



**A.M.P. EMPLOYEES'
AND AGENTS'
CREDIT UNION LTD.**

ACN 087 649 723

AFSL No. 236856

**PRODUCT
DISCLOSURE
STATEMENT**

as at 01 September 2005

This Product Disclosure Statement ("PDS") is current from the date on the front cover and includes our current Costs and Charges Brochure and Interest Rate Brochure (for Savings and Term Deposits) from time to time.

This PDS provides information about Credit Union Savings Accounts, Term Deposits and Payment Services to help you make an informed decision on whether to open an account with the Credit Union or use our Payment Services. Copies are available from our branch and on our web site www.ampcu.com.au.

Please read your PDS and in particular each Product's Terms and Conditions very carefully. Always retain a copy of all PDS documents for future reference.

Separate terms and conditions apply to our Payment Services which will be given to you on request and when you apply for any of those services.

About our AFS Licence

In this PDS, we only provide information on those products, which we are authorised to provide under our Australian Financial Services Licence number 236856.

We provide the following products:

- Savings Accounts
- Term Deposits, and
- Payment Services.

To enable you to make an informed decision on whether or not to open an account with the credit union, the following pages provide you with information on:

- product summaries, including fees and charges
- product terms and conditions
- important information on your privacy
- what to do should you have a complaint, and
- how to contact us.

Product Summaries

Savings Accounts

We have a range of Savings Accounts to suit your needs.

S1-Rediaccess Account

- Interest is calculated on your daily account balance and paid to you quarterly (March, June, September, December).
- Fee free cheque book and Redicard access available.

S3-Investment Account

- Minimum balance of \$500.
- Minimum withdrawals of \$100.
- Interest is calculated on your daily account balance and paid to you monthly.

S4-Special Saver Account

- Interest is calculated on your daily account balance and paid to you quarterly (March, June, September, December).

Product Summary

Savings Accounts offer you:

- easy access to your funds
- fee free transactions
- a range of payment services
- cash withdrawals up to \$2000 and ATM/EFTPOS up to \$1000 per day

To get the best out of your savings accounts transfer large balances into an Investment Account or Term Deposit to earn higher interest rates. All Savings Accounts interest rates are variable.

Fees and Charges

There are no transaction fees on Credit Union accounts. Certain other fees apply and are listed in our 'Costs and Charges' Brochure.

Payment Services

A wide range of Payment Services are available on Credit Union Savings Account.

Product Summary

Direct debits and periodical payments (subject to approval) can be set up on your S1 Rediaccess Account.

Access to your account is also available through:

- Internet Banking - providing on-line account information and payment facilities
- Phone Banking – providing telephone access to account information and payment facilities
- Cheque Facility – allowing you to make payments by personal cheque

- Debit Card – Redicard and Visa Card EFTPOS and ATM access cards
- Bpay – allowing you to make bill payments to registered organisations

Things to Remember

- Always maintain sufficient funds in your accounts to cover payments you wish to make.
- Debit Cards have maximum transaction limits of \$1000 per day per card.
- Always protect your PIN for debit cards and passwords for Redicall and Internet Banking. Do not reveal PINs or passwords to anyone.
- Always report any breach of security or misuse of a payment service by calling us immediately on 1800 802 977. If you delay in doing so, your liability for any unauthorised transactions may increase.
- If not properly safeguarded your member cheques may be the subject of unauthorised use or alteration for which you may be liable.
- Although the Credit Union takes all precautions with respect to Bpay transactions, the security of electronic funds transfer transactions can never be guaranteed. Particularly in electronic mediums such as the internet, there is always a risk of interception of data by a rogue or hacker.

Fees and Charges

There are no transaction fees on Payment Services attached to Credit Union accounts. Certain other fees apply and we are paid commissions on Bpay and Visa transactions. See our 'Costs and Charges' Brochure for details. Third parties may also impose a surcharge on EFT transactions.

Term Deposits

We have a range of Term Deposit accounts ranging from 3 to 12 months.

Account	Minimum Deposit	Term
I1	\$1,000	3 months
I2	\$1,000	6 months
I3	\$1,000	12 months
I11	\$5,000	3 months
I22	\$5,000	6 months
I33	\$5,000	12 months

Product Summary

- Interest is calculated daily and paid to you on maturity or, half yearly on 12 month deposits.
- We offer different rates of interest depending on term and amount of investment.
- See our Interest Rate Brochure for details.
- The interest rate is fixed for the term of the investment.
- No fees or charges are payable.

