



# American Express Business Flexible Payment Option (FPO) Agreement

August 2023



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## INTRODUCTION

This document along with the FPO Financial Table make up the FPO Agreement for your use of the Flexible Payment Option (FPO) facility on your Linked Account. It replaces any previous FPO Agreement provided to you in relation to your use of FPO.

**You** and **your** mean the person to whom a Linked Account was issued and who is enabled to use FPO in accordance with this FPO Agreement but does not include an Employee Card Member.

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

**Business** means the business entity (whether a company, partnership, sole trader, association or other organisation) which is liable to us, jointly and severally with you for all Charges on your Linked Account and whose name may appear on the Card with your name.

**Card** means any Card or other Account access device we issue for the purpose of accessing your Linked Account.

**Charge** means all transactions made using a Card or otherwise charged to your Linked Account, and includes purchases, fees, commissions, interest, taxes and all other amounts you have agreed to pay us or are liable for under this FPO Agreement.

**FPO Agreement** means the conditions which govern the use of the FPO facility.

**Linked Account** means your business charge Card Account with us.

**Linked Account Agreement** means the conditions which govern the use of your Linked Account.

**By using the FPO facility on your Linked Account, you agree to the terms of this FPO Agreement.**

**Please read this FPO Agreement thoroughly and keep it for your reference. You agree that it is your responsibility and you agree to ensure that any Employee Card Members are aware of these terms.**

Please see the "Employee Card Members" section of your Linked Account Agreement for additional details.

**This FPO Agreement contains a limitation of liability clause which limits our responsibility and liability. Please refer to the "Limitation of Liability" section of this FPO Agreement for additional details.**

### **About your Flexible Payment Option Facility**

Your FPO facility may only be used in conjunction with your Linked Account.

Despite anything to the contrary in the Linked Account Agreement, FPO is a feature on your Linked Account which permits you to carry forward a portion of your monthly statement balance when you want to, up to a maximum of your FPO limit.

## **FPO Limit**

We will at our discretion and in compliance with applicable law, decide and inform you of the FPO limit applicable to your FPO facility.

Any transactions that exceed your FPO limit will be due in full in accordance with your Linked Account Agreement.

**Changes by you:** You may request, and we may agree, in our discretion and subject to you providing the information we request, to increase your FPO limit at any time. You may request, and we will agree to reduce your FPO limit at any time.

**Changes by us:** You acknowledge that we may change your FPO limit at any time. We will give you notice of such a change as soon as is reasonably practicable.

## **Statements**

We will adjust your Linked Account statement every month so that it informs you of your monthly Closing Balance and the Minimum Amount Due for that statement period. When paying your statement Account balance each month, you have the choice to pay the full Closing Balance, Minimum Amount Due, or any amount in between. Interest charges will apply when you don't pay the full Closing Balance.

It is your responsibility to keep your contact details up to date at all times. You must inform us immediately if there are any changes to your mailing address or email address to which we send statements or other communications.

We are not responsible if you do not receive any communication from us (such as a statement or an Account alert) because you failed to keep your contact details updated.

## **Minimum Amount Due**

You agree to pay us at least the Minimum Amount Due by the due date specified in your statement.

The Minimum Amount Due is calculated as set out in the FPO Financial Table.

You can always pay us (i) more than the Minimum Amount Due, (ii) before the due date, (iii) more often than once a month, or (iv) the outstanding balance at any time.

Please note that credits for example as a result of goods that are returned to a merchant or a service fee credit, do not constitute a payment and do not satisfy the requirement to pay the Minimum Amount Due.

## **Allocation of your payments**

When utilising the FPO facility on your Linked Account, we will normally apply payments received from you in the following order:

- first, to Interest Charges;
- second, to Account Fees;
- third, to any Overdue balance;

- fourth, to any balance on your statement exceeding your FPO Limit;
- fifth, to any balance on your statement within your FPO Limit;
- sixth, to any charges that have not yet appeared on your statement.

Within any category of items, we apply payments first to the item with the lowest interest rate or, for items on the same interest rate, first to the oldest item.

## **Interest**

If you elect to utilise the FPO facility on your Linked Account, each Charge that you or any Employee Card Members make will constitute a loan from us to you.

### **How do you receive an interest grace period for purchases on your Card?**

Interest will not be charged on Charges during the interest grace period. You will have an interest grace period for purchases of the number of days set out in the "Maximum duration of interest free period" section in the FPO Financial Table from the statement date on your statement to the payment due date (due date) or as otherwise notified to you if every month we receive payment in full by the payment due date.

Payment in full is identified as the Closing Balance on your statement.

## **Interest on other charges**

Billed interest is included in the balance on which interest is calculated. Interest is charged on billed interest in the same way (including a grace period) as set out above.

### **How do we calculate interest and when is it added to your statement?**

**Interest on Charges:** Any interest on a Charge applies from and including the day it is made (also referred to as the transaction date on your statement), or from the first day of the statement period in which the Charge is first debited to your Account, if that is later, until the day we receive payment in full and credit your Linked Account.

Interest is calculated each day during a statement period on the daily closing balance of Charges on which interest is payable (taking into Account any payments or credit to the FPO facility of your Linked Account) at the daily rate (which is the annual interest rate divided by 365). We add together the interest charges for each day and the total interest for the statement period is then charged to the FPO facility on your Linked Account and will appear on your statement on the last day of the statement period identified as "interest charge". If different interest rates apply to different parts of the balance on the FPO facility of your Linked Account, we will separately calculate each daily closing balance and interest in the same manner. Daily closing balances with a credit balance are treated as zero (0).

