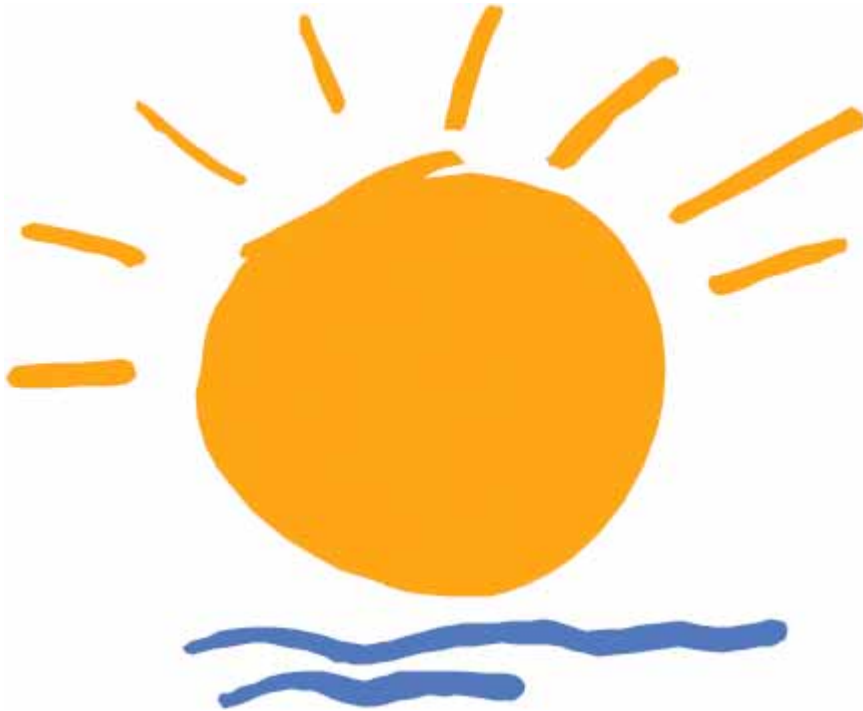


Cheque Facility Terms and Conditions

Effective 16 February 2004

Sutherland Credit Union



Terms and Conditions

These **Terms and Conditions** apply to our Cheque facility.

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You should read this document carefully and retain them for future reference. Copies of this document can be made available to you on request from your Credit Union and on our website at www.sutherlandcu.com.au.

We will update this document on our website as required from time to time. If you would like any further information about the Cheque Facility please contact:

How to Contact Us

Mail: Sutherland Credit Union Ltd
PO Box 535, Sutherland NSW 1499

Phone: 1300 784 388

Fax: (02) 9521 4754

E-mail: memberlink@sutherlandcu.com.au

Website: www.sutherlandcu.com.au

Branches:

Cronulla	100 Cronulla Street
Engadine	Cnr Old Princes Highway and Station Street
Menai Central	Carter Road Menai
Miranda	31-41 Kiora Road
Sutherland	740 Princes Hwy

CHEQUE FACILITY TERMS & CONDITIONS

Information about the Credit Union Code of Practice

The relevant provisions of the Credit Union Code of Practice apply to this Credit Union product or service.

1. When the Credit Union accepts this application you, the Member, acknowledge that you have appointed both the Credit Union and the Credit Union Services Corporation (Australia) Limited ("**CUSCAL**") as your agent and that you have authorised each of them to:
 - (a) conduct accounts ("the **Bank Account**") with a Bank ("the **Bank**") to enable you to draw cheques for payment of goods and services out of the funds in your Credit Union Account in accordance with these Terms and Conditions; and
 - (b) transfer funds to the Bank Account from your Credit Union Account to pay the amount of cheques that you or your Authorised Signatories have signed and to pay the value of all costs taxes or charges made by the Credit Union or the Bank.
2. It is your responsibility to safeguard your chequebook from loss, theft or unauthorised use. You must:
 - (a) keep your chequebook under secure control and in a safe place at all times;
 - (b) never give your chequebook or an incomplete cheque to any person;
 - (c) read your periodic statement carefully and notify the Credit Union promptly if it contains any entry which you suspect may represent an unauthorised transaction; and

- (d) contact us immediately if you become aware that your chequebook or a cheque has been lost, stolen or used without your authority.
- 3. When you write a cheque you have a duty to fill it out carefully so that no - one else can alter it. You must:
 - (a) write the amount in both words and figures and never leave a gap between the words or figures;
 - (b) begin the amount in words as close to the left hand side of the cheque as possible and write the amount in figures as close as possible to the dollar (\$) sign;
 - (c) always write cheques in ink which cannot be rubbed out and never in pencil; and
 - (d) never sign a cheque until you have filled it out completely.
- 4. You will be liable for all losses caused by your failure to observe the duties specified in clauses 1 and 2 above. However in no case will you be liable where it is shown, on the balance of probabilities, that the loss was caused by:
 - (a) the fraudulent or negligent conduct of your Credit Union's employees or agents; or
 - (b) the same cheque being debited more than once to the same account.
- 5. If the amount of any cheque presented for payment to the Bank exceeds the Available Balance (as defined in 6 below) in your Credit Union Account at the time the cheque is presented, your Credit Union may instruct the Bank to refuse to pay the cheque. If that occurs your Credit Union will advise you in writing, by ordinary prepaid post, as soon as practicable, but will not be liable for any losses caused by it's failure to do so. Where your Credit Union refuses to pay a cheque in accordance with this condition, or in accordance with any other provision, your Credit Union may, at its absolute discretion, debit to your Credit Union Account any costs incurred through such refusal, and such costs shall constitute a debt owed by you to your Credit Union.
- 6. The "Available Balance" includes any funds lodged in your Credit Union Account, any unused overdraft or other agreed credit facility made available for your Credit Union Account. The Available Balance does not include:
 - (a) deposits received but uncleared in accordance with the policy of your Credit Union;
 - (b) interest accrued but not credited; or
 - (c) deposits in transit.
- 7. If your Credit Union Account is held in the name of two or more persons all funds in that account and the Bank Account will be held in joint tenancy. If one of you dies, any balance in these accounts shall accrue in accordance with the law of survivorship in the State of incorporation of your Credit Union.
- 8. You acknowledge and agree that your Credit Union is only required to instruct the Bank to stop payment on any cheque when your Credit Union standard stop payment notice has been correctly completed, signed and delivered to your Credit Union.

