

PRODUCT GUIDE



ABN: 68087650182

AFSL No. 238316

Product Guide

Date: 1/8/2006

This Product Guide is current from the above date and also includes our current Fees and Charges brochure from time to time.

Your Credit Union Product Guide

Your Product Guide provides information about Hunter United Credit Unions cheque facility to help you make an informed decision on whether to open this facility with us.

Your Product Guide includes this brochure and our fees and charges brochure.

Membercare Statement

Please read your Product Guide and its Terms and Conditions carefully. Always retain a copy of all Product Guide documents for future reference. We will also confirm the opening and closing of all products and services in writing.

Facility Summary

Your cheque facility is designed to be linked to any On-Call or Overdraft Hunter United account. The available accounts are as follows:-

On-Call

Deeming (V.I.P)

Trading or Maximiser Acc. (Loan Products)

Facility Benefits

- Whether you're at home or away, use your convenient cheque facility to pay your bills or to purchase goods and services. All you have to do is to maintain a sufficient balance in your account to cover the value of cheques written.
- Your cheque facility can readily be utilised as your general working account. You can link your Cuecard* to this account and use it for cash or purchases; have Direct Debits paid from it or Direct Credits paid into it; and you can even have your cheque facility backed up by our Extra Credit facility to cover any shortfalls - just like having a reserve tank of money!
- Quick Call Telephone Teller or our Internet Banking facility* allows you to keep track of this facility - anytime, anywhere.

* Separate Product Guide's with terms and conditions are available for these access methods.

Things to Remember

- Always maintain sufficient funds in your account to cover payments you wish to make.
- If not properly safeguarded your cheques may be the subject of unauthorised use or alteration for which you may be liable.

Fees and Charges

Refer to our current fees and charges brochure given to you with this Product Guide.

Terms and Conditions of the Credit Union's Cheque Scheme

1. In signing the Application (or upon prior issue by you of a cheque or the making of a deposit under the Scheme) you, the member, acknowledge that (subject to acceptance by your Credit Union) you agree to these terms and conditions and that you have appointed both your Credit Union and CreditLink Services Ltd ("CSL") as your agent and that you have authorised each of them to:-
 - (a) Conduct accounts ("the Bank Account") with Westpac Banking Corporation ("the Bank") to enable you to draw cheques for payment for goods and services out of the funds in your account with your Credit Union which is dedicated either exclusively or otherwise to the Cheque Scheme (the "Credit Union Account") and make deposits to the Bank in accordance with these terms and conditions; and
 - (b) Transfer funds to the Bank Account from your Credit Union Account to meet the amount of cheques or payment orders ("a cheque") that you or your Authorised Signatories have signed and to meet the value of all costs, taxes or charges made or incurred by your Credit Union or the Bank.
 - (c) Disclose to the Bank such information relating to your Credit Union Account as is necessary to process all transactions carried out by you.
2. It is your responsibility to ensure that all cheques drawn by you are properly authorised and completed.

Any cheque presented for payment which is undated; unsigned or without a payee included may be dishonoured.

3. No cheques will be cashed by the Bank unless prior arrangements have been made between you, the Credit Union and the Bank. Your Credit Union shall accept no liability of any kind as a result of the party who presents a cheque for a special answer treating any lapse of time as a dishonour of the cheque.

4. If the amount of any cheque presented for payment to the Bank exceeds the Available Balance (as defined in Clause 5 below) in your Credit Union Account at the time the cheque is presented, your Credit Union may instruct the Bank to refuse to pay the cheque. In such event, the Credit Union will advise you in writing, by ordinary pre-paid post, as soon as practicable, but will incur no liability for failure to do so. Where the Bank refuses to pay a cheque in accordance with this condition, or in accordance with any other condition, your Credit Union may, at its absolute discretion, debit to your Credit Union Account any costs incurred through such refusal, any such costs shall be a debt from you to your Credit Union.