## **What interest rates apply to the FPO facility on your Linked Account?**

We charge interest at the annual percentage rate or rates (called interest rate) set out in the FPO Financial Table, or as otherwise notified to you from time to time. The interest rate(s) applicable to a billing period will be set out on your statement.

## **Authorisation**

We may require Charges to be authorised by us before they are accepted by a merchant. We may refuse any request for authorisation of a Charge on reasonable grounds, including for example and without limitation where we suspect the Charge is fraudulent, is subject to Australian or United States sanctions or does not comply with this FPO Agreement, or where we reasonably believe that you may be unable to fulfil your obligations under this FPO Agreement.

In some cases, a merchant may authorise a Charge in advance and your available FPO limit will be reduced by the amount of the authorisation. For example, when you rent a car, the merchant may initially authorise the full amount of the proposed car rental charge. This means that your available credit will be reduced by that amount, which may (i) restrict your ability to make further Charges to the FPO facility of your Linked Account or (ii) increase the amount due and payable.

## **Default/Closing the FPO facility on your Linked Account**

We may treat the FPO facility on your Linked Account as being in default at any time in the event that you or the business fails to comply with your obligations under this FPO Agreement such as failure to make any payment when it is due, failure to pay any amounts payable in accordance with this FPO Agreement to reduce the unpaid balance to your FPO limit or if any form of payment is returned or not honoured in full.

We may also consider the FPO facility on your Linked Account to be in default at any time if any statement made by you or the business to us in connection with your Account was false or misleading, you or the business breach any other agreement that you may have with us or with any of our related bodies corporate, or if bankruptcy or other creditor proceedings are threatened or initiated against you or the business or we have any reason to believe that you may not be creditworthy.

If you are in default and subject to applicable law we may at our discretion require that you pay all sums owing on the FPO facility on your Linked Account including unbilled Charges that may not be shown on your statement.

The inclusion of previously billed minimum payments, any portion of dishonoured payments and any over-limit amounts in the Minimum Amount Due section of your statement will not constitute a waiver by us of any default.

In the event of any default, you will also be responsible for all reasonable costs incurred by us or our agents including legal advisers, in recovering any amounts unpaid and in protecting ourselves from any harm we may suffer as a result of the default.

### **You may Cancel the FPO facility on your Linked Account**

You or the business may end this FPO Agreement at any time by paying off all amounts owing on the FPO facility on your Linked Account and requesting the cancellation of the FPO facility on your Linked Account.

We will only cancel the FPO facility on your Linked Account when you have paid off all amounts you owe us.

### **We may Cancel the FPO facility on your Linked Account**

We can end this FPO Agreement or cancel your FPO facility immediately in accordance with the "We May Close Your Account or Cancel Any Card" section of your Linked Account Agreement.

We may also terminate this FPO Agreement at any time with 30 days' notice with or without a reason.

If we take such action, you will still be obligated to pay all amounts owing on the FPO facility on your Linked Account.

If we end this FPO Agreement you must immediately pay any sums that are due and payable and continue to pay the Minimum Amount Due. We will only close the FPO facility on your Linked Account when you have paid off all amounts you owe us.

You will continue to be responsible for all Charges made using your Card, including recurring Charges until your Card is no longer used and any recurring Charges are stopped.

### **Incorporation of Linked Account Agreement**

In addition to the obligations set out in this FPO Agreement, the following sections of your Linked Account Agreement, and related definitions, are incorporated into this FPO Agreement and apply to your use of the FPO facility on your Linked Account:

- Use of your Card(s)/Codes
- Permitted Uses
- Prohibited Uses
- Statements (although see additional details set out in this FPO Agreement)
- GST Itemisation on statements
- Liability
- Card is our Property
- Payments
- Payments to Third Parties
- Charges made in Foreign Currencies
- Employee Card Members
- Recurring Charges
- Renewal and Replacement Cards
- Privacy (including the American Express Privacy Statement)
- Lost and Stolen Cards and misuse of your Account
- Liability for Unauthorised Charges
- Changes
- Assignment
- Severability

- Suspension
- Communicating with you
- No waiver of our rights
- Complaints and problems with good or services Purchased
- Assignment of claims
- Examples
- Governing Law
- Taxes, duties and exchange control
- Complaints

## **Limitation of our Liability**

We are not responsible or liable to you or any Employee Card Member for:

- any delay, failure or any refusal by a merchant to accept the Card;
- our refusal to authorise a Charge
- goods and services you charge to your Card, including any dispute with a merchant about goods and services charged to your Card; and
- except in relation to our liability set out in the EFT Code of Conduct (where applicable), loss of profits or any incidental, indirect, consequential, punitive or special damages regardless of how they arise.

If any warranties or conditions are implied under the *Australian Securities and Investments Commission Act 2001* or any similar law in respect of goods or services supplied under this FPO Agreement or in connection with a Card, then our liability for a breach of any such warranty or condition is limited to:

- in the case of goods, the replacement cost of the goods, the supply of equivalent goods, the repair of the goods, or the cost of having the goods repaired;
- and in the case of services, the supplying of the services again, or the payment of the cost of having the services supplied again.

**Postal Address**

American Express Australia Limited  
Card Member Services  
GPO Box 1582  
Sydney NSW 2001

**Lost or Stolen Cards  
in Australia**

Telephone: 1300 132 639

**Overseas**

Call collect (reverse charges) to Australia  
+61 2 9271 8666

**Account Enquiries**

Telephone: 1300 132 639 (In Australia)  
Internet: [americanexpress.com.au](http://americanexpress.com.au)



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