilst using the Verified by Visa service and our Internet Banking services, you agree not to:

- i. Impersonate any person or entity using the Verified by Visa authentication process;
- ii. 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;
- iii. Spam or flood our Internet banking service and the Verified by Visa service;
- iv. Modify, adapt, sub-license, translate, sell, reverse engineer, decompile or disassemble any portion of the Verified by Visa service.
- v. Remove any copyright, trademark, or other proprietary rights notices contained in the Verified by Visa service;
- vi. "frame" or "mirror" any part of the Verified by Visa service without our prior written authorisation;
- vii. 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;
- viii. 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 these Conditions of Use or any requirements, procedures, policies or regulations in relation to the Verified by Visa service; or
- ix. Intentionally or unintentionally violate any applicable local, state, national or international laws or regulations relevant or applicable to the Verified by Visa service.

18.12 Your Liability

- a. Your liability for unauthorised transactions is governed by your Account Terms.
- b. If you breach these Conditions of Use, 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.
- c. If you suspect that your Visa 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 these Conditions of Use and you may be liable for all transactions on the Visa card until notification occurs.

- d. For further details as to reporting a breach of card details, refer to your Account Terms.

18.13 Errors

If you believe a Verified by Visa transaction is wrong or unauthorised or a periodical statement contains any instances of unauthorised use or errors, you should contact us immediately.

18.14 Changes to Conditions of Use.

We can change these Conditions of Use at any time, and where we are required to do so under any law, we will notify you of these changes.

19. Your Liability in Case the Credit Card is Lost or Stolen or In Case of Unauthorised Use.

- 19.1** If a card is used (in cases not involving electronic transactions) without the authority of a card holder, 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.

- 19.2** You are liable for all losses caused by unauthorised electronic transactions unless any of the circumstances specified in paragraph 19.3 below apply.

- 19.3** You are not liable for losses:

- a. Where it is clear that you (including any additional cardholder) have not contributed to the loss;
- b. That are caused by the fraudulent or negligent conduct of employees or agents of:
 - The Bank
 - Any organisation involved in the provision of the Electronic System; or
 - Any merchant

That are relating to a forged, faulty, expired or cancelled credit card or PIN;
- c. That are caused by the same transaction being incorrectly debited more than once to the same account;
- d. 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
- e. That arises from an unauthorised transaction using an identifier only, where the transaction can be made using a device, but does not require a pass code unless you have unreasonably delayed reporting the loss or theft of the device.
- f. Resulting from unauthorised use of the credit card or PIN:
 - i. In relation to an Electronic transaction which does not require a PIN authorisation, before

receipt of the credit card; or

- ii. In relation to an Electronic transaction which requires PIN authorisation, before receipt of the PIN; or
- iii. In either case, after notification to us in accordance with this clause that the credit card is being used without authority, that it has been lost or stolen, or that PIN security has been breached; or
- iv. Arising from an unauthorised electronic transaction that can be made using an identifier without the card or pass code; or

- 19.4** You will be liable for any loss of funds arising from any unauthorised Electronic transaction using the credit card or PIN if the loss occurs before notification to us or the Visa Card Reporting Line that the card had been misused, lost or stolen or the PIN has become known to someone else and if we prove, on the balance of probabilities, that you contributed to the loss through:

- a. Fraud;
- b. Telling or showing your PIN to another person or allowing it to be seen by another person (including family and friends);
- c. Recording a PIN on a card or keeping a record of a PIN on anything which is kept with or near a card unless reasonable steps have been taken to carefully disguise the PIN or prevent unauthorised access to the record;
- d. When changing a PIN, selecting a PIN which represents your or the additional card holder's birth date or a recognisable part of your or the additional card holder's name;
- e. Failure to look after and keep the PIN secure in accordance with clause 17, or extreme carelessness in failing to protect the security of the PIN; or
- f. Unreasonably delaying in notifying us or the Visa Reporting Line of the misuse, loss or theft of the credit card or of the PIN becoming known to someone else and the loss occurs between the time you (or any additional cardholder) did, or reasonably should have, become aware of these matters and the time notification to the Bank or the Visa Card Reporting Line.
- g. You are liable for losses arising from unauthorised electronic transactions that occur because a card holder contributed to losses by leaving a card in an ATM, as long as the ATM incorporates reasonable safety standards that mitigate the risk of a card being left in the ATM.

