

American
Express®

Credit Card
Conditions and
Financial
Services Guide

15 November 2005



Postal Address

American Express Australia Limited
Cardmember Services
GPO Box 1582
Sydney NSW 2001

Lost or Stolen Cards In Australia

Telephone 1300 13 2639
For Platinum Credit Card – Telephone 1800 059 388

Overseas

Report your loss or theft to the nearest
American Express Travel Service location or call
collect (reverse charges) to Australia +61 2 9271 8666
For Platinum Credit Card – Call operator assisted
international collect on +61 2 9271 4011

Account Enquiries

Telephone: 1300 13 2639 (in Australia)
Internet: americanexpress.com.au

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Credit Card Conditions

Important

If your application for the Credit Card was obtained from a third party, such as a Merchant or sales agent, we will pay a commission of up to \$200 to them.

Our Offer

This booklet sets out the respective rights and obligations of you and American Express concerning the American Express Credit Card offered to you. If you sign the Credit Card or use it to make a purchase, Balance Transfer or obtain a Cash Advance, you will be agreeing to these Conditions. The Financial Table and these Conditions will govern your use of the Basic Credit Card, any Supplementary Credit Card and all transactions on your Account. If you do not agree to this, please cut the Credit Card in half and return the pieces to us as soon as possible.

Please read and ensure each Supplementary Credit Cardmember reads the Financial Table and these Conditions (and any changes to them) thoroughly. You must also read the information statement 'Things You Should Know About Your Proposed Credit Contract' which appears at the end of these Conditions. We are required by law to give this information to you.

These Conditions do not contain all the Conditions of your contract with us or all the information we are required by law to give you before the contract is made. Further Conditions and information are contained in the Financial Table.

1. Definitions

As you read these Conditions and the Financial Table, please remember that:

References to persons

You, your means the Cardmember named in the Financial Table.

We, our, us means American Express Australia Limited (ABN 92 108 952 085).

Merchant means a business or organisation which accepts the Credit Card.

Supplementary Credit Cardmember means a person to whom a Supplementary Credit Card is issued.

Cards

Credit Card means the Basic Credit Card and each Supplementary Credit Card.

Basic Credit Card means the American Express Credit Card issued to you.

Supplementary Credit Card means an American Express Credit Card issued to another person at your request and on your Account.

Other definitions

Access Method means the use of any one or more of the following methods by you or a Supplementary Credit Cardmember to make an Electronic Charge from the Account: Electronic Equipment, Code, Credit Card and Account number. Note: this does not include a method requiring your or the Supplementary Credit Cardmember's manual signature, for verification, so does not apply to signed Credit Card vouchers.

Account means your Credit Card account with us for the Basic Credit Card and all Supplementary Credit Cards.

Annual Percentage Rate means the interest rate we charge on Charges. It is set out in the Financial Table, but may change from time to time (see Section 31 of these Conditions). You can find out the Annual Percentage Rate by asking us.

Balance Transfer means a transfer of the outstanding balance of a credit card with another financial institution to your Account, in accordance with Section 10 of these Conditions.

Cash Advance means a Cash Advance under Section 5 of these Conditions.

Charge means a transaction made with the Credit Card or charged to your Account, including a Cash Advance, purchase, fees and charges, interest, taxes and all other amounts you have agreed to pay us or be liable for under these Conditions.

Code means a PIN, Express Access telephone code and Online Services password.

Conditions means these American Express Credit Card Conditions and includes the Financial Table.

Credit Limit means the credit limit for your Account in the Financial Table, and as notified in your monthly statement from time to time.

Electronic Charge means a Charge obtained using an Access Method through Electronic Equipment.

Electronic Equipment means electronic terminals (eg Automated Teller Machines (ATMs), EFTPOS terminals), computers, televisions and telephones.

Financial Table means the Financial Table which is issued to you, containing details of your Credit Limit and other information. It forms part of your contract with us.

Over Limit Amount means any amount debited to the Account exceeding the Credit Limit.

PIN means Personal Identification Number issued by us or selected by you in relation to the Credit Card.

Unauthorised Electronic Charges means an Electronic Charge not authorised by you or the Supplementary Credit Cardmember. It does not apply to any transaction carried out by you or the Supplementary Credit Cardmember or by anyone performing a transaction with your or the Supplementary Credit Cardmember's knowledge and consent.

2. Protect the Credit Card and Codes

Credit Card. For identification, and to prevent misuse, you must ensure that you:

- sign it as soon as you receive it;
- carry it with you whenever you can; and
- regularly check that you still have your Card.

Codes. To protect your codes you should:

- try to memorise them;
- destroy our letter telling you the Code (if applicable);
- not write the Code on any Credit Card even if the code is disguised;
- not keep a record of the code with or near the related Credit Card;

- not tell anyone your Code, including family and friends. If you are asked to disclose your Code by other persons with similar authority, you should not divulge your Code;
- if you select your own Code, do not select a number or other Code that can easily be associated with you, such as your date of birth, telephone number, etc., as these self selected Codes may be found on other documents also kept with your Credit Card. In the event of loss or theft of your Credit Card, a thief may be able to obtain your Code from these documents and access your Account.

Your liability for losses in relation to Electronic Charges will be determined under the Electronic Funds Transfer Code of Conduct rather than the above guidelines. We will comply with the Electronic Funds Transfer Code of Conduct.

3. Your liability

You are liable to us for all Charges on the Account. This includes all Charges on the Basic Credit Card and all Supplementary Credit Cards. You must ensure that all of these Credit Cards are used in accordance with these Conditions.