5. The "Available Balance" includes any funds lodged in your Credit Union Account, any unused overdraft or other agreed credit facility made available for your Credit Union Account. The Available Balance does not include deposits received but uncleared in accordance with the policy of your Credit Union, nor does it include interest accrued but not credited or deposits in transit.

6. If your Credit Union Account is held in the name of two (2) or more persons, all funds in that account and the Bank Account will be held jointly. The expression "member" includes all such persons jointly and severally. If one of the parties should die, any balance in these accounts shall accrue in accordance with the law of survivorship for the time being in the State in which Credit Union is incorporated.

7. If you want to stop payment on any cheque, you must advise your Credit Union before the cheque is presented to the Bank for payment. Your Credit Union is

only required to instruct the Bank to stop payment on any cheque when the Credit Union's standard stop payment notice has been correctly completed, signed and delivered to your Credit Union.

8. In the event that a correctly authorised and presented cheque exceeds the available balance of your Credit Union Account, you hereby authorise your Credit Union, (but is under no obligation so to do), to transfer to that account from any other account or accounts held with your Credit Union in the name or names of the member, sufficient funds (within the Available Balance of such other account or accounts) to allow payment of the cheque. The Credit Union may, at its absolute discretion, debit a fee, as determined by it from time to time, to your Credit Union Account for each and every such transfer, and such fee shall be a debt from you to your Credit Union. Notwithstanding this condition, your Credit Union shall be held harmless from any claim whatsoever from you or any other person or organisation, should your Credit Union fail or refuse to make such a transfer.

9. If your Credit Union for any reason and without reference to you pays a correctly authorised and presented cheque that exceeds your Available Balance, then you shall incur a debt to your Credit Union for the amount by which the cheque exceeds the Available Balance. In such circumstances, the debt shall be repayable by you immediately upon the written demand of your Credit Union. If you fail to repay such debt, then you shall be required to pay all costs and expenses whatsoever incurred by your Credit Union in collection of that debt.

10. You acknowledge that the Bank may refuse to pay or dishonour any cheque that is drawn by you under the Cheque Scheme and presented for payment, regardless of the state of your account with your Credit Union Account if:

(a) the Bank receives a direction from CSL to dishonour the cheque, whether or not such direction is authorised or justified;

(b) at the time of presentment of the cheque, or at any time within which the cheque may be dishonoured under the then current practice of bankers:

(i) CSL fails or omits to pay to the Bank, an amount in cleared funds equal to the face value of the cheque;

(ii) A petition is lodged or an order is made or a resolution is passed for the winding up of CSL or placing it under official management or any ground for its winding up has arisen or any meeting is convened for the purpose of considering any such resolution or any resolution for any arrangement or composition with creditors or a receiver of its undertaking or property or any part thereof is appointed or an Administrator is appointed or it stops payment generally or without the consent of the Bank ceases or threatens to cease to carry on business or the major part thereof; or

(c) the cheque drawing and deposit facility is terminated.

11. The Bank may disclose to your Credit Union and to CSL all information relating to your participation in the Scheme and the transactions effected on your behalf.

12. You will pay such charges as shall be determined by your Credit Union from time to time in relation to all transactions and to all cheques drawn on or deposits made to the Bank pursuant to the Cheque Scheme.

13. You agree that the rights and liabilities of your Credit Union in relation to its services pursuant to the Cheque Scheme shall be as if your Credit Union were a drawee institution as defined in the Cheques Act 1986.

14. Any cheque received by your Credit Union before it receives a written notice of cancellation or variation of authority may be paid by your Credit Union in the normal course of business.

15. The terms and conditions of use may be varied from time to time. Following notice to you, the issue of a cheque by you or the making of a deposit under the Cheque Scheme will indicate your acceptance of the variation.

16. Your Credit Union reserves the right to withdraw the cheque drawing and deposit facility at any time. No cheques may be issued by you after the facility has been withdrawn.

Things you should know about your cheque facility

This information does not apply to the cheque a credit union gives you when withdrawing funds from your account.