However, you will not be liable for:

- i. The portion of the loss that exceeds any applicable daily or periodic transaction limits on your account(s) accessed by the card;
- ii. The portion of loss on any such account which exceeds the balance of that account

(including any prearranged credit); or

iii. All losses incurred on any account which you had not agreed with us could be accessed using the credit card and PIN.

iv. Losses incurred in any period that exceed any applicable periodic transaction limit on your account.

19.5 Where a PIN was required to perform the unauthorised transaction and clauses 19.3 and 19.4 do not apply, your liability for any loss of funds arising from an unauthorised transaction using the credit card, if the loss occurs before the notification to us or the Visa Card Reporting Line that the credit card has been misused, lost or stolen or the PIN has become known to someone else, is the lesser of:

a. \$150;

b. The actual loss at the time of notification to us or the Visa Reporting Line of the misuse, loss or theft of the credit card, or of the PIN becoming known to someone else (except that proportion of loss that exceeds any daily or periodic transaction limits applicable to the use of your credit card or your account that is accessible with the Card); or

c. The balance of your account, including any prearranged credit.

19.6 Notwithstanding any of the above provisions, your liability will not exceed your liability under the provisions of the ePayments Code, where that Code applies.

19.7 In all cases where you notify us of an unauthorised electronic 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 credit card scheme against other parties to that scheme.

19.8 You will not be liable for any loss suffered because an Electronic terminal accepted a cardholder's instructions but failed to complete the transaction. If an Electronic terminal malfunctions, and you should have been aware that the Electronic 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.

19.9 If there is a dispute about whether a user received a card or PIN

- It is presumed that the user did not receive it, unless we can prove that the user did receive it;
- We can prove that the user did receive it by obtaining an acknowledgement of receipt from the user; and
- We may not rely on proof of delivery to the correct mailing address or electronic address of the user to prove that the user did receive it.

20. How to Report Loss, Theft or Unauthorised Use of the Credit Card or Pin

20.1 If you believe your credit card or that of any additional cardholder has been misused, lost or stolen or the PIN has become known to someone else, you must notify us immediately by:

- Telephoning us on 134 374 during business hours;
- Telephoning the Visa Card 24 hour Reporting Line in Australia on the number listed below; or by advising any financial institution that displays the Visa logo.

VISA CARD REPORTING LINE

Monday to Friday, 8am to 6pm

Local: 134 374

International: +61 3 6348 3444

Outside of Business Hours

Local: 1300 705 750 (option 3)

International: +61 2 8299 9534

20.2 The Visa Card Reporting Line or we will acknowledge the notification by giving a reference number. Please retain this number as evidence of the date and time of contacting us or the credit card Reporting Line.

20.3 When contacting the Visa Card Reporting Line, you should confirm the loss or theft as soon as possible at our branch.

20.4 The Visa Card Reporting Line is available 24 hours a day, 7 days a week.

20.5 If the Visa Card Reporting Line is not operating at the time notification is attempted, the loss, theft or unauthorised use must be reported to us as soon as possible during business hours.

20.6 If the loss, theft or misuse, occurs outside Australia you must notify an organisation displaying the Visa sign and also then confirm the loss, theft or misuse of the card:

- a. With us by telephone or priority paid mail as soon as possible; or
- b. By telephoning the Visa Card Reporting Line number for the country the cardholder(s) is / are in, which must be obtained from us prior to departure.

Delay in notifying us may increase your liability.

21. Steps You Must Take to Resolve Errors or Disputed Electronic Transactions

21.1 If you believe an electronic transaction is wrong or unauthorised or your periodical statement contains any instances of unauthorised use or errors in respect of an electronic transaction, immediately notify us. You must supply us with the following information:

- a. Your name, account number and credit card number (or that of the additional cardholder, if applicable);
- b. The error or the transaction you are unsure about;
- c. A copy of the periodical statement in which the unauthorised transaction or error first appeared;
- d. An explanation, as clearly as you can, as to why you believe it is an unauthorised transaction or error, and
- e. The dollar amount of the suspected error.

If your complaint concerns the authorisation of a transaction, we may ask you to provide further information.

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.

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

21.3 Within 10 business days of receipt from you of the details of your complaint we will:

- a. Complete our investigation and advise you in writing of the results of our investigation; or
- b. Advise you in writing that we require further time to complete our investigation.