You should ensure that each Supplementary Credit Cardmember reads and understands the Financial Table and these Conditions (and any changes to them) because you are liable for their use of their Credit Card and all Charges they incur on the Account.

You authorise us to give a Supplementary Credit Cardmember information about the Account.

4. Credit Limit

The Credit Limit is the maximum amount of credit and all Charges which you, together with all Supplementary Credit Cardmembers, may obtain on the Account.

Exceeding the Credit Limit. You must ensure that the Account debit balance does not exceed the Credit Limit. You must immediately pay to us all Over Limit Amounts. These will be shown in your monthly statement.

Changes to the Credit Limit. You may request us to change your Credit Limit. If we agree to your request, we will inform you of the new credit limit in writing. We may reduce your Credit Limit at any time without giving you prior notice, but we will advise you of this.

5. Cash Advances

Obtaining Cash Advances. To obtain Cash Advances with the Credit Card, you must:

- complete and send to us a Cash Advance enrolment form; and
- provide us with proof of identification as required by law.

We will then send you a PIN and our Cash Advance Facility Conditions of Use. You cannot obtain Cash Advances with the Credit Card without that PIN.

Limit on Cash Advances. You may access a percentage of your Credit Limit (as set out in the Financial Table) by way of Cash Advances, subject to your available credit. We may vary that percentage from time to time. Other transaction limits for Cash Advances are specified in the Cash Advance Facility Conditions of Use.

Separate Conditions. You may only obtain Cash Advances subject to our separate Cash Advance Facility Conditions of Use. They will be sent to you after we receive your Cash Advance enrolment form and proof of identification. By obtaining any Cash Advance you agree to comply with the Cash Advance Facility Conditions of Use (in addition to these Conditions).

6. Fees and charges

You must pay us the fees and charges shown in the Financial Table and these Conditions, and you authorise us to charge them to the Account, when they are due for payment. These fees and charges are inclusive of goods and services tax, if any.

7. Interest charges

IMPORTANT

Whether interest applies to a Charge (except Cash Advances and Balance Transfers) depends on if you pay the ***Closing Balance*** shown on each monthly statement paid in full by the ***Minimum Payment Due Date***.

If you only pay the ***minimum monthly payment*** (instead of the ***Closing Balance***) interest will apply to all Charges.

Except for Cash Advances and Balance Transfers, you don't pay interest on Charges if, every month, you pay the ***Closing Balance*** shown on a monthly statement in full by the ***Minimum Payment Due Date***.

Interest is always charged on Cash Advances and Balance Transfers, even if you pay the ***Closing Balance*** shown on a monthly statement in full by the ***Minimum Payment Due Date***.

Useful Terms. To help you understand how interest charges work:

Closing Balance means the closing balance shown on a monthly statement.

Minimum Payment Due Date means the date by which you must pay the Minimum Monthly Payment shown on your statement.

Opening Balance means the balance on your Account at the beginning of the statement period.

Minimum Monthly Payment means the minimum amount you are required to pay each statement period.

How we calculate Interest and when it is added to your statement. Any interest on a Charge (including Cash Advances and Balance Transfers) applies from the day the Charge is made or from the first day of the statement period in which the Charge is first debited to your Account if that is later than the date of the Charge. Interest is charged until you have paid the outstanding balance on your account in full.

Interest is calculated each day during a statement period on the daily balance of Charges on which interest is payable (taking into account any payments or credit to your Account) at the daily rate (which is the Annual Percentage Rate divided by 365). The total

interest for the statement period is then debited to your Account and will appear on your statement as a Charge on the last day of the statement period.

When is interest charged? The following diagram explains when interest is payable on your Account. This depends on whether the Closing Balance shown on a statement is paid in full on both the current and previous statements. Even if you don't pay the Closing Balance in full, any part payment or minimum monthly payment you make will have the effect of reducing the daily balance of Charges and therefore the interest payable on your Account.

<i>Did you pay the full Closing Balance shown on your previous statement by the minimum payment due date?</i>	<i>Will you pay the full Closing Balance shown on your current statement by the minimum payment due date?</i>	Then, on your next statement, you will be charged interest on:
Yes	Yes	<ul style="list-style-type: none"> • New Cash Advances and Balance Transfers only.
Yes	No	<ul style="list-style-type: none"> • Opening balance; and • each new Charge shown on your current statement; and • each new Charge, Cash Advance and Balance Transfer shown on your next statement.
No	No	<ul style="list-style-type: none"> • Opening balance; and • each new Charge, Cash Advance and Balance Transfer shown on your next statement.
No	Yes	<ul style="list-style-type: none"> • Cash Advance and Balance Transfer shown on your next statement; and • Opening balance and each new Charge, until the full Closing Balance shown on your current statement is paid in full.

8. Monthly statement

Monthly statements. We will send you once a month a statement for each statement period during which there is any activity or balance outstanding on your Account. The statement will, amongst other things:

- identify purchases, Cash Advances, Balance Transfers, fees and all other Charges, payments and credits to your Account during the statement period;
- disclose the interest charge, statement date, opening balance, new Charges, credits, closing balance, Credit Limit, credit available at statement date, minimum payment due and its due date; and
- disclose any overdue amounts or Over Limit Amounts.

The time between successive monthly statements will vary depending on the number of business days in the month.

If you discover an error. You must notify us in writing of any omission or error on the statement as soon as possible. Refer to Section 23 of these Conditions for details on how to notify us.

Dates and adjustments. Even though we process a debit or credit on the Account on a certain date, it will take effect on the date we assign to that debit or credit to be consistent with these Conditions. To reflect your and our legal obligations, we may then adjust debits and credits to the Account and make consequential changes.