How long does it take to clear a cheque?

When you deposit a cheque to your credit union account it will take 5 working days to clear. During this period you will NOT be able to withdraw any of the proceeds of that cheque. However, there are some exceptions to allow you immediate access to the proceeds of the cheque. Please check with your credit union as to these circumstances. Also when depositing the cheque, you can ask your credit union for a special clearance on the cheque. Your credit union will tell you how long it will take to specially clear and the amount of any special clearance fee.

Crossing a cheque 'not negotiable' or 'account payee only'

If you cross a cheque, it is a direction to your financial institution to pay the cheque into an account at a bank or other financial institution. A crossing does not actually prevent the cheque being negotiated or transferred to a third party before presentation to a bank or financial institution for payment.

- example of 'Not Negotiable' crossing:

XYZ Credit Union Limited		Date: ___ / ___ / ___
Pay: <u>Fred Smith</u>		
The Sum of: <u>Three hundred dollars only</u>		\$ 300.00
	NOT NEGOTIABLE	Signature _____

Crossing a cheque means drawing 2 lines clearly across the face of the cheque as shown above. When you cross a cheque or add the words 'not negotiable' between the crossing you may be able to protect yourself, but not always, against theft or fraud. This crossing sometimes

serves as a warning to the collecting financial institution, if there are other special circumstances that it should inquire if its customer has good title to the cheque.

- example of 'Account Payee' crossing:

XYZ Credit Union Limited

Pay: Fred Smith

The Sum of: Three hundred dollars only \$ 300.00

Date: / /

ACCOUNT PAYEE ONLY

Signature

When you add the words 'account payee only' between these lines you are saying that only the named person can collect the proceeds of the cheque. These words may give you better protection against theft or fraud. It would be prudent for the collecting financial institution to make inquiries of the customer paying the cheque in, if the customer is not the payee of the cheque.

Deleting 'or bearer' on the cheque.

Your pre-printed cheque forms have the words 'or bearer' after the space where you write the name of the person to whom you are paying the cheque. The cheque is a 'bearer' cheque. If you cross out the words 'or bearer' and do not add the words 'or order', the cheque is still a bearer cheque. You can give yourself more protection against theft or fraud by crossing out the words 'or bearer' and adding the words 'or order'.

How do I stop payment on a cheque?

You can stop payment on a cheque by:

- ringing your credit union with sufficient particulars to identify the cheque; your credit union may insist on written confirmation; or
- writing to your credit union, again, with sufficient particulars to identify the cheque.

You must, of course, do this before your credit union has paid the cheque. A fee is charged for each stop payment on member and counter cheques.

What do I do to reduce the risk of forgery?

When filling in a cheque:

- start the name of the person to whom you are paying the cheque as close as possible to the word 'Pay' ;
- draw a line from the end of the person's name to the beginning of the printed words 'or bearer' ;
- start the amount in words with a capital letter as close as possible to the words 'The sum of' and do not leave blank spaces large enough for any other words to be inserted; also add the word 'only' after the amount in words;
- draw a line from the end of the amount in words to the printed '\$' ;
- start the amount in numbers close after the printed '\$' and avoid any spaces between the numbers;
- always add a stop '.' or dash '-' to show where the dollars end and the cents begin and, if there are no cents, always write '.00' or '-0' to prevent insertion of more numbers to the dollar figure.
- example:

XYZ Credit Union Limited		Date: / /
Pay: <i>Fred Smith</i>		
The Sum of: <i>Three hundred dollars only</i>		\$ 300.00

Signature		

When can the credit union dishonour or not pay on my cheque?

Your credit union can dishonour your cheque or not pay on it if:

- you have insufficient funds or available credit in your account to cover the cheque;
- you have not drawn up the cheque clearly so the credit union is unsure of what you want it to do;
- you have post-dated your cheque and it is presented for payment before the date on the cheque;
- the cheque is 'stale' , that is, the date of the cheque is more than 15 months ago; or the credit union has notice of your death or mental incapacity.