We will complete our investigation within 20 business days of receiving your complaint, unless there are exceptional circumstances.

21.4 If we are unable to resolve your complaint within 45 business days, we will let you know the reasons for the delay and provide you with monthly updates on the progress of the investigation and its likely resolution date, except where we are waiting for a response from you and you have been advised that we require such a response.

21.5 If your complaint has not been resolved within 120 days of receipt of the details of your complaint, we will resolve the complaint in your favour.

21.6 If we find that an error was made, it 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.

21.7 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 terms and conditions and the ePayments Code. If you are not satisfied with the decision, you may request that the decision be reviewed by our senior management. If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

21.8 If we decide that you are liable for all or any part of a loss arising out of unauthorised use of the credit card or PIN, 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.

21.9 If we fail to carry out these procedures or cause unreasonable delay in resolving your complaint, 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.

21.10 If we resolve your complaint 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 complaint or any credit or other charges related to that amount until your complaint is resolved.

22. Equipment Malfunction

22.1 We are responsible to you for any loss caused by the failure of equipment to complete a transaction that was accepted in accordance with your instructions.

22.2 However, if you were aware or should have been aware that the equipment was unavailable for use or malfunctioning, our responsibility will be limited to correcting errors in the account and refunding any charges or fees imposed as a result.

22.3 You are solely responsible for your own PC anti-virus and security measures, and those of any authorised user (such as an additional cardholder), to help prevent unauthorised access via Internet Banking to your transactions and accounts.

23. Credit Card Validity and Expiry

To reduce the risk of unauthorised use of your card account:

- a. Sign the back of your card immediately;
- b. Only use the credit card between its valid dates;
- c. Ensure as soon as any credit card issued in relation to your card account expires, it is destroyed, by cutting it diagonally in half; and
- d. Ensure any additional cardholder also does so.

24. When You Will Be in Default

You will be in default under your credit card contract if:

- a. You have breached your obligations under this credit card contract (for example you do not pay the minimum payment due by the due date or you exceed your credit limit and do not repay the excess immediately upon receipt of your account statement); or
- b. You are in default under the terms and conditions of another facility; or
- c. You fail to provide us with the "identification information" required under the Anti-money Laundering / Counter Terrorism Financing Act 2006; or
- d. We reasonably believe that:
 - You induced us to enter into the credit card contract or issue credit card(s) by fraudulent misrepresentation;
 - There has been fraud or misrepresentation with respect to the operation of your card account; or
 - The continued use of a credit card(s) or your card account may cause a loss either to us, or yourself or will cause us to breach any applicable law.

25. Our Rights When You Are in Default

25.1 If you are in default under the credit card contract:

- Enforcement expenses may become payable by you;
- We may close your account and cancel all credit cards issued on your card account (see clause 26 for what happens when a card account is cancelled); and
- We may demand from you payment of the outstanding balance of your credit card account, after giving notice to you under and otherwise complying with the National Credit Code.
- Enforcement expenses are our reasonable costs (including our internal costs) of recovering amounts owed under this credit card contract.

25.2 Our right to take action against you under clause 25.1 may be subject to a requirement of the National Credit Code that we first give a notice allowing you at least 30 days from the date of the notice to remedy the default. If you do not comply with the notices, if we are not required to give you a notice, or if the notice need does not require you to remedy the default, we can take action against you in clause 25.1.

25.3 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.

26. Our Other Rights to Cancel Your Card Account

26.1 Whether or not you are in default we may close your account and cancel your credit cards:

- Without prior notice if we believe that the use or the credit card or card account may cause loss to you or us;
- If your card account has had no transactions for 14 months; or
- If the credit limit on your card account has been exceeded.

26.2 Unless you are in default or we have previously given you notice to that effect, we will give you written notice as soon as possible after we close your account.

See clause 28 for what happens when a card account is cancelled.

27. Closing the Account at Your Request

You may ask us to close your card account at any time. If you do we will:

- a. immediately cancel all credit cards issued in relation to your card account (including any additional cardholder cards); and
- b. cancel your card account when the last of the following occurs:
 - You pay the outstanding balance of your card account (after the last transaction authorised by you is debited to your card account including all fees and interest charges);
 - You cancel all regular payment arrangements and standing authorities with merchants operating on your card account;
 - You destroy your card (including any additional cards issued to your account) and return it to us, or advise us in writing that you have made all reasonable attempts to return it to us. Failure to do this could result in your liability for any use;

- 45 days elapse from the date of your closure request (to allow for any delays by merchants processing transactions to your card account).