Things to Remember

- Interest rate is fixed at the time of lodgement of the investment.
- If market rates rise during the term, this may be a disadvantage to you.
- Should you withdraw the investment before maturity, we may pay you a reduced rate of interest. (ie. a reduction of 1% on the original rate).
- Deposits can normally only be increased on maturity.
- You must tell us what to do with your deposit at the end of the term – if not, we will re-invest it for another term.

Tax Implications

Interest earned on your savings accounts and term deposits must be declared for income tax purposes.

If you do not provide us with your tax file number, we will deduct tax from your interest earned at the highest personal income tax rate.

Other Important Documents

Additional information on Credit Union products, including cheque facilities, is covered in our:

- Benefits of Being a Member Brochure
- Membership Kit

Please contact us on (02) 9257 5082 or email info@ampcu.com.au for more information about the products covered by this PDS. Details on our rules, constitution and how to join are available on request.

Products Terms and Conditions

Savings Account Terms and Conditions

Account Access

Redicard and Visa Debit Card will be subject to the terms and conditions applicable to the facility, the Conditions of Use of a card and the Electronic Funds Transfer Code of Conduct. Periodical Payments, Direct Debit, Direct Credit or other payments service will be subject to the terms and conditions applicable to those services. Details of these terms and conditions are provided on page 7 of this PDS.

Interest Calculation / Payment Method

We will calculate interest by multiplying the daily closing balance of your account by the daily interest rate. We will pay interest to your account quarterly at the end of March, June, September and December except on the Investment Account where interest is credited monthly. The daily interest rate is the relevant annual rate divided by 365. We will give you information on current interest rates on request.

Direct Credit Reversal

We may reverse a direct credit to any of your savings accounts that we have received on your behalf if for any reason we do not receive value for the credit.

Deposits

Cheques deposited to your account/s will be credited conditionally. Amounts credited will be debited back to your account if the cheque is dishonoured. Credits may not be available until we have been advised that the cheque has been cleared. If a cheque deposited is refused payment by the paying bank, we may charge a fee (see Costs and Charges brochure). All cheques for deposit can only be accepted if in the name of the account holder, unless endorsement by the payee to the account holder is evident on the reverse side of the cheque and there is satisfactory evidence of the identity of the endorser. A cheque will not be accepted if it is 'stale', ie. the date of the cheque is more than 15 months ago. Cheques drawn on overseas banks the period is 3 months. If a cheque deposited to your account is dishonoured, any interest accrued on the deposit from the day the cheque was credited to your account will be reversed.

ATM Withdrawals

Automatic Teller Machine (ATM) withdrawals are available on the Rediaccess account. EFTPOS (electronic funds transfer point of sale) access is available on the Rediaccess account. The maximum and minimum withdrawals may vary depending on the owner of the machine. We do not accept any responsibility for an operator of an ATM imposing restrictions on the use of an ATM.

Account Withdrawal and Access Limits

Withdrawals at call are available on all Savings Accounts. A minimum balance of \$500 must be maintained at all times in the S3 Investment Account. Minimum deposits and withdrawals of \$100 are required on Investment Accounts. We may not allow a withdrawal unless we have proof of identity of the person making the withdrawal.

Withdrawals up to a maximum of \$2,000 cash per day at our office are permitted. Cash withdrawals require written authorisation from the account holder. If you require a larger amount you must give 24 hours advance notice.

- **ATM Withdrawals** – You may withdraw up to a maximum of \$1,000 per ATM card per day for all electronic access withdrawals by ATM or EFTPOS. Each day ends at 12 midnight Eastern Time (New South Wales).
- **Third Party Withdrawals** – Written authorisation is required from the member for a third party to conduct a cash/cheque withdrawal at our office.

Special Saver Account

Special Saver Accounts can be opened when a separate account is required for a special reason.

Joint Accounts – Special Terms

Credit Balance – The credit balance of a joint account is held jointly by all account holders. Each account holder has the right to all of the balance, jointly with the other account holders.

Survivorship – If a joint account holder dies, the remaining account holder holds the credit balance and if more than one, those remaining account holders hold the credit balance jointly.

Authority/Disputes – A joint account holder may only make a withdrawal on the terms of any authority to operate on the account. If there is any dispute notified to us between joint account holders, we may decide to only permit operation on the account when all parties have signed the necessary authority.

Joint and Several Liability – Each joint account holder is liable for the whole of any debit balance on the account. We can sue all or any account holder(s) for an amount owing on the account.

Cheque Payees – We may accept a cheque into a joint account which is payable to any one or more of the joint account holders.