9. Minimum payment and other payments

You must pay us the minimum payment, overdue amounts and Over Limit Amounts shown in each monthly statement. We calculate the minimum payment as set out in the Financial Table.

Payment due date. The minimum payment due date is shown on the statement. Overdue amounts and Over Limit Amounts must be paid to us immediately after you receive the statement (even though the minimum payment is due later). Failure to pay an amount when due may be a default of the Account under Section 29.

Minimum payment options. You may, if you wish:

- pay us more than the minimum payment;
- pay us the minimum payment before it is due (including by making a number of partial payments).

Section 20 says how payments may be made.

10. Balance Transfers

Your request. You or a Supplementary Credit Cardmember may request us to transfer the outstanding balance of a Credit Card Account with another financial institution to your Account. However, we may refuse a Balance Transfer request at our discretion. If we agree to a Balance Transfer request:

- you irrevocably authorise and direct us to charge your Account and to pay to that other financial institution the amount required to pay out the outstanding balance; and
- we will debit your Account with that amount and make payment to the financial institution.

Balance Transfers are not treated as a Cash Advance. A Charge to the Account for a Balance Transfer is not treated as a Cash Advance under Section 5 of these Conditions. This means Balance Transfers will not be included in the calculation of the limit on Cash Advances under Section 5 of these Conditions.

Maximum number of transfers. You may make a maximum of twelve Balance Transfers to your Account within any 12 month period.

Balance Transfer Conditions apply and will be provided to you on application.

11. Cancellation of a Credit Card

Cancellation by us. We can cancel your right to use the Credit Card at any time, with or without cause and without prior notice, but we will inform you of this. We may list cancelled Credit Cards in our 'Cancellation Bulletin' and otherwise inform Merchants of cancellation.

Cancellation by you. You may at any time cancel the Basic Credit Card and all Supplementary Credit Cards. If you request us to cancel a Supplementary Credit Card, you must immediately notify the Supplementary Credit Cardmember of your cancellation request.

Cancellation by Supplementary Credit Cardmember. A Supplementary Credit Cardmember may at any time cancel the Supplementary Credit Card.

How to cancel a Credit Card. A cancellation of a Credit Card by you or a Supplementary Credit Cardmember will not take effect until we receive both:

- written notice of the cancellation; and
- the pieces of that Credit Card cut in half. You will be liable for all Charges made with the Credit Card until we receive it from you cut in half. If you ask us to cancel a Supplementary Credit Card, you will still be liable for all Charges made with that Supplementary Credit Card until we receive that Supplementary Credit Card cut in half.

Your obligations after cancellation. If a Credit Card is cancelled for any reason you must:

- ensure that all use of the Credit Card stops; and
- cut it in half and return both halves to us at once or hand it over to any Merchant which requests it, or to any third party we nominate;
- continue to make all payments that become due on the Account under these Conditions.

If the Basic Credit Card is cancelled for any reason, all Supplementary Credit Cards will automatically be cancelled at the same time. You will be responsible for cancelling any authorities given to third parties to debit the Account (such as to make monthly debits for life insurance). We take no responsibility for cancellation of those authorities.

Reinstatement of a cancelled Credit Card. If we reinstate a cancelled Credit Card, then these Conditions will continue to apply to your use of the Credit Card, subject to Section 25 of these Conditions.

12. Suspension

Our rights. We can suspend your right to use the Credit Card (including any Supplementary Credit Card) for any reason (even if the Account is not in default) and without prior notice, but we will inform you of this.

Consequences of suspension. You must ensure that a suspended Credit Card is not used until such time as arrangements satisfactory to us have been made for payment of outstanding Charges. During a suspension, we do not lose any of our rights under these Conditions or at law, and your obligations under these Conditions continue. These same Conditions will continue to apply if and when a suspension is lifted.

13. Use of the Credit Card

Each Credit Card remains our property at all times. You may only use the Credit Card within the validity dates shown on its face. On expiry of the Credit Card, you must destroy it immediately.

Permitted uses. You can use your Credit Card at any Merchant directly or at any ATM displaying the American Express Card's logo.

You may use your Account number at any Merchant by mail, telephone order or through the internet to pay for goods or services.

Prohibited uses. You must not:

- give the Credit Card or your Account number to others or allow them to use it for Charges, identification or any other purpose;
- use the Credit Card to purchase anything for the purpose of resale;
- return any goods, tickets or services obtained with the Credit Card for a cash refund (except to a Merchant for credit to your Account, if that Merchant agrees or is obliged to do so);
- use the Credit Card to obtain cash from a Merchant for a transaction recorded as a purchase;
- obtain credit to your Account for any reason other than as a refund for goods or services previously purchased with the Credit Card;

- use the Credit Card if a petition for your bankruptcy is issued (unless the petition is no longer in force), or if you do not honestly expect to be able to make the minimum required repayment in full on receipt of your monthly statement;
- use the Credit Card if it is found after having been reported as lost or stolen;
- use the Credit Card if it has been suspended or cancelled; or
- use the Card for an unlawful purpose, including the purchase of goods or services prohibited by the laws of Australia or any other country where the card is used or where the goods or services are provided.

14. Authorisation

We may require Charges to be authorised by us before they are accepted by a Merchant. We may refuse authorisation for any Charge without cause or prior notice, even if the Account is not in default. We will not be liable to you or anyone else for any loss or damage resulting from our refusal to authorise a Charge.

15. Lost, stolen or misused Credit Cards or Codes

Notify us immediately. You must notify us immediately, by telephone or otherwise, if:

- a Credit Card and/or Code is lost or stolen;
- a renewal Credit Card has not been received; or
- you suspect that the Credit Card and/or Account is being used by someone else.