28. When a Credit Card is Closed or Has Been Cancelled

- 28.1** 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 they have been destroyed.
- 28.2** If we cancel your credit card (either to exercise our rights or in response to your request) you are responsible for:
- a. Continuing to make payments to your card account in accordance with these terms and conditions;
 - b. The use of your card account and the credit card until your credit card is returned to us as required; and
 - c. Cancelling any standing authorities operating on the credit card account (Direct Debits/Recurring Payments, Internet Banking or Redial Telephone Banking) and you remain liable for transactions effected under any such authority or like, until the request or authority is cancelled in accordance with these terms and conditions

29. Closed Accounts with Credit Balances

If your account is cancelled when it is in credit we will credit that balance for you to an account we consider appropriate, or send you a cheque for that balance.

30. Chargebacks

- 30.1** As a Visa Card holder you have rights under the rules of your card scheme to dispute Visa Card transactions. If you believe a purchase was not properly authorised or processed, or there is some other problem, you may have a right to recover the amount of the purchase under the scheme's "Chargeback Rules".
- 30.2** You may be entitled to reverse (chargeback) a transaction if you have a dispute with a merchant about it (for example where the merchant has not provided you with the goods or service you paid for using your credit card).
- 30.3** If you believe that you are entitled to a chargeback, you must notify us as soon as possible. The operating rules of the Visa Card scheme impose time limits for chargebacks. After these time

limits have expired, we are not able to charge back a transaction and you will be liable for it. The minimum time limit generally applicable is 90 days after the disputed transaction.

- 30.4** In some cases where the ePayments Code applies, its time limits apply rather than the rule of the card schemes.
- 30.5** You are responsible for reviewing your statements of account. We are not responsible for any loss to you if you do not ask us to chargeback a transaction within the applicable time limit.
- 30.6** If you notify us in time and we are satisfied that you are entitled to a chargeback we will credit your account for the amount initially debited for the transaction. However the merchants also have rights to have the transaction further investigated and re-debited if appropriate.
- 30.7** Charge back rights do not apply in respect to BPAY payments from the cardholders account.

31. Payment of Money in Accordance With Law

- 31.1** You declare and undertake to us that any payment of monies in accordance with your instructions to us (and those of any additional cardholder) will not breach in any law in Australia or any other country.
- 31.2** We may delay, block or refuse to make a payment if we believe on reasonable grounds that making the payment may breach any law in Australia or any other country, and we will incur no liability to you if we do so.

32. Commissions

We may pay or receive the following commissions, fees and charges relating to your credit card.

- If you use your card for BPAY transactions, we will receive commission from BPAY of 0.49 cents per transaction plus 0.88% of the total value of each transaction.
- Commission payments may also include amounts paid to us by merchants or their financial institutions in return for our payment of debts incurred by you. These amounts are unascertainable at the time of entering your credit card contract.

33. Resolving errors or disputes

33.1 Our dispute resolution procedure.

We strive for quality and best practice customer service, however there may be times when we don't satisfy you. We believe that by listening to your complaint we may be able to identify a way to improve our service. Our complaints service procedure is free, and it does not affect your legal

rights. If you believe an electronic transaction is wrong or unauthorised or your periodical statement contains any instances of unauthorised use or errors in respect of an electronic transaction, refer to clause 19.

Otherwise, if you have a complaint:

- Contact your nearest Branch (see back page);
- Telephone our Contact Centre on 134 374;
- Email us at info@heritageisle.com.au, or visit www.heritageisle.com.au.
- Complete a Member Complaint/Dispute Resolution Form available on our website at www.heritageisle.com.au and mail it (no postage stamp required) together with any supporting documents to:

Investigating Officer

Bank of Heritage Isle

REPLY PAID 63593

Sydney NSW 2000

To assist in our investigations you will need to provide the following information:

- a. Your name, address, membership number, card number and account details
- b. Details of the transaction, charge, refund or payment in question;
- c. The details of any error believed to have occurred on a statement of account; and
- d. The amount of the suspected error or disputed transaction, charge, refund or payment.

