

Term Deposits

Terms and Conditions

4 November 2016



making banking easier



Product Disclosure Statement

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

For each Term Deposit account you will also be given a Product Schedule, which will apply to the particular Term Deposit account.

Together, these documents comprise the Bank's Product Disclosure Statement (PDS) for the particular Term Deposit account you have with us. You should read both these documents carefully and retain them for future reference.

Copies of each of the documents can be made available to you on request from our Customer Help Centre or Customer Service Centres or can be viewed at **bankwest.com.au**.

Enquiries Customer Help Centre **13 17 19**.

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1. Definitions

The following expressions have the following meanings:

At Call deposit is a Term Deposit account into which funds are deposited for a period of 30 days or less.

business day means a week day including local public holidays but excluding holidays observed on a national basis.

Customer Service Centre means a Bankwest-branded Customer Service Centre.

Maturity Date means the day that your investment finishes.

Product Schedule means the Product Schedule relevant to the particular Term Deposit account selected by you and nominated in the Account Authority.

Renewal Date means the day that your investment starts a new investment period after it has matured. This date will be the same as the maturity date of your previous investment period.

Term Deposit account means Bankwest-branded deposit account in which funds are deposited for a term which you have nominated and includes an At Call deposit.

we, us, the Bank or Bankwest means Bankwest, a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL/Australian credit licence 234945 and its successors and assigns.

you means the account holder nominated in the Account Authority and, if more than one person comprises the account holder, means each of them separately and all of them jointly.

2. Your Agreement

2.1 When you open a Term Deposit account with us or when your Term Deposit account is renewed, your agreement with us in relation to your account comprises:

- (a) these Terms and Conditions;
- (b) a Product Schedule specific to the particular Term Deposit account you have selected; and

- (c) a Certificate of Investment which you receive when you open your account;
- (d) the Account Authority signed by you, or in the event of renewal of your Term Deposit account, the 'Reinvestment Notice' (for Term Deposits other than an At Call Deposit), the 'Certificate of Investment' (for At Call Deposits) and the 'Confirmation Letter' (where renewal instructions are given by you) which we send to you.

You should read each of these documents carefully.

- 2.2** If there is any inconsistency between these Terms and Conditions and the Product Schedule, the Product Schedule prevails.

3. Code of Banking Practice

- 3.1** The Code of Banking Practice applies to your Term Deposit account.
- 3.2** General descriptive information about our banking services is available on request in the form of our 'Banking Services Rights and Obligations' booklet. It includes, in particular, information about account opening procedures, our obligations regarding the confidentiality of your information, our complaint handling procedures, bank cheques, and on the advisability of you reading the terms and conditions applying to our banking services and of informing us promptly when you are in financial difficulty.

4. Deposits

- 4.1** If the Product Schedule stipulates a minimum deposit amount, the Term Deposit account must have an opening balance of at least that amount. If a maximum is stipulated, we will not accept as a deposit an amount in excess of that maximum.
- 4.2** You may not add a further sum to your Term Deposit account until its maturity date.
- 4.3** If you deposit a cheque to the Term Deposit account, the amount of the cheque will be credited on the business day it is received by us but it will not be available for

withdrawal (relevantly, early repayment) until it is cleared. If a cheque is dishonoured, we will debit the Term Deposit account with its amount together with any related charges.

Any cheques drawn on or deposited to your Term Deposit account, or bank cheque or other document deposited to your Term Deposit account or delivered to us in connection with a transaction on your Term Deposit account, becomes our property when we present the cheque or other document for payment (even if it is dishonoured) or when the transaction is otherwise complete but you retain all rights against the drawer and any endorser of any dishonoured cheque.

5. Interest

- 5.1** Our interest rates are dependent on the type, amount, term and date of your deposit. The interest rate applying to your deposit is stated in the Certificate of Investment and is fixed for the term of your deposit.
- 5.2** However, in the event that your Term Deposit account is renewed automatically in accordance with clause 8.1 or in accordance with instructions you give, the interest rate applicable to your renewed Term Deposit account (which will be fixed for the term of that deposit) will be the interest rate stated in the Reinvestment Notice or in the letter confirming your instructions (i.e. Confirmation Letter), as relevant.
- 5.3** We calculate interest daily by multiplying the balance of your deposit by the interest rate and dividing the result by the number of days in the year. However, when we have paid you interest in advance of the maturity date of your deposit under clause 5.5 below in circumstances where your deposit was made in a non-leap year, if you seek repayment during a leap year, interest for the whole term of your deposit will be calculated on the basis of each year being 366 days.
- 5.4** For deposits which have a term of less than 12 months, interest is paid on maturity.