If calling within Australia, you can call us 24 hours a day on **1300 13 2639**. If you are overseas, report your loss or theft to the nearest American Express Travel Service location.

If you notify us by telephone, please keep a record of the date and person to whom you spoke, and confirm the notification to us in writing. It is important for both your protection and ours that we have evidence of notification of lost, stolen or misused Credit Cards or Code.

If a Credit Card reported lost or stolen is later found, you must cut it in half and return the pieces to us.

Liability for Unauthorised Electronic Charges

No liability. You are not liable for Unauthorised Electronic Charges that:

- are caused by the fraudulent or negligent conduct of our employees or our agents or companies involved in networking arrangements or of Merchants or of their agents or employees;
- are related to any component of an Access Method that are forged, faulty, expired or cancelled;
- occurred before you or the Supplementary Credit Cardmember received the Access Method (including a reissued Access Method);
- are caused by the same transaction being incorrectly debited more than once to the Account;
- occur after you or the Supplementary Credit Cardmember has notified us of the loss, theft or misuse of an Access Method or that the security of any Code has been breached.

You will not be responsible for Unauthorised Electronic Charges where it is clear that you or the Supplementary Credit Cardmember has not contributed to the loss.

Basic Cardmember Liable. You are liable for losses resulting from Unauthorised Electronic Charges caused by you or any Supplementary Credit Cardmember:

- engaging in fraud; or
- voluntarily disclosing a Code to anyone; or
- selecting, or changing to, a Code that can easily be associated with you or the Supplementary Credit Cardmember such as date of birth, telephone number, etc.
- keeping a record of a code without making a reasonable attempt to disguise it or to prevent unauthorised access to it or in a way that could be lost or stolen with an Access Method; or
- acting with extreme carelessness in failing to protect the security of the Code.

You are also liable for Unauthorised Electronic Charges caused by you or the Supplementary Credit Cardmember unreasonably delaying notification of the misuse, loss or theft of the Credit Card or of a Code. Your liability is limited to losses that occur between the time that you or any Supplementary Credit Cardmember should have known about the misuse, loss or theft and the time that the misuse, loss or theft was reported to us. However, you are not responsible for:

- that portion of the losses incurred which would exceed the applicable periodic transaction limits, if any; and
- that portion of the losses that exceeds the available credit of the Account.

Limited Liability. Where a Code was required to perform the transaction and it is unclear whether you or the Supplementary Credit Cardmember contributed to the loss, you are liable for Unauthorised Electronic Charges to the lesser of:

- \$150; or
- the available credit of the Account; or
- the actual loss at the time of reporting the loss, theft or misuse of the Credit Card or Code (excluding that portion that exceeds the periodic transaction limits).

Liability for other unauthorised Charges. Provided that neither you nor any Supplementary Credit Cardmember contributed to, was in any way involved in, or benefited from the loss, theft or misuse of the Credit Card:

- you will not be liable for any unauthorised Charges (that are not Electronic Charges) after we receive notice from you; and
- your maximum liability for unauthorised Charges made (that are not Electronic Charges) is \$50 (except where you have unreasonably delayed in notifying us, in which case you will be liable for the full amount of the Charges).

16. Billing address

You must notify us immediately of any change in your name and/or billing address or the names of any Supplementary Credit Cardmembers.

17. Taxes and duties

You must pay any government tax, duty or other charge imposed by law in any country in respect of the Credit Card, your use of it, any Charge or any other transaction on the Account.

We may charge to your Account in advance the full amount or a reasonable part of that tax, duty or other charge (as determined by us) except as prohibited by law.

18. Enforcement expenses

You will pay us our reasonable costs that are reasonably incurred by us in recovering or attempting to recover Charges from you or otherwise enforcing our rights under these Conditions, including legal fees on a solicitor/client basis, except as prohibited by law.

19. Foreign currency charges

If you make a Charge in a currency other than Australian Dollars, that Charge will be converted into Australian Dollars. The conversion will take place on the date the Charge is processed by American Express, which may not be the same date on which you made your Charge as it depends on when the Charge was submitted to American Express. If the Charge is not in U.S. dollars, the conversion will be made through U.S. dollars, by converting the Charge amount into U.S. dollars and then by converting the U.S. dollar amount into Australian Dollars. If the Charge is in U.S. dollars, it will be converted directly into Australian Dollars.

Unless a specific rate is required by applicable law, you understand and agree that the American Express treasury system will use conversion rates based on interbank rates that it selects from customary industry sources on the business day prior to the processing date, increased by a single conversion commission as specified on your Financial Table. If Charges are

converted by third parties prior to being submitted to us, any conversion made by those third parties will be at rates selected by them.

20. Payments

How to make payments. Payments may be made by any of the methods set out in your statement. If paying by mail, allow 7 days for the payment to reach us. We may apply your payments to any amounts debited to your Account in any order we choose. Payments to your Account will be applied first to Balance Transfers.

Currency of payment. You must always pay us in Australian Dollars. If we agree to accept payment in another currency:

- we shall convert your payment to Australian Dollars at our rates and credit it to your Account; and
- you must pay the currency conversion fee specified in the Financial Table.

BPAY®. Where we identify a discrepancy between the amount received as a BPAY payment and the amount credited to your Account, we will advise you of the difference as soon as possible and the actual amount credited to the Account.

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21. Late or part payments

We may at our discretion accept late or part payments or any payment described as being in full or in settlement of a dispute. If we do so, we shall not lose any of our rights under these Conditions or at law, and it does not mean we agree to change these Conditions.