33.2 What happens when you lodge a complaint

When you lodge a complaint, your complaint will be logged into our Complaints Management System, and the following steps will be followed:

- a. If you lodge your complaint by telephone, the person you speak to will try to resolve your complaint, or transfer you to the relevant section. If you lodge your complaint by any other means, it will be directed to the relevant section.
- b. If your complaint cannot be resolved by the relevant section, it can be referred to an appropriate Manager, or you may request that the matter be referred to an Executive Manager.
- c. The Manager/Executive Manager will try to resolve the problem immediately however, sometimes it will be necessary to make investigations and you may need to provide us with supporting documentation.
- d. If we are not able to settle a complaint immediately we will write to you within two working days of receipt of your complaint, advising you of our procedures for handling complaints/disputes.
- e. You will receive a written response from us within a maximum timeframe of 10 business days.

- f. If you are not happy with the response provided, your complaint can be referred to the Bank Internal Dispute Resolution Committee for further review.
- g. If our internal processes do not satisfy your complaint, you can contact the Australian Financial Complaints Authority, which can provide an external review of our handling of your complaint.
- h. 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.
- i. If we decide that you are liable for all or part of a loss arising out of unauthorised use of the card or PIN, we will give you copies of any documents or evidence we relied upon, and advise you in writing whether or not there was any system or equipment malfunction at the time of the relevant transaction.
- j. If we, our employees or agents do not comply with the ePayments Code (when it applies) and this contributes to a decision about a complaint that is against you, or a delay in the resolution of the complaint, we or an external dispute resolution scheme may decide that we must pay part or all of the amount of a disputed transaction as compensation.
- k. If we resolve your complaint 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 times and when you can reasonably expect a decision, and we will suspend your obligation to pay any amount which is the subject of your complaint or any credit or other charges related to that amount until your complaint has been resolved.

33.3 External review

If you are not happy with the way we handle your complaint, you can complain to the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution body that can provide an external review of our decisions. AFCA details are provided in clause 21.7.

34. Regular Payment Arrangements

- 34.1** You should maintain a record of any regular payments you enter into with a merchant, for regular payments.
- 34.2** To either change or cancel any regular repayments, a cardholder should contact the merchant at least 3 days prior to the next scheduled payment. Until the cardholder attempts to cancel the regular repayment the financial institution must accept the merchant's transaction. If possible the cardholder should retain a copy of their change/cancellation request. Should the merchant fail to act in

accordance with these instructions you may make a complaint to us in accordance with clause 21.

- 34.3** Should your card number be changed i.e. as a result of lost or stolen card you must request the merchant to change the details of your existing regular repayment to ensure arrangements continue. If you fail to undertake this activity your regular repayment either may not be honoured by the financial institution or the merchant may stop providing the goods and/or services.
- 34.4** Should you elect to close your card account or your account is closed by us you should contact the merchant to revise your regular repayment arrangement as the organisation debiting your card may stop providing the goods and/or services.
- 34.5** For more information on regular payments including a definition, benefits and your rights, responsibilities and obligations please visit the Account Switching section on our website www.heritageisle.com.au.

35. Evidence

You agree that a sales voucher or other record of a transaction provided by a merchant or ATM is admissible evidence of the transaction and of the amount shown, even if it is not signed by a cardholder, and that, unless you show satisfactory evidence to the contrary, it is conclusive evidence.

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 you show satisfactory evidence to the contrary, it is conclusive evidence.

36. Privacy

- 36.1** You agree that information about you (including credit information about you and the account) may be given to and obtained from any credit reporting agency, other credit providers (including Cuscal Limited as the principal member of Visa International), any person providing services in connection with the administration of your application or account (including your use of BPAY) or the marketing of our services or those of any body corporate related to us.
- 36.2** You agree that we may, at our discretion and for any purpose including security, training, or information verification, listen to and/or record any telephone calls to which you are a party with us, including telephone enquiries, complaints and reports made by you.

37. BPAY

- 37.1** This clause will apply if you or an additional cardholder instructs us to make a BPAY payment from your account.

- 37.2** We are a member of BPAY. We will tell you if we are no longer a member of BPAY.
- 37.3** We will advise you if and when other transactions can be made using BPAY but until you are advised otherwise, you may use BPAY only to make payments.