Authority to Operate Instructions

You may nominate a person to operate on your account by completing an 'Authority to Operate' form. By signing an Authority to Operate you instruct us to allow a person to be authorised to operate on your account and to conduct any transactions on the account that you could, including:

- cancelling cheques;
- making withdrawals;
- authorising periodical payments and direct debits; and
- using electronic and other access to your account.

Method – The Authority to Operate will state the method of operation for the account. This may be:

- any account holder or signatory to sign (ie. Operate); or
- all account holders and signatories to sign; or
- another method which you specify and which is acceptable to us.

Card Access – Should a Redicard, Visa Debit Card or other card be issued on an account, the method of operation for the account will be any account holder or signatory to sign.

Duration – An Authority to Operate will remain in force until we receive written notice of cancellation or written notice of the death of the person granting the authority and that written notice has been processed by us. Notice of cancellation must be signed by all surviving account holders. We may require a new Authority to Operate before we allow further operation on the account.

Disputes – If there is a dispute notified to us about an Authority to Operate or the owner or owners of an account we may refuse to allow operation on the account until all parties concerned have signed the necessary authority.

Identity – We will not allow a person to operate on an account until his or her identity has been verified in accordance with procedures prescribed by the Financial Transaction Reports Act and any other identification procedures we require.

Liability – We are not liable for any loss or damage caused to you by persons authorised to operate on your account, except where it arises from fraudulent conduct by our agent or employee or if we are liable under statute or the EFT Code. We are not liable for any loss or damage caused by any delay in processing a cancellation of an Authority to Operate.

Sweep Terms

Sweep is an automatic transfer of funds service available to you if you open a savings account in addition to an S1 Rediaccess Account. Sweep will transfer funds into your S1 Rediaccess account to meet a range of withdrawals which otherwise would overdraw your Rediaccess account.

Instructions – You may provide us with instructions in writing when you open an account or at any other time. Sweep will operate at our discretion unless you give us written instructions. You can nominate a minimum balance for your Rediaccess account. Should the balance in the Rediaccess account fall below the nominated minimum balance, Sweep will transfer any available funds to restore the balance to the minimum balance specified.

Liability – We will endeavour to effect sweep transfers in accordance with your instructions. However the Credit Union accepts no responsibility to make the same. Accordingly the Credit Union shall not incur any liability from failure to do so for any reason.

Term Deposit Terms and Conditions

Instructions

You must complete an application form and account instructions to establish a Term Deposit. An account will only be opened in the account holder/s name/s. Written notice is required to alter the instructions on an account.

Interest Rate

The interest rate on your Term Deposit will not change during the term of the deposit. If we quote you an interest rate for a Term Deposit, the rate may differ if the deposit is not made on the same day.

Interest Calculation

Interest is calculated by multiplying the balance by the daily interest rate. The daily interest rate is the relevant annual rate divided by the number of whole days in the year. We will not change the method of interest calculation or payment during the term of the deposit.

Withdrawal Restriction

You acknowledge that any Term Deposit is lodged on the understanding that it is not withdrawn before the maturity date.

Early Withdrawal – Reduced Interest

You may withdraw part or all of your deposit before the term has ended. If you do so, interest will be paid at a reduced rate from the date of deposit to the day prior to withdrawal. The reduced rate will be 1% lower than the original agreed rate for the Term Deposit.

Maturity of Term Deposit

We will pay principal and interest in accordance with the instructions received from you when the Term Deposit was established. If the Term Deposit is renewed by us, the interest rate and other conditions will be those applicable to any other Term Deposit made on that day for the same amount and term.

Cheque Deposits

Cheques deposited to our account/s will be credited conditionally. Amounts credited will be debited to your account if the cheque is not met. Credits may not be available until we have been advised that the cheque has been cleared. All cheques for deposit can only be accepted if in the name of the account holder, unless endorsement by the payee to the account holder is evident on the reverse side of the cheque and there is satisfactory evidence of the identity of the endorser. A cheque will not be accepted if it is 'stale', ie. date of cheque is more than 15 months ago. If a cheque deposited to your account is dishonoured, any interest accrued on the deposit from the day the cheque was credited to your account will be reversed.

Direct Debit and Periodical Payment Terms and Conditions

A Direct Debit or Periodical Payment service may be established on your S1 Rediaccess Account. A Direct Debit transaction is a transfer of funds from your account to an account with another financial institution, when you have authorised it to debit your account. A Periodical Payment is a transfer of funds at your request from your account to a specified account on a certain date on a regular basis.

Payment Order

If you request more than one Periodical Payment or Direct Debit, we will determine the order in which they are paid.