22. Dishonoured payments

Dishonoured payments. These occur if:

- we receive a cheque, draft or other payment instrument from or for you which is not honoured in full; or
- you pay us through the Direct Debit option and our debit to your account with a financial institution is not honoured in full.

Consequences of a dishonour. For each dishonoured payment, you must pay to us:

- the dishonoured amount; plus
- interest charged on the dishonoured amount under Section 7; plus
- our reasonable collection costs and legal fees that are reasonably incurred by us, as permitted by law.

You agree that the dishonour fee specified in the Financial Table is a reasonable cost in the above circumstances. Under Section 29, a dishonoured payment may also be a default of the Account.

23. Complaints and problems with statements or purchases

What you should do. If you have a complaint or any problem with your monthly statement, please contact us at once and we will do our best to resolve your problem. If you are aware of any unauthorised or fraudulent transaction you must tell us as soon as you discover the transaction.

If calling within Australia you can call us 24 hours a day on **1300 13 2639**. If overseas, contact any American Express Travel Service office. If the problem cannot be resolved immediately to your and our satisfaction we will advise you in writing of our procedures for investigation and resolution of the complaint.

You agree that if requested to do so you shall provide us with written confirmation in relation to your claim of unauthorised Charges including without limitation, supplying any or all of the following, a statutory declaration, an affidavit of forgery and/or a copy of an official Police report.

By reporting the existence of unauthorised Charges, you agree to allow American Express to release any information that you have provided which is subject of an investigation of unauthorised Charges to the Police and any other investigative or statutory authority.

You also agree that when requested you shall provide all the reasonable assistance and relevant information to us and/or the Police in relation to your claim of unauthorised Charges.

Investigating complaints. Unless we advise you in writing of any exceptional circumstances, our investigation of a complaint should be completed within 45 days of receiving details from you. We will advise you of the outcome of the investigation and the reasons for the outcome. If the outcome is that there has been an incorrect debit or credit to the Account, we will adjust the Account accordingly (including any interest charges) and advise you of the adjustment.

Electronic Charges. If the complaint relates to an Electronic Charge, we will provide you with details of the progress of our investigations within 21 days of receipt of your query. In addition, if the investigation continues beyond 60 days, we will provide you with monthly updates on the progress of the investigation and tell you a date when a decision can be reasonably expected, unless we are waiting for a response from you and you have been advised that we require such a response.

Our responsibility. Except as required by law, we are not responsible for goods or services charged with the Credit Card, or if a Merchant refuses to accept the Credit Card. Merchants may impose their own additional restrictions on using the Credit Card, and we are not responsible for this. You must raise any claim or dispute directly with the Merchant concerned, and, subject to any law to the contrary, you may not withhold payment from us because of such claim or dispute.

Subject to applicable law and the Electronic Funds Transfer Code of Conduct, you agree that if we fail to carry out any of our obligations in connection with your Card Account or your use of the Card and, as a direct result, you suffer loss or costs, we will be liable to you for that loss or cost only but not otherwise.

In particular, we will not be liable for consequential loss or any other loss or damage not directly and naturally resulting from the failure including damages which may flow from special circumstances. In any event, we will not be responsible for losses or costs caused by any third party including (for example only) resulting from mechanical or systems failure affecting such third parties.

24. Automatic Card renewal

You request us to issue you and any Supplementary Credit Cardmembers with a renewal Credit Card whenever the current Credit Card expires. You must pay any applicable Credit Card fees when we bill you, until you notify us not to issue a renewal Credit Card.

25. Replacement and renewal cards

A new credit contract is not formed on the issue of a replacement or renewal Credit Card. The credit contract between you and us for the Credit Card and the Account remains in force.

New Conditions. If new Conditions do not accompany a replacement or renewal Credit Card then these Conditions apply to your use of that Credit Card. If new Conditions accompany that Credit Card, those Conditions apply as a change to these Conditions after we notify you of that change as required by law (see Section 31).

26. Exchange control, tax and anti-money laundering

You must comply with all applicable exchange control and tax laws governing the use of the Credit Card. You indemnify us against our loss or liability as a consequence of your failure to comply with these laws.

It is an offence under the Financial Transaction Reports Act 1988 (Cth) to conduct transactions on an account which may lead to an actual or attempted evasion of a taxation law, or an offence under any other Commonwealth or Territory law. Where we have reasonable grounds to suspect that such a

Transaction(s) has occurred on the card Account, we are obliged to complete and render a suspect transaction report to the Federal Government (AUSTRAC).

27. Instalment purchases

If you use the Credit Card to buy goods or services requiring regular or instalment payments, such as insurance, you:

- authorise us to pay the instalments for you when due; and
- must pay us for the instalments when we bill you.

We will stop paying those instalments if:

- you send to us and to the person receiving them (such as an insurance company) written notice requesting us to stop paying them; or
- the Credit Card is suspended or cancelled.

28. We may pursue your rights against a Merchant

If a Merchant does not provide you with the goods and services purchased by use of the Credit Card, we may at our discretion credit your Account for the amount charged. If we do so, you appoint us your attorney to pursue any rights you may have against the Merchant, in your name but at our cost. Those rights include voting and proving your debt in any insolvency or administration of, or commencing any proceedings against, the Merchant. You agree to assign those rights to us on demand.

29. Default

When the Account is in default. We may treat your Account as being in default if:

- you fail to pay us any amount when it is due;
- you incur or attempt to incur Charges beyond your Credit Limit;
- you fail to comply with these Conditions;
- your cheque or other payment instrument or a Direct Debit to your bank account is not honoured in full;

- any statement made by you to us in connection with your Account or Credit Card is false or misleading;
- you breach any other agreement that you may have with us;
- a petition for your bankruptcy is issued; or
- any other creditor seizes, or attempts to seize, any of your property.

