

BCPay

Alternative payment process when Online Banking
is experiencing Operational Disruptions

Product Disclosure Statement

Effective as at 18 September 2006

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Introduction

About this PDS

This Product Disclosure Statement sets out the terms and conditions that govern BCPay. The Bank may, at its discretion, offer users of Online Banking who are affected by Operational Disruptions, access to BCPay as a short term alternative payment process. This PDS contains information about the significant features, benefits and risks of using BCPay. It also contains information about how to use BCPay.

We provide this information so that you can maximise the benefits and minimise the risk of BCPay. We also want you to be aware of all the ways in which you can access BCPay. This will assist to ensure you are able to make the most of BCPay. We encourage you to read this PDS carefully and keep it where you can refer to it in the future.

The issuer of BCPay

BCPay and this PDS is issued to you by:

Westpac Banking Corporation ABN 33 007 457 141
60 Martin Place
Sydney NSW 2000

Please read this document carefully. Your access and use of BCPay will be taken to be acceptance by you that you have read and agree to be bound by the contents of this Product Disclosure Statement.

Definitions

In this Product Disclosure Statement:

‘Online Banking’ means use of a computer to connect you to us via the Internet and carry out a range of transactions and obtain information about your accounts.

‘PDS’ means this Product Disclosure Statement.

‘The Bank’, ‘us’ and ‘we’ refer to Westpac Banking Corporation.

‘Operational Disruption’ means the unavailability of Online Banking resulting in you being specifically notified by Westpac that the BCPay 3rd party payments service may now be used.

The information in this PDS is up to date at the time it was prepared. Some information in the PDS may change from time to time. Where the change is materially adverse, we will issue a new PDS or a Supplementary PDS, which we can provide to you, free of charge, upon your request. You can call us on **1300 655 505** (8am-8pm, Monday to Friday). A paper copy of any updated information will be provided to you, free of charge, on request.

1. Significant features and benefits of BCPay

General features and benefits

BCPay is a service that allows you to make bulk payments from your nominated bank account(s) such as the processing of your payroll payments to employees and payments to creditors electronically

without the need for any special software. The type of transactions that can be processed through BCPay are credits to accounts that are held with:

- Westpac;
- Other Australian banks; or
- Bank approved Credit Unions and Building Societies (you may contact us to find out which organizations are approved).

BCPay is a service which may only be used when Operational Disruptions as defined and notified to you by us, are being experienced. Use of BCPay other than in these circumstances will result in your BCPay schedules being rejected.

Eligibility

To use BCPay you need to hold an account with the Bank that is used for business or commercial purposes. You must be a registered Business Internet Banking Licence Holder. By using BCPay you state that your use of the BCPay service is exclusively for business and commercial purposes.

Lodgement of Schedules

To make payments using BCPay you must fill out a schedule containing the details of the payments required to be made. The Schedule(s) are then sent by you to a third party (i.e. not part of the Bank), Business Interface Services Pty Ltd (‘BIS Pty Ltd’), where they are captured on behalf of the Bank. Upon receipt of BCPay schedules, BIS Pty Ltd will sort and process all schedules according to the ‘Required Processing Date’ endorsed by you, and are then transmitted on-line to the Bank’s Direct Entry system for processing.

Schedules can be emailed or faxed to BIS Pty Ltd. Emails and faxes can be interfered with, including being intercepted, viewed by unauthorised third parties, or altered without authority. By emailing or faxing the schedules to BIS Pty Ltd you accept the risk of that occurring and release the Bank and BIS Pty Ltd from any liability they may otherwise have had with regard to ensuring communications between you and them are secure.

You authorise the Bank and BIS Pty Ltd to act upon any BCPay Schedule received by facsimile or email which appears to have been issued by or with your consent.

Processing/Release Date

Subject to meeting the BCPay cut off times, for payments made to accounts held with the Bank, recipients have access to the funds on the same day. For payments made to accounts with other banks, approved Credit Unions or approved Building Societies, payments are exchanged daily but funds are not available to recipients until the payments are processed by the receiving institution.

Schedules that are received with release dates in the future are held until the nominated release date. Payments made to other institutions are exchanged on the release date that you nominate.

BCPay Cut off Times

Schedules must be received by the Sydney office of BIS Pty Ltd by 4:45 pm (Sydney time) on the required processing date. Schedules can be forwarded prior to the due processing date. Please ensure that the date

you require the schedule to be processed is clearly indicated.