- 5.5** For deposits which have a term of 12 months or greater, you may ask us when you lodge or renew your deposit to pay your interest monthly, quarterly, six monthly or annually (interest must be paid at least once a year and cannot be paid only at maturity).
- 5.6** Where your Maturity Date is a non business day, your deposit will mature on the next business day
- 5.7** You may ask us to pay your interest:
- (a) by crediting it to another of your Bankwest accounts;
 - (b) by mailing a cheque to you;
 - (c) by crediting it to your account with another financial institution; or
 - (d) by adding it to the balance of your deposit at maturity (this option is not available for deposits with a term of more than 12 months).
- 5.8** Although you are not required by law to lodge your Tax File Number (TFN), your ABN (if you have one), or an appropriate exemption with us in relation to your Term Deposit it is a good idea to do so. If you do not, by law we must deduct withholding tax at the highest marginal tax rate plus the Medicare Levy from the interest payable to you. If you are unsure whether you are entitled to an exemption from providing your TFN, you may ask our Customer Help Centre for further information on TFN exemption categories.

If you are not an Australian resident for tax purposes, we are required by law to deduct non resident withholding tax from the interest payable to you.

6. Early repayment

- 6.1** We will repay your At Call deposit at any time at your request. We will pay you interest at the agreed rate.
- 6.2** For Term Deposits opened or renewed on or after 18 December 2014 (other than an At Call Deposit) you may request withdrawal of all or part of your funds prior to the Maturity Date provided that you give the Bank 31 days' notice. If your Term Deposit has less than 31 days to maturity, you will only be able to

access funds on the Maturity Date. The notice period starts on the day you request withdrawal.

- 6.3** If you are experiencing hardship and need your funds before maturity, please contact one of our stores or your relationship manager.
- 6.4** If you withdraw all or part of your funds prior to the Maturity Date, your entitlement to interest in respect of the deposit will be reduced, according to when an early repayment is made as follows:
- (a) interest on the amount repaid will, for the period until its repayment, be calculated at the Term Deposit account interest rate which would have applied had the deposit been lodged (or, in the event of a renewed deposit, renewed) for that amount for the period until its repayment, reduced by the percentage in accordance with the following table:

Term elapsed as part of Total Term	Rate reduced by
0% to less than 25%	1.20%
25% to less than 50%	1.20%
50% to less than 75%	1.00%
75% to less than 100%	1.00%

If your deposit is for 12 months or greater and we have already paid interest on it to you, the effect of this calculation may be that you owe money to us. If so, the amount which you owe us will be set off against the amount you seek to have repaid.

- (b) for any part of the deposit which is not repaid early, interest will be calculated at the Term Deposit account interest rate which would have applied had the deposit been lodged (or, in the event of a renewed deposit, renewed) for the amount which is not repaid early.

Example 1 - Request to withdraw the whole amount of a Term Deposit prior to Maturity (Full Repayment)

A 12 month term deposit is lodged for \$10,000 on 1 Jan 2015. The interest rate on the term deposit is 5.40%. Due to a change in circumstances, the customer gives the Bank 31 days' notice and requests the Term Deposit be closed on 1

May 2015. By 1 May 2015 the Term Deposit will have been lodged for 4 months or 120 days. On 1 Jan 2015 we were offering 5.20% on Bankwest-branded term deposits for a period of 4 months. The term elapsed as part of the Total Term (i.e. 4 months as part of the original 12 months) is 33%, therefore a reduction of 1.20% applies to the new rate. The interest rate payable is 5.20% minus 1.20% which is 4.00%.

At prepayment on 1 May 2015 the interest payable is:
 $\$10,000 \times 4.00\% \times (120 \text{ days} / 365 \text{ days}) = \131.51

Example 2 – Request to withdraw the whole amount of a Term Deposit prior to Maturity (Full Repayment)

A 24 month term deposit is lodged for \$10,000 on 1 Jan 2016. The interest rate on the term deposit is 6.50%. Due to a change in circumstances, the customer gives the Bank 31 days' notice and requests the Term Deposit be closed on 1 Jan 2017. By 1 Jan 2017 the term deposit will have been lodged for 12 months or 366 days. On 1 Jan 2016 Bankwest was offering 5.50% on term deposits for a period of 12 months. The term elapsed as part of the Total Term (i.e. 12 months as part of the original 24 months), is 50%, therefore a reduction of 1.00% applies to the new rate of 5.50%. The interest rate payable is 5.50% minus 1.00% which is 4.50%.