Our rights after default. If your Account is in default we may (after giving you any notice required by law):

- require you to pay us immediately all sums outstanding on your Account and any other amounts which become payable by you under these Conditions; and/or
- cancel all Credit Cards issued on your Account (see Section 11). On payment of all the amounts required above the contract for use of the Credit Cards and the Account will be terminated without the need for further notice.

Our enforcement expenses. If your Account is in default, you must pay our enforcement expenses (see Section 18).

30. Privacy and personal information

The *American Express Privacy Policy Statement* sets out policies on management of personal information. In accordance with the Privacy Act, you can access personal information about you held by American Express Australia Limited and advise if you think it is inaccurate, incomplete or out-of-date.

To arrange access to personal information about you, or to request a copy of the American Express Privacy Policy Statement or to enquire generally about privacy matters, write to: The Privacy Officer, American Express Australia Limited, 175 Liverpool Street, GPO Box 1582, Sydney NSW 1131.

In this clause **personal information** means information about you, including your financial circumstances, credit worthiness, credit history, credit standing, credit capacity, your use of the Credit Card and conduct of your Account.

You agree that, subject to the Privacy Act, we and our agents may do the following (and other persons mentioned below can disclose personal information to us for these purposes):

- **Information from credit reporting agencies.** Obtain credit reports about you from credit reporting agencies to assess your application or to collect overdue payments from you, and obtain personal information from a business that provides commercial credit worthiness information.
- **Disclose to credit reporting agencies.** Disclose personal information to credit reporting agencies before, during or after providing credit to you. This includes, but is not limited to:
 - that you applied for a Credit Card and the Credit Limit, and that we are a credit provider to you;
 - advice about Credit Card payments at least 60 days overdue and which are in collection (and advice that payments are no longer overdue);
 - advice that cheque(s) drawn by you, or direct debit requests to your bank account which you have authorised us to make, which are more than \$100 have been dishonoured more than once;
 - our opinion that you do not intend to meet your credit obligations (or that you have committed some other serious credit infringement);
 - that credit provided to you has been paid or otherwise discharged.
- **Credit providers.** Exchange personal information with credit providers named in your application for the Credit Card or in a credit report issued by a credit reporting agency. This is for purposes including but not limited to:
 - assessing your credit worthiness, your application for the Credit Card and for any subsequent application you make for credit;
 - notifying other credit providers of your default or failure to comply with these Conditions;
 - exchanging information about your Card Account where you are in default with other credit providers

- approving or declining a transaction you wish to make with the Credit Card; and
 - our administration of your Account.
- **Persons you tell us about.** Exchange personal information with any person whose name you give us from time to time. This includes, for example, for the purpose of confirming your employment and income details with any employer, landlord/mortgagee, accountant, financial adviser or tax agent named in your application for the Credit Card.
 - **Collection agent.** If you are in default under the Account, notify and exchange personal information with our collection agent.
 - **Co-brand partners.** Provide personal information to any organisation whose name, logo or trademark appears on your application for the Credit Card or on the Credit Card for marketing, planning, product development and research purposes and seek from and exchange with such organisations personal information about you.
 - **Our service providers.** Transfer personal information confidentially to our related companies and other organisations which issue or service American Express Cards or provide services to us. This includes transferring personal information to the United States or other countries for data processing and servicing.
 - **Call monitoring.** Monitor and record your telephone conversations with us from time to time for staff training and service quality control purposes.

Invitation. You invite us and our agents and our preferred alliance organisations (including insurance companies) to use your personal information for marketing purposes. This includes contacting you by telephone, mail or e-mail to discuss and agree any purchases of goods or services from an American Express company or our products and of any third party providing products jointly marketed with American Express. Please call us on 1300 13 26 39 if you want to withdraw this invitation and remove your name from marketing lists.

31. Changing these conditions and the Financial Table

Our rights. We may change these Conditions or the Financial Table at any time by giving you notice in writing or by newspaper advertisement as required by law. If we change the periodic transaction limits, charges payable for transactions or the sections dealing with reporting of and liability for Unauthorised Electronic Charges, we shall give you at least twenty days written notice, except where the change is made for security reasons, or a longer period is required by law.

Examples of changes. Without limiting the things we may change, we may replace or add to these Conditions and the Financial Table, and may change:

- the Annual Percentage Rate;
- the method of calculating the minimum repayment;
- the frequency or time for payment of any repayments;
- the amount of any credit fee or charge, or impose a new credit fee or charge;
- the frequency or time for payment of any credit fee or charge;
- the Credit Limit;
- the method of calculating or debiting interest.

Changes to the Annual Percentage Rate. If we increase the Annual Percentage Rate, we shall notify you in writing or by newspaper advertisement on or before the date of the increase. If we decrease the rate, we will notify you in your next statement.

Your rights. If you do not wish to accept any change to these Conditions you may cancel the Credit Card by cutting it in half and returning both halves to us. We will then refund a portion of any annual fee that has been paid. You will still be liable for all Charges incurred (see Section 11 for cancellations).

32. Notices

Subject to any other period imposed by law, you will be deemed to have received any notice we give you under these Conditions seven days after we send it, unless you actually receive it earlier. We may send any notices to you at your last billing address as shown on our records.

33. No waiver of our rights

Our forbearance, delay or failure to exercise any power or right under these Conditions does not waive that power or right. A single or partial exercise of a power or right does not prevent a further exercise of that or any other power or right.

34. Assignment

We may assign any of our rights under these Conditions to any third party at any time without your consent.