Stop Payments

To stop or alter a Direct Debit or Periodical Payment, we must receive your written instructions setting out full details of the Direct Debit or Periodical Payment before the next payment is to be made. You must also instruct any Direct Debit Supplier to stop the Direct Debit without delay.

Direct Debit

To establish a Direct Debit, you must complete an authorisation form and send it to the Direct Debit supplier to establish the Direct Debit service.

Periodical Payment Special Conditions

To establish a Periodical Payment service, you must complete a Periodical Payment Authority form. We do not have to advise you if a periodical payment is not made. When we make a periodical payment we are not acting as your agent or the agent of the payee. If a periodical payment is for a loan with us and there are not sufficient funds to make the payment, we may at any time debit your account from which the payment is made for any amount you owe us. If a Periodical Payment is dishonoured for two payments, the authority may automatically be cancelled by the Credit Union.

General Terms and Conditions

Account Opening

Our brochure 'Benefits of Being a Member' explains how to open an account with us. We reserve the right to not provide an account (or related service). When you open an account you may have to quote your Tax File Number (TFN) to avoid having tax taken out of your interest payments.

Fees and Charges

We may debit your account with Fees and Charges as set out in our Costs and Charges brochure along with any applicable government charges. We will give you a Costs and Charges brochure at the time you open an Account and anytime at your request.

Account Combination

We may appropriate the credit balance of any of your Savings or Term Deposits towards repayment of a debt that you may owe us on a savings account. We will notify you promptly after doing so.

Account Closure

We may close any of your accounts even though the account may have a credit balance. We will give you reasonable notice before doing so and will repay any credit balance. Any Redicard or Visa Debit Card issued on the account must be returned.

Statements

Statements are forwarded at least each six months (December and June). More frequent or duplicate statements can be requested at any time. However a fee will apply. You agree to notify us without delay of any change of address or any errors or unauthorised transactions on your statement. If you are a joint account holder living at the same address as another joint account holder of the same account, we will only send one statement of account to that address.

Confirmations

We will confirm the opening and closing of all products and services to you in writing.

Overdrawn Accounts

You agree not to overdraw your account unless you have an Overdraft. You may apply for an Overdraft on your Rediaccess Account which will be subject to the Terms and Conditions of an Overdraft credit contract. We may, at our discretion, dishonour a cheque, periodical payment, direct debit or Visa Transaction. If your account becomes overdrawn for any reason, immediate repayment is required and we may charge you a fee and interest on the overdrawn amount as well as any reasonable legal fees we incur in obtaining the amount.

Variations

We may change the terms and conditions which apply to your Savings Account, Term Deposits or Payment Services. If we do so, we will notify you:

- at least 30 days before we introduce new fees or charges, or change the method of interest calculation or frequency of interest payment.
- no later than the day we change other terms and conditions which increase your obligations
- in our next contact with you after increasing interest rates, or otherwise reducing your obligations.

We may notify you by personal letter, newsletter or account statement. You will be deemed to have received notice on the second day after the mailing of the letter, newsletter or account statement.

For joint accounts we will provide one copy of the notice to the primary joint member.

Please note that the relevant provisions of the Credit Union Code of Practice apply to these products and we warrant that we will comply with the EFT Code of Conduct where that Code applies.

In this section the terms 'we', 'us' or 'our/s' refers to the Credit Union and 'you' or 'your/s' refers to a Member or Account Holder.

Your Privacy

Please see our Privacy Brochure for details on the Credit Union's member privacy policy.

If You Have a Complaint

First, contact a Member Service Officer on (02) 9247 4580.

If you need further assistance, you can use our internal dispute resolution service: see our Dispute Resolution Brochure for details.

We also belong to the Credit Union Dispute Resolution Centre Pty Limited ("CUDRC").

Address: GPO Box 3A
Melbourne VIC 3001

Telephone: 1300 780 808

Fax: (03) 9620 4446

Email: info@cupdc.com.au

Website: www.cupdc.com.au

This way, if we cannot resolve your dispute you can have the matter determined independently by CUDRC.

How to Contact Us

You can contact us by phone, mail, fax or email:

Business Address: Ground Floor
33 Alred Street
Sydney
NSW 2000

Mail Address: PO Box R313
Royal Exchange
NSW 1225

General Enquiries: (02) 9247 4580

Loan Enquiries: (02) 9247 4581

Facsimile: (02) 9247 4594

Redicall: 1800 630 580

Free Call: 1800 802 977

Redicard & VISA 1800 224 004
Hotline: or 02 9959 7480 (Sydney)

Email: info@ampcu.com.au

Website: www.ampcu.com.au