At repayment on 1 Jan 2016 the interest payable is:
 $\$10,000 \times 4.50\% \times (366 \text{ days} / 365 \text{ days}) = \451.23

- 6.5** If you request to withdraw funds prior to Maturity Date, payment is effected thirty two days after receipt of your request for withdrawal ('the payment date'). If the payment date falls on a non-business day, your payment may be effected the next business day. Funds paid on a non-business day may not appear on your statement or in a transaction listing until the next business day or the following business day.
- 6.6** If funds are to be credited to a Bankwest account the amount paid will be available for you to withdraw at our stores during opening hours or transfer via Bankwest Online Banking. Payments to accounts at other financial institutions, whilst effected on the payment date, may not be credited to your account until the other financial institution processes this transaction.

- 6.7** A request for withdrawal prior to Maturity Date may be cancelled no later than one business day before the payment date. Requests for withdrawal prior to Maturity Date can only be made one at a time.

7. Renewal instructions

You may instruct us at any time during the term of your deposit, to renew it at its maturity. Renewal will be on the Terms and Conditions then applying to new Bankwest Term Deposits and it will be at our Term Deposit account interest rate applicable on the renewal date according to the amount and term of the renewed deposit.

The details of the renewed deposit will be confirmed in writing by Confirmation Letter. The Confirmation Letter will form part of your agreement with us in respect of the renewed deposit.

8. Maturity

- 8.1** We will automatically renew your deposit (including interest if applicable) if, by the Maturity Date, we have not received your instructions for renewal. We will renew your deposit on the same investment term as before, at our Term Deposit account interest rate applicable on the renewal date and on the Terms and Conditions then applying to new Bankwest Term Deposits.
- 8.2** We will send you a Reinvestment Notice giving you details of the renewal. You have a 7 calendar day grace period (from the Maturity Date of the original deposit) to ask us to change the renewal details. The following consequences will apply to changes to the renewal details if made in the grace period:
- (a) If you add further funds to your deposit we will pay interest on the new balance at the Term Deposit account interest rate which would have applied to that amount had the deposit been renewed for that amount on the renewal date;
 - (b) If you withdraw part or all of your deposit we will pay you interest on the amount withdrawn at our At Call deposit interest rate for the period from the renewal

date until the date of your withdrawal. We will pay interest on any remaining amount at the Term Deposit account interest rate which would have applied to that amount had the deposit been renewed for that amount on the renewal date;

- (c) If you change the term of the deposit, the interest rate for the new term will be the Term Deposit account interest rate which would have applied to that term had the deposit been renewed for that term at the renewal date.

The details of the changes you request will be confirmed in writing by Confirmation Letter.

- 8.3** The Reinvestment Notice, Certificate of Investment, or if you instruct us to make changes to the details of the renewed deposit, the Confirmation Letter, will form part of your agreement with us in respect of the renewed deposit.

9. Statements of account

- 9.1** We will provide a statement of your account when you open and each time you renew the Term Deposit account.
- 9.2** You must check your statements and advise us of any errors or omissions.

10. Changes to Terms and Conditions

- 10.1** Subject to clause 10.2, we may at any time change the terms and conditions applying to your Term Deposit account. Circumstances where we may make changes to the terms and conditions include but are not limited to those where there are:
- changes to the cost of providing the account to you;
 - changes in legal or other regulatory requirements affecting us;
 - changes in any system or product development or enhancement.

If you consider that you will be adversely affected by changes notified to you under this clause, you may close the account by contacting us.

We will notify you of changes as follows:

- (a) If we introduce or increase a fee or charge or change the method of paying interest, we will give you notice of the change at least 30 days before the change takes effect, by advertisement in the national or local media or by writing to you;
- (b) If we make any other change we will give you notice of the change no later than the day on which it takes effect, by advertisement in the national or local media or by writing to you.

For the purposes of this clause 10.1, reference to 'a fee or charge' does not include fees or charges payable under a law of the Commonwealth or of a State or Territory.

10.2 We will not change the interest rate applying to your Term Deposit account during its term.

11. Joint accounts

If you open your Term Deposit account in more than one name, the following applies:

- (a) Each of you must fully comply with the terms and conditions applying to the account as if the account were in one name alone;
- (b) Instructions in respect of the account may only be given in accordance with the election made in the Account Authority except that anyone of you may cancel the election made in the Account Authority in which event a new account operating authority will be required from all of you;
- (c) Should you have access to Bankwest Online Banking, you will only be able to use it to view the account if you are authorised to operate the account alone;
- (d) Should one of you die, we will treat the survivor(s) as the account holder(s) unless you have specified otherwise;
- (e) We can send notices, statements and other documents (including a notice of a change to the terms and conditions applying to the Term Deposit account) by mailing them to any of you and they will be taken to have been given to all of you.