35. Evidence

You agree that, unless proved incorrect:

- a Charge shown in any voucher or Record of Charge given to you by a Merchant is sufficient evidence of that Charge, even if it is not signed by you; and
- a certificate signed by us as to the outstanding Account balance or any other amount on the Account is sufficient evidence of that amount.

36. Consumer Credit Code

To the extent that the Consumer Credit Code would make a provision of these Conditions void, illegal or unenforceable, or a provision of these Conditions would breach the Code, these Conditions are to be read as if that provision were varied to the extent necessary to comply with the Code or, if necessary, omitted.

37. Governing law

These Conditions are governed by the laws of New South Wales, Australia.

Information Statement

Things you should know about your proposed credit contract

This statement tells you about some of the rights and obligations of yourself and your credit provider. It does not state the terms and conditions of your contract.

If you have any concerns about your contract, contact your credit provider and, if you still have concerns, your Government Consumer Agency, or get legal advice.

The Contract

1. How can I get details of my proposed credit contract?

Your credit provider must give you a pre-contractual statement containing certain information about your contract. The pre-contractual statement, and this document, must be given to you before:

- your contract is entered into; or
- you make an offer to enter into the contract, whichever happens first.

2. How can I get a copy of the final contract?

If the contract document is to be signed by you and returned to your credit provider, you must be given a copy to keep.

Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however, apply if the credit provider has previously given you a copy of the contract document to keep.

If you want another copy of your contract, write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence 1 year or less before your request; or
- otherwise within 30 days of your written request.

3. Can I terminate the contract?

Yes. You can terminate the contract by writing to the credit provider so long as:

- you have not obtained any credit under the contract; or
- a card or other means of obtaining credit given to you by your credit provider has not been used to acquire goods or services for which credit is to be provided under the contract.

However, you will still have to pay any fees or charges incurred before you terminated the contract.

4. Can I pay my credit contract out early?

Yes. Pay your credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

5. How can I find out the pay out figure?

You can write to your credit provider at any time and ask for a statement of the payout figure as at any date you specify. You can also ask for details of how the amount is made up.

Your credit provider must give you the statement within 7 days after you give your request to the credit provider. You may be charged a fee for the statement.

6. Will I pay less interest if I pay out my contract early?

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits your credit provider to charge one) and other fees.

7. Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

8. Will I be told in advance if my credit provider is going to make a change in the contract?

That depends on the type of change. For example:

- you get at least same day notice for a change to an Annual Percentage Rate. That notice may be a written notice to you or a notice published in a newspaper;
- you get 20 days advance written notice for
- a change in the way in which interest is calculated; or
- a change in credit fees and charges; or
- any other changes by your credit provider except where the change reduces what you have to pay or the change happens automatically under the contract.

9. Is there anything I can do if I think that my contract is unjust?

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement. If that is not successful you could apply to the court. Contact the Government Consumer Agency or get legal advice on how to go about this.

Insurance

10. Do I have to take out insurance?

Your credit provider can insist you take out or pay the cost of types of insurance specifically allowed by law. These are compulsory third party personal injury insurance, mortgage indemnity insurance or insurance over property covered by any mortgage. Otherwise, you can decide if you want to take out insurance or not.

11. Will I get details of my insurance cover?

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by your credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal.

Also, if you acquire an interest in any such insurance policy which is taken out by your credit provider then, within 14 days of that happening, your credit provider

must ensure you have a written notice of the particulars of that insurance.

You can always ask the insurer for details of your insurance contract. If you ask in writing your insurer must give you a statement containing all the provisions of the contract.

12. If the insurer does not accept my proposal, will I be told?

Yes, if the insurance was to be financed by the credit contract. The insurer will inform you if the proposal is rejected.

13. In that case, what happens to the premiums?

Your credit provider must give you a refund or credit unless the insurance is to be arranged with another insurer.

General

14. What do I do if I cannot make a repayment?

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider to change your contract in a number of ways, for example:

- to extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; or
- to simply defer payments for a specified period.

15. What if my credit provider and I cannot agree on a suitable arrangement?

If you have been unemployed, sick or there is another good reason why you are having problems with your contract, then your contract may be able to be changed to meet your situation.

You may be able to apply to the court. Contact your Government Consumer Agency or get legal advice on how to go about this.

There are other people, such as financial counsellors, who may be able to help.

16. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments.

If you think you are being unduly harassed or threatened, contact your Government Consumer Agency or the Australian Competition and Consumer Commission, or get legal advice.

17. Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also **READ YOUR CONTRACT** carefully.

IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT YOUR GOVERNMENT CONSUMER AGENCY OR GET LEGAL ADVICE. PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

Financial Services Guide

Issued 15 November 2005

This Financial Services Guide is issued by:
American Express Australia Limited (ABN 92 108 952 085)
Australian Financial Services Licence No. 291313.

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Definitions

Throughout this document the following words have special meanings:

“American Express, we, us” means American Express Australia Limited.

“you” means the person to whom this Financial Services Guide has been provided.

Welcome to American Express

This Financial Services Guide (FSG) is designed to help you decide whether to use the financial services we provide and explains:

- the products and services we can offer you;
- how we, and others, are remunerated for the services offered to you;
- our internal and external complaints handling procedures.

This FSG is one of a number of documents that our representatives may supply to you when we provide financial services to you.

For certain financial products which we offer to you or about which we give you financial product advice, we will give you a Product Disclosure Statement (PDS) for that product. This PDS will assist you in making an informed decision about a particular product and contains a range of general information about the product being offered, including:

- the significant features and characteristics of the product;
- the significant benefits and risks associated with holding the product;
- information about the cost of the product; and
- information about any cooling off rights applicable in relation to the product.