BCPay Schedule Data

The following information is required on the current BCPay Schedule each time a schedule is lodged for processing:

- Date;
- BCPay user name;
- Name of contact;
- Business and after hours telephone and fax number;
- Number of pages sent;
- Required processing date;
- Account to be debited for the amount of the transactions;
- Schedule frequency;
- Credit transaction account details:
 - Value;
 - Trancode;
 - BSB and account number;
 - Account name
- Total of payments.

Panels on all schedule pages must be completed.

Please note that if you enter incorrect BSB or account numbers the payment may be rejected, or go to the wrong account and may not be recoverable by you. Receiving institutions only process using the BSB and account number, they do not process by account name and do not match account name and account number.

Cleared funds

You authorise the Bank or BIS Pty Ltd to debit your nominated account(s) for the total value of payments on the BCPay schedule. Sufficient cleared funds must be in the account to be debited on the day the payment is due. If there are insufficient cleared funds available in the account to be debited on the due date and no other arrangement exists at that time to allow that account to be overdrawn, the Bank does not have to make the payments. If the Bank does make the payments in the absence of sufficient (cleared) funds, then fees and charges may be payable by you.

BCPay Security

BIS Pty Ltd will carry out the following checks to satisfy itself that the received schedules have been authorised by an approved person:

- Company/firm listed on the schedule is a current Business Internet Banking customer;
- Account to be debited is correct;
- Schedule has been signed (if faxed);
- All pages have been received.

If any of these conditions are not met, BIS Pty Ltd will not process the schedule before contacting you and verifying that the request is legitimate.

BIS Pty Ltd is under no obligation to verify the authenticity or accuracy of any email instruction received from you or purporting to have been sent by you.

It is your responsibility to ensure that only authorised

personnel from within your organisation are permitted to originate BCPay requests. You should keep secure your BCPay details, schedules and nominated account details so that BCPay is not used by unauthorised persons.

Data format

BCPay Schedules should be provided in the standard format. If typed or computer printed, the type size must be sufficient to allow easy recognition of data after the schedule has been faxed. If handwritten, block letters must be used on a Bank approved 'BCPay Schedule' (or photocopy thereof). The BCPay Schedule must be completed in full before processing can take place. Upon receipt of BCPay schedules, BIS Pty Ltd will sort and process all lists according to the 'Required Processing Date' endorsed by you. BIS Pty Ltd will then check all lists received to ensure that:

- Necessary sections have been completed; and
- The items stated and the actual total agree.

Discrepancy in your Schedule

If a discrepancy is detected where the value details exceed the schedule total by an amount in excess of \$100.00, BIS Pty Ltd will contact you, agree the correct amount and upon confirmation process the schedule. If a discrepancy is detected, where the schedule total exceeds the value details by \$100.00 or less, BIS Pty Ltd will attempt to obtain correct details from you. However they will amend the schedule total to agree with the value details and process the schedule if they cannot contact you prior to the processing cut-off time.

BCPay Schedule Amendments

Any amendment required to a schedule by you after initial lodgement with BIS Pty Ltd and prior to transmission of data, must be in writing to BIS Pty Ltd. Any amended BCPay schedule must be clearly marked as an amendment.

If BIS Pty Ltd locates any error other than the sort referred to in the above paragraph (under the heading 'Discrepancy in your Schedule'), their Help Desk will contact you for instructions. In all instances, written confirmation is still required before the changes will be accepted.

Rejected Transactions

If items reject prior to processing, all endeavours will be made by BIS Pty Ltd to contact you and obtain correct details. Once the data has left BIS Pty Ltd, any items that reject go back to your nominated account by the rejecting institution. Details of the item will appear on the statement for your nominated account.

Termination of BCPay service

You are entitled to use the BCPay service only for the period that you are affected by Operational Disruptions as previously defined. When functionality is restored, you must resume using Online Banking.

Failure to resume using Online Banking once

functionality is restored will result in the rejection of your BCPay schedules.

If the Operational Disruptions continue, the Bank may provide you with an alternative payment process such as ListPay.

Liability

The Bank's liability with respect to the BCPay service shall be limited to the extent permitted by the Trade Practices Act or other applicable law. Subject to this the liability of the Bank shall be limited at the Bank's option to the supplying of the services again or the payment of the cost of having the services performed again.