37.4 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 any of the information you give us is inaccurate.

- 37.5** 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.

- 37.6** BPAY payment is treated as received by the biller to whom it is directed:

- 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
- 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.

37.7 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.

37.8 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:

- i. You become aware of any delays or mistakes in processing your BPAY payment;
- ii. You did not authorise a BPAY payment that has been made from your account;
- iii. 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 37.9 to 37.12

37.9 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.

37.10 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 acted negligently or fraudulently under these Conditions of Use.

37.11 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 in order to investigate the payment.

37.12 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.

37.13 Reversals and Chargebacks: BPAY payments are irrevocable. BPAY payments for goods or services using your Visa Credit Card will be also 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.

38. General Matters

38.1 Codes of Conduct.

We warrant to you that we comply with:

- The requirements of the ePayments Code;
- The Customer Owned Banking Code of Practice, where those requirements apply with your dealings with us; and
- The National Credit Code - If any provision of the contract is invalid or unenforceable under the National Credit Code, it is to be severed from the contract without affecting the validity of the remainder.
- You may obtain general descriptive information about the Bank's products and services from us on request.

38.2 If you are in financial difficulty

If you are in financial difficulty you should inform us as soon as possible. If you agree, we will try and help you overcome your difficulties with your card account, including developing a repayment plan for you.

38.3 Credit card reissue and replacement

- a. We may issue a new credit card to you at any time as long as you have not requested us to revoke this authority.
- b. If your credit card is defective or damaged you must destroy it immediately and notify us. You may order a replacement card at any Branch or by telephoning the numbers listed at the back of this booklet. Any replacement card will be subject to these terms and conditions.
- c. We have the right not to reissue a credit card to you, even if you have ordered a replacement card.

38.4 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.

38.5 Change of name or address

You must notify us of any change of name or address (or both) as soon as possible, by:

- Mailing details of the changes to the address listed at the back of this booklet;
- Attending any Branch and providing details of your card account and the changed details; or
- Advising us by phone on the number listed at the back of this booklet of the details of any change

(change of address only).

38.6 Notices

- a. You can make telephone requests by calling the numbers listed at the back of this booklet. Written requests should be submitted to any Branch or mailed to the postal address at the back of this booklet.
- b. We can deliver a notice to you personally, in which case the date of delivery is the date on which you receive the notice.
- c. If we mail a notice to you, notice is taken to have been given on the day it would have been delivered in the ordinary course of post, if we mailed it to your last known address recorded on your card account.
- d. Where permitted to do so by law, we may provide you with a notice, other documents or information to any person nominated by you to receive such notices, documents or information.

38.7 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.

38.8 No waiver

A failure or delay by us to exercise in whole or part, any right or power under these terms and conditions does not result in a waiver of that right or power. A waiver will only be made in writing and signed by us.

38.9 Severability

If any provisions of these terms and conditions are, for any reason, held to be invalid, illegal or unenforceable, the remaining provisions continue to operate and remain valid and enforceable.

38.10 Our rights to your funds

- a. We have the right to combine the balances of two or more of your accounts held with us. We may exercise this right even if the accounts are held at different Branches and are different types of accounts and are held under different membership numbers. We may combine your accounts if one (or more) of your accounts is in debit whilst another is in credit, or if one or more of your accounts is overdrawn or overlimit. In combining your accounts, we can use the credit balance in one account to repay the debit balance in another account.
- b. We do not need to give notice in advance of exercising our right to combine accounts, but we will inform you promptly afterwards if accounts have been combined.
- c. You should not treat your accounts as combined unless we have agreed to or decided to combine your accounts.

38.11 Force majeure

To the extent permitted by law, we are not liable to you for any direct or indirect loss or damage, nor will we be in default under these terms and conditions, if we fail to observe or perform any of our obligations under the terms and conditions for any reason or cause which we could not, with reasonable diligence, control or prevent, including acts of God, acts of nature, fire, flood, storm, power shortages or failures, strikes or other industrial action, riots, acts of government or their agencies, sudden and unexpected system failure or disruption by war, terrorist activities or sabotage.

38.12 No security

Your obligations to us under this credit card contract are not subject to any mortgage or other security. This is so despite any terms to the contrary in any mortgage or other security you have given us or any guarantee any third person has given us in respect of your obligations to us.