12. Trust accounts

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

13. Changes in your particulars

- 13.1** You must inform us immediately of a change in your name or address.
- 13.2** We will not be responsible for any errors or losses associated with a change in your particulars if we do not receive notice or adequate notice of the change.

14. Service of notices

14.1 Where, by these Terms and Conditions, we have agreed to write to you or send you a notice or statement, or should we otherwise seek to communicate with you, the communication may be sent to you by mail addressed to you at your last known address or business address as the case may be. For joint account holders, see clause 11(e).

14.2 If you agree to us doing so, we may provide such communications to you by:

- (a) electronic communication to your nominated electronic address; or
- (b) making the information available on our website at bankwest.com.au after first notifying you by electronic communication to your electronic address that the information is available for retrieval by you.

Should you agree, you may at any time by notice to us terminate your agreement to receive information by electronic communication or change your electronic address. If we provide you with information by any of the methods outlined in this clause, the notice will be deemed to have been provided to you when the

electronic communication enters either your or your internet service provider's information system.

15. Fees and charges

- 15.1** You must pay us the fees and charges that are or become payable in connection with the Term Deposit account in the amounts and at the times set out in the Product Schedule or in these Terms and Conditions and you authorise us to debit them to the account.
- 15.2** If we incur any government tax, duty or other charge imposed by law in respect of the Term Deposit account or its operation, you must pay us an amount equal to the charge calculated in accordance with the methods prescribed from time to time by the relevant legislation. You authorise us to debit any such amount to the Term Deposit account.
- 15.3** Current information on fees and charges in respect of services which you may seek in relation to the Term Deposit account (for example, a copy of a statement) is available on request from the Customer Help Centre.

16. Authorised signatories

- 16.1** You may authorise anyone to operate the account on your behalf as an authorised signatory by completing any written authority that we may reasonably require.
- 16.2** You remain responsible for all transactions made by the authorised signatory until you cancel the signatory's authority in writing.
- 16.3** Before any signatory may operate the account we are required by law to verify their identity.

17. Procedures for handling errors and disputed transactions

At Bankwest, we believe in listening to our customers. This is the only way to continually improve our products and services to meet your needs. If you have a complaint about our services, products, facilities or any other aspect of Bankwest, we'd like to hear from you.

Please contact our Customer Help Centre on **13 17 19**. You can also give feedback in the following ways:

- by calling our toll free number – **1800 650 111**;
- by completing our feedback form; or
- by visiting **bankwest.com.au** and completing the electronic feedback form.

Our staff will do everything they can to rectify your problem immediately. We strive, wherever possible, to resolve your complaint within 5 working days.

If you're not satisfied, you can ask our Customer Relations to review the matter. Contact them by writing to:

Manager Customer Relations

GPO Box E237

Perth WA 6841

or phone or fax to:

Telephone: Freecall 1800 650 111

Fax: 1300 259 233

You will be advised of the details (including the timeframes) of our internal dispute resolution process and an officer with the appropriate authority to resolve the dispute will investigate your complaint thoroughly. We will do our best to resolve any complaint promptly and to your satisfaction.

In the unlikely event that the matter cannot be resolved directly with Bankwest, you can seek assistance from the Financial Ombudsman Service Australia (FOS).

The FOS provides an independent dispute resolution service and is approved by the Australian Securities and Investments Commission (ASIC) as an external dispute resolution scheme. A brochure outlining the FOS scheme is available by phoning our Customer Help Centre on **13 17 19**.

The FOS's contact details are as follows:

Financial Ombudsman Service Australia

GPO Box 3 Melbourne VIC 3001

Telephone: 1800 367 287

Facsimile: (03) 9613 6399

Email: info@fos.org.au

Website: www.fos.org.au

18. Additional Obligations

Bankwest may be subject to laws or regulations in Australia or another country that affect your relationship with the Bank (e.g. Laws that address tax evasion). So that we may comply with our obligations under these laws or regulations, we may:


- (a) require you to provide information about you or your product;
- (b) disclose any information we are required to concerning you (including sending your information overseas);
- (c) if required to do so, withhold an amount from a payment to you, and if we do, we will not reimburse you for the amount withheld; and/or
- (d) take such other action as is reasonably required, including, for example, closing your account.


19. Severance

If any part or provision of the Terms and Conditions is or becomes void or unenforceable under any applicable statute in any State or Territory then as to that State or Territory that part or provision will be removed from the Terms and Conditions. Removal of any part or provision will not affect the remaining provisions in that State or Territory or affect the validity or enforceability of that part or provision in any other State or Territory.

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