This limitation of liability shall not apply to the extent that the Bank or BIS Pty Ltd is negligent in failing to comply with a written request for amendment or cancellation of a BCPay schedule properly given or where the Bank, BIS Pty Ltd or their officers, respectively, act fraudulently.

Help Desk

Westpac maintains a 'Help Desk' facility for dealing with your BCPay queries both before and immediately after the processing of each schedule. You may contact the Help Desk by telephoning 1300 655 505 between 8am and 8pm Monday to Friday from anywhere in Australia.

2. Significant risks associated with using BCPay

The following are significant risks associated with using BCPay:

- If you provide incorrect details in a schedule (i.e. incorrect account details or amounts to be paid):
 - The receiving institution does not match account name and account number;
 - Your money may be paid to the wrong person and you may not be able to recover that money;
 - An incorrect amount may be paid to a person and you may not be able to recover an overpayment; and
 - The transaction may not be processed;
- Payments may not reach the recipient by the required time; and
- You are generally liable for all payments made using your BCPay service.

In order to minimise these risks, you should ensure that procedures are in place for the correct completion of schedules and the sending of schedules before the cut off time. You should also ensure that only authorised persons use your BCPay service.

3. Changes to terms and conditions

We may change the terms and conditions that apply to BCPay at any time and will notify you of any changes.

You agree that we will notify you of changes as set out in the table below.

Type of Change	Time Frame	Method of Notification
New fee or increase to a fee	30 days in advance	In writing, electronically or through an advertisement in a major newspaper
Government Charges	In advance of the charge, or as soon as practicable afterwards, unless the charge has been publicised by a government agency, government or representative body	In writing, electronically or through an advertisement in a major newspaper
Any other term or condition	In advance of the date of the change	In writing, electronically or through an advertisement in a major newspaper

There may be circumstances which require us to change the terms and conditions of your BCPay service without giving you notice, for example where emergency measures have to be taken to restore or maintain the security of our systems.

By "electronically", we mean:

- Electronic communication to your nominated electronic address, or
- Making particulars of changes available on the Business Online website,

and only where permitted by legislation and any relevant industry codes.

If required, we may issue a PDS (such as if the change was Materially adverse to you).

4. General information

Code of Banking Practice

The Code of Banking Practice will apply to your BCPay service if you are an individual or small business (as defined in the Code of Banking Practice).

Privacy and Confidentiality

Westpac's Privacy Policy explains our commitment to the protection of your personal information. You may obtain a copy of our Privacy Policy by:

- Telephoning Business Telephone Banking on 132 142;
- Asking at any of our branches; or
- Visiting our website at www.westpac.com.au

In addition to our duties under legislation, we have a general duty of confidentiality towards you, except in the following circumstances where:

- Disclosure is compelled by law;
- There is a duty to the public to disclose;
- The interests of the Bank require disclosure; or
- Disclosure is made with your express or implied consent.

5. Obtaining additional information and disputes

What to do if you have a problem or dispute

Our service approach

If you have any problems with the service that we provide, we would like to hear about them. When you provide feedback, we have an opportunity to improve our service to you.

When we make a mistake or our service does not meet your expectations, please be assured that we will aim to find a solution for you in the fastest possible time. We will take action when things go wrong because problem resolution is a priority for us.

If you have a complaint

It is your responsibility to, firstly, notify us of the situation. Your first point of contact should be your Relationship Manager or branch. In the vast majority of cases, complaints can be dealt with quickly without further intervention.

OR

Contact us 24 hours a day, 7 days a week from anywhere in Australia, by:

- Phone: 1300 130 467;
- Email: via our website – www.westpac.com.au and click on 'Contact Us';
- Fax: (02) 9226 6597; or
- Mail: GPO Box 5265, Sydney NSW 2001.

We will aim to resolve the matter when you first contact us. If we cannot resolve your issue there and then, we will commit to taking the following steps:

Step 1 – Let you know who is handling your complaint.

Step 2 – Keep you informed of what is happening;

Step 3 – Aim to resolve your complaint within 5 working days.

What if you feel your complaint has not been resolved?

If you feel your complaint has not been properly handled or resolved, we invite you to contact our Customer Advocate on 1300 301 977 for a further review. The Advocate's role is to understand and represent your interests within the Bank and help us ensure that you have the best possible experience. If, as an individual or a small business customer, you are still not satisfied, you are able to refer your complaint to the Banking and Financial Services Ombudsman, GPO Box 3A, Melbourne VIC 3001, phone **1300 780 808**.