Further information on the operation of your cheque facility

1. Your Cheque facility will operate on a nominated On-Call savings or Overdraft account with another nominated On-Call or Overdraft account as the support account. This means that should there be insufficient funds in your account to cover any cheque written, then automatically any funds in the support account will be used to meet the deficiency.
2. A monthly account facility fee will apply.
3. It is your responsibility to ensure there is sufficient funds in your account to cover the cheque(s) presented for payment. A fee is charged for each member cheque or deposited cheque that is dishonoured.
4. There is no cheque encashment facility available, that is cheques cannot be cashed at Hunter United offices and must be deposited to an account.
5. Should you wish to stop payment on a cheque please complete a Stop Payment Form available from any Hunter United Branch. A fee will apply.
6. You may make deposits to your Cheque Account at any branch of the Westpac Bank using the deposit forms included at the back of the wallet size payment order book. Deposits lodged with the Westpac Bank may not be drawn against until they have been credited to your Credit Union account. This should take no more than five (5) days.
7. Deposits at Hunter United Branches should be made on our normal deposit forms.
8. If your cheque book is lost or stolen please immediately notify any Hunter United Branch.

Variations

We may change these terms and conditions. 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 addressed to the membership name and membership mailing address.

Statements

We will send you an account statement 4 monthly. More frequent or duplicate statements can be requested at any time. However a fee may apply. One copy of the statement will be sent and addressed to the membership name and membership mailing address. You agree to notify us without delay of any change of address or any errors or unauthorised transactions on your statement.

Your Privacy

Hunter United recognises the importance of your privacy, and is committed to protecting personal information about you that we hold. Our Privacy Policy describes how we manage your personal information and safeguard your privacy. Please refer to our Privacy Policy located on our website www.hunterunited.com.au or a copy may be obtained from any of our branches.

If you have a complaint

First, contact a member service officer on (02) 49413888. If you need further assistance you can use our internal dispute resolution service. If we cannot resolve your complaint you can refer the matter to our external dispute resolution scheme.

How to contact us

Please contact us for more information on the product or give instructions in relation to any of your accounts by:

Mail: Hunter United Credit Union
PO Box 851
Newcastle NSW 2300

Phone: 02 49413888

Fax: 02 49562357

Website: www.hunterunited.com.au

Branches: Visit your local branch

Information on account opening, privacy, interest rates and fees and charges is available on request.

Confirmation of Issue

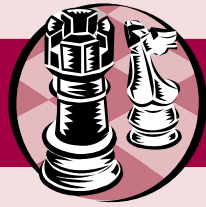
Date: _____

Member Name: _____

Product: CHEQUE MATE

Relevant Product Guide issued

Hunter United Credit Union is the product issuer, acting as principal.



CHEQUE ACCOUNT APPLICATION FORM

Major Account

Minor Account

1. APPLICATION

I/We **1** Full Name: _____
SURNAME GIVEN NAMES

I/We **2** Full Name: _____
SURNAME GIVEN NAMES

Member no. _____

Of _____

Postcode: _____

1 Where Employed: _____ Occupation: _____

Phone (H) _____ (W) _____

(M) _____

2 Where Employed: _____ Occupation: _____

Phone (H) _____ (W) _____

(M) _____

Hours of contact _____

Apply to join the Cheque Scheme described in this application form in relation to my/our account with Hunter United Credit Union.

Hunter United Credit Union is the product issuer and principal. Such cheques credits and payment orders may be signed by any one of the authorised signatories until I/we give notice of cancellation of authority.

2. AUTHORISED SIGNATORIES (Must be the same as membership authority)

The following persons whose names and signatures are set out below ("the Authorised Signatories") are authorised to sign the cheques, credits and to countermand cheques and payments of instruments pursuant to the Cheque Scheme:

Name(s)	Signature(s)
_____	_____
_____	_____
_____	_____
_____	_____

Signing Specifications:

Any one may sign

All parties to sign

Other (specify) _____