If we provide personal financial product advice, we will also give you a Statement of Advice (SOA). A SOA is a document that records the personal advice we have given to you as well as the information on which that personal advice was based, including information about fees, commissions and any associations which may have influenced the advice.

Customer Instructions

Depending on the financial product or service that we supply to you, you may provide us with instructions verbally, in writing, by facsimile or by other electronic means.

We generally require your signature for verification. However, depending on the product or service, special arrangements may be in place to receive your instructions by facsimile, telephone or electronically. Please refer to the relevant Product Disclosure Statement for each particular financial product for further information.

Products and Services which American Express is licensed to provide

American Express holds an Australian Financial Services Licence. This licence authorises American Express to deal in and provide advice and services in relation to life risk and general insurance products.

For each of these products we can provide general financial advice. Our general advice does not take into account your personal objectives, financial situation or needs.

American Express generally does not provide personal financial advice.

In addition, American Express also offers the following products which do not meet the definition of a financial product under the Corporations Act (Cth):

- Credit Cards and Charge Cards (personal and business);
- Merchant transaction acquiring;
- Personal lending.

In relation to these services, you will not receive a Product Disclosure Statement and certain other processes contained within this document may not apply.

American Express may offer products of other issuers

If we sell to you products issued by other product issuers, we generally act on behalf of that other product issuer. American Express acts on behalf of other issuers when it sells life risk insurance and general insurance (including travel insurance).

What remuneration do we receive for providing the financial services?

Third Parties

American Express may receive commissions and other remuneration or benefits for selling financial products on behalf of third parties or for successfully referring a customer of American Express or a related company of American Express to a third party. Details of this remuneration are as follows:

General insurance issued by ACE Insurance Limited	Up to 45% of the premium is received from ACE Insurance Limited
Life risk insurance issued by Prefsure Insurance Limited	Up to 17% of the premium is received from Transamerica Direct Marketing Australia Pty Ltd

American Express identifies insurance providers and products that may be of interest to some of our Cardmembers. In this role, we do not act as an agent or fiduciary for you, and we may act on behalf of the insurance provider, as permitted by law. We want you to be aware that we receive commissions from providers and commissions may vary by provider and product. Also, in some cases, an American Express entity outside of the country may be the reinsurer and may earn reinsurance income. The arrangements we have with certain providers, including the potential to reinsure products, may also influence what products we identify. We do not require you to purchase any insurance product, and you may choose to cover your insurance needs from other sources on terms they may make available to you.

Remuneration or other benefits received by American Express team members

All American Express team members receive a salary. Some team members may also receive commissions or other benefits in addition to their salary. The payment of commissions or other benefits generally arise where team members are engaged in roles which are related to providing advice or selling a financial product or otherwise affiliated with an area of American Express which is involved in the selling of a financial product or service.

American Express team members may receive these commissions or benefits in one or more of the following ways:

- Payments for reaching sales targets generated either by their own sales or through the achievement of sales targets by their team or business unit;
- Payments for each policy opened or for each service provided;
- Payments based on the total value of products sold or volume of sales transacted by an account opened by a team member.

Benefits are usually monetary but may also be non-monetary. American Express pays monetary benefits directly to the eligible team member. Non-monetary benefits may include, amongst other things, shares, options, discounted (or pre-paid) travel or accommodation and gift vouchers.

Payment of benefits to those who refer customers to American Express

American Express may pay to related companies or external parties who refer customers to American Express a commission or other benefit. Such payments could be in the form of a single one-off payment or other benefit or otherwise a payment calculated as a percentage of the total amount of sales generated.

Privacy and Personal Information

American Express is proud of its reputation for, and commitment to, safeguarding information about its customers. The American Express Customer Privacy Principles have been in place for many years and provide a minimum standard, which applies throughout the American Express group of companies worldwide.

In Australia, we adhere to the National Privacy Principles and the Privacy Act 1988 (Cth). A copy of our Privacy Policy Statement is located on our website at <http://americanexpress.com.au/privacy> or may be obtained by contacting us.

Who should you contact if you have a complaint regarding the provision of financial services by American Express?

American Express is committed to customer satisfaction as part of its service philosophy. American Express has established internal procedures to resolve complaints, whilst also being a member of an external dispute resolution scheme.

If you have a complaint about the provision of our financial services, please take the following steps:

- Please direct your complaints, at first instance, to the point of purchase. In the case of complaints regarding general insurance (including travel insurance) or life risk insurance, please contact the insurance company or their agent directly.
- If your complaint is not satisfactorily resolved within twenty (20) business days, please address your complaint in writing to:

The Complaints Manager
American Express Australia Limited
<name of product>
GPO Box 1582
Sydney NSW 2001

- American Express makes every endeavour to resolve complaints in a prompt and fair manner, having regard to the law. If however you continue to remain dissatisfied with American Express' decision, you may seek to have your complaint considered by the Banking and Financial Services Ombudsman, an independent, external dispute resolution body. Please note that the Ombudsman will refer you to American Express if you didn't first raise your complaint with us.

You may contact the Ombudsman by the following means:

Mail: Banking and Financial Services Ombudsman
GPO Box 3A,
Melbourne VIC 3001
Telephone: 1300 78 08 08
Fax: +61 3 9613 7345
Internet: www.bfso.org.au

The Australian Securities and Investments Commission also has an Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

Contacting Us

You can contact American Express in the following ways:

Mail: American Express Australia Limited
<name of product involved>
GPO Box 1582,
Sydney NSW 2001
Telephone: 1300 13 2639



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