9. In the event that a correctly authorised and presented cheque exceeds the Available Balance of your Credit Union Account, your Credit Union is authorised (but is under no obligation) to transfer to that account from any other account or accounts that you have with your Credit Union sufficient funds to allow payment of the cheque. Your Credit Union may charge you a fee when it makes such a transfer and, if it does, the fee will constitute a debt owed by you to your Credit Union. You acknowledge that your Credit Union will not be liable for any claim made by you should your Credit Union fail or refuse to make such a transfer.
10. If your Credit Union pays a correctly authorised and presented cheque that exceeds your Available Balance then you will incur a debt to your Credit Union reflecting the amount by which the cheque exceeds the Available Balance. This debt is repayable by you immediately upon the written demand of the Credit Union. If you fail to repay the debt then you will be required to pay all costs and expenses incurred by the Credit Union in collection of that debt.
11. If you have a complaint about the Cheque Facility, or wish to dispute a transaction, you should contact your Credit Union. The Credit Union staff will do everything they can to resolve your complaint immediately and to your satisfaction.

If it is not possible to settle your concern immediately, or you are not satisfied with the result, your Credit Union will advise you of the procedures for further investigation and resolution of your complaint. An officer with the appropriate authority to resolve the dispute will investigate your complaint thoroughly.

If you are still not satisfied with the decision, you may request that the decision be reviewed by senior management. If you wish to take the matter further, you may, for instance, contact the Credit Union Dispute Resolution Centre or any other external dispute resolution body which we advise you of from time to time.

12. When you ask, your Credit Union will give you information about:
- (a) your Credit Union's right to combine accounts;
 - (b) Credit Union corporate cheques;
 - (c) the advisability of you informing your Credit Union promptly if you are in financial difficulty; and
 - (d) the advisability of you reading the Terms and Conditions applying to your Credit Union Product or Service.
13. Your Credit Union will also give you information about:
- (a) the time generally taken for clearing a cheque and the manner in which a cheque may be specially cleared;
 - (b) the effect of crossing a cheque, the meaning of "not negotiable" and "account payee only" and the significance of deleting "or bearer" when any of these expressions appear on a cheque;
 - (c) how and when a cheque may be stopped;
 - (d) how a cheque may be made out in order to reduce the risk of any unauthorised alteration; and
 - (e) the circumstances under which cheques may be dishonoured including information on post-dated and stale cheques.

14. You agree to pay all charges which are determined by the Credit Union to apply in relation to transactions and cheques drawn on, or deposits made to, the Bank pursuant to this facility.

15. Your Credit Union collects personal information about you so it can process your application, administer your account and tell you about the Credit Union's services.

Your Credit Union may disclose your personal information to others where that is necessary to execute your instructions or if it is required by law. The types of people to whom the Credit Union may disclose your personal information include your representative or guardian, regulatory bodies and any organisations with whom it has alliances or arrangements or is involved in the chequing transaction (including but not limited to CUSCAL, the National Australia Bank Ltd and JP Morgan Chase). Your Credit Union may also collect and disclose your personal information for the purpose of resolving a complaint or disputed transaction.

You agree that your Credit Union may collect and disclose your personal information by electronic communication (such as by facsimile or e-mail). You acknowledge that there are inherent risks in the use of such electronic communication irrespective of whether that electronic communication is protected by way of encryption.

You can access the personal information that your Credit Union CUSCAL or the Bank may hold about you at any time. You should also tell your Credit Union if you do not wish to receive marketing material.

For more details on how your Credit Union handles personal information, please refer to your Credit Union's Privacy Policy.

16. Your Credit Union may change these Terms and Conditions at any time. Your Credit Union will notify you of changes in the following manner:

- (a) where the change is the introduction of, or increase in, a fee or charge (other than a Government charge) or a variation in the method by which interest is calculated, or the frequency with which it is debited or credited the Credit Union will provide you with at least 30 days' prior written notice; and
- (b) where the change is the introduction of a Government charge, payable directly or indirectly, either through an advertisement in the national or local media; through a notice in a member newsletter or an account statement, or by a direct written notice, unless the or variation is publicised by a Government, Government agency or representative body.

The Credit Union will notify you of all other changes by advertisement in the national or local media, or through a notice in a member newsletter or an account statement, or by way of a direct written notice, no later than the day on which the variation takes effect.

The Credit Union is not required to notify you of a variation of an interest rate, fee or charge before the variation takes effect where the variation will result in a reduction of your obligations, but will, instead, confirm that such a variation has occurred on or with your next member newsletter or account statement following the variation. Information about our current interest rates and fees and charges is available on request.

17. You agree that you will promptly notify the Credit Union of any change of address for the mailing of any notification which the Credit Union is required to send to you.

18. The Credit Union may post all statements and notices to you at your registered address as provided for in the Credit Union's records.

19. In this Application and its Terms and Conditions, the expression, "you" means the Prime Member and, where applicable, the Joint Member jointly and severally.