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中国银行 全球服务

ALWAYS WITH YOU

Outward Remittance

Product Disclosure Statement & Terms and Conditions

Effective as at 22 November 2015



中國銀行
BANK OF CHINA



This booklet, along with the Schedule of Fees and Charges and Terms and Conditions, comprises the Product Disclosure Statement (**PDS**) issued by Bank of China (Australia) Limited ABN 28 110 077 622 AFSL 287322 (**Bank/we**) for the Bank's Outward Remittances Service. The information in the PDS is current at as 22 November 2015 and is subject to change from time to time in accordance with all laws.

By applying for a product, you consent to receive notice of changes to this PDS via our website, email or in an advertisement in a prominent newspaper circulating nationally. You may elect to receive notice of changes to this PDS solely in writing (other than by email) by contacting us, at no additional cost. You can obtain the current version of our PDS (including the Schedule of Fees and Charges) from the Bank's website at any time or in the Bank's retail branches in Australia during normal business hours free of charge. Please see the relevant Terms and Conditions for further details.

The invitation to use the Outward Remittance described in this PDS is only available to persons receiving the PDS in Australia and the Bank is not bound to accept an application from you.

The Bank's contact details are as follows:

39-41 York Street Sydney NSW 2000

Customer Service: 1800 095 566

Overseas: +61 2 8235 5888

Fax: +61 2 9262 1794

Email: personal.au@bankofchina.com

Website: www.bankofchina.com/au

Details for each of the Bank's retail branches in Australia are available on our website at <http://www.bankofchina.com/au>.

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Introduction

This booklet, along with the Schedule of Fees and Charges and Terms and Conditions, comprises the Product Disclosure Statement (PDS) for the Bank's Outward Remittances. This PDS contains information about the Outward Remittances provided by the Bank which will assist you to:

- decide if this product meets your needs; and
- compare this product with similar products.

This PDS has been prepared without taking into account your objectives, financial situation or needs. Therefore, if you wish to process outward remittances with the Bank, it is important for you to consider the appropriateness of the product having regard to your objectives, financial situation and needs. Please read and understand the PDS carefully before making any decision.

Part 1: Product Disclosure Statement

Section 1: Products Information

1. What are outward remittances?

Outward remittances are the transfer and payment of funds

overseas or within Australia to the beneficiary (or payee) in accordance with your instructions.

The Bank offers two common methods of outward remittances:

- (1) telegraphic transfers; and
- (2) demand drafts.

The Bank acts as the 'remitting bank' for its customers in accordance with the customer's payment instructions. If the beneficiary's bank maintains an account with the Bank, payment will be directly sent to the beneficiary, otherwise the payment instructions will be processed through the intermediary or correspondent bank to the beneficiary's bank.

2. Telegraphic Transfers

2.1 What is a Telegraphic Transfer?

A telegraphic transfer is an electronic message initiated by one financial institution directing another financial institution to make a payment on its behalf. The payment is routed to the beneficiary's financial institution directly or indirectly by using an intermediary or correspondent financial institution(s), clearing and payment systems and message platforms. The platforms that the Bank uses for sending payment instructions are known as the Society for Worldwide Interbank Financial Telecommunications (**SWIFT**) and the local Payment Delivery System. Once the beneficiary's financial institution receives the payment instructions, the beneficiary's financial institution will credit funds that you sent to the beneficiary's account. Please note that this is contingent on the Bank being provided with accurate and complete payment instructions.

Telegraphic transfer is one of the most expeditious and safest methods of transferring funds to overseas accounts.

2.2 How long does a Telegraphic Transfer take?

Normally, the Bank processes the payment instructions within 1 Business Day of receipt of an application for telegraphic transfer from you. If the Bank is provided with the correct and complete payment information, it generally takes 2-3 Business Days after the transaction has been processed before the beneficiary receives the payment. However, it may take longer depending on:

- the financial institution and the country to which the payment is being directed (for example, some financial institutions may take more time to credit funds to the beneficiary's account or to comply with the relevant compliance requirements)
- the currency being sent
- local or overseas foreign exchange regulations
- local or overseas payment and settlement procedures and systems
- the amount of the transaction
- whether the country where the payment is being sent has a public holiday when the funds are received.

2.3 What countries can I send money to and in which currencies?

The Bank can send outward telegraphic transfers to many countries in the world (for example, mainland China) and over different currencies such as Australian Dollar (AUD), United States Dollar (USD), or Chinese Yuan (CNY). Please contact any of the Bank's retail branches in Australia for a complete list of countries to which payments can be sent and the available currencies.

2.4 Account and Beneficiary Details

It is very important to communicate to the Bank accurate and complete beneficiary details as well as the account details that the funds will be transferred to when sending a telegraphic transfer. Mandatory information that is required to be completed by you for sending outward telegraphic transfers includes:

- (1) beneficiary's full name;
- (2) full name of the beneficiary's financial institution;
- (3) a SWIFT Bank Identifier Code (BIC), or SWIFT code-, and/or BSB number of the beneficiary's financial institution;
- (4) You may also need to provide some additional information when sending a telegraphic transfer to the following countries:

- USA: ABA or routing code
 - Europe: International Bank Account Number (IBAN)
 - UK: IBAN and sorting code
 - New Zealand: Bank Code
 - Malaysia: National ID number or company number
 - Canada: Transit Number and Beneficiary Address
- (5) the beneficiary's account details with its financial institution; and
- (6) if your funds will need to be processed through an intermediary bank, the details of the intermediary financial institution such as its name and SWIFT BIC or SWIFT code or other necessary routing code such as CHIP UID or FREWIRD ABA.

It is your responsibility to confirm the correct bank routing for the outward telegraphic transfer with the beneficiary's financial institution.

If you provide us with incorrect or incomplete account and/or beneficiary information, your payment may be investigated, returned, delayed or lost. Please note that the Bank cannot send payments to certain sanctioned countries or individuals and businesses prohibited under Australian law and other countries' laws.

2.5 Payment methods

For outward telegraphic transfers, you can make payments in the following ways:

- **over-the-counter** at any of the Bank's retail branches in Australia by debiting your account held with the Bank
- **funds transfer via Internet Banking:** if you registered with us for internet banking, you are able to transfer funds (domestically and internationally) from your selected savings or cheque accounts to other accounts held (by you or others) with us in Australia or with other financial institutions. A funds transfer conducted through business internet banking may require a foreign currency exchange in order to make the

transfer to the destination account. For more information, please refer to the Bank's Internet Banking PDS and Terms and Conditions. You can obtain the current version of these documents on the Bank's website at any time or in the Bank's retail branches in Australia during normal business hours.

- **funds transfer via fax or email instructions:** if the Bank has accepted your request to give instructions by fax or email (the acceptance of which is subject to the Bank's absolute discretion and only available in limited circumstances), you are able to transfer funds (domestically and internationally) from your selected accounts to other accounts held (by you or others) with us in Australia or with other financial institutions depending on your instructions. A funds transfer conducted in this way may require a foreign currency exchange in order to make the transfer to the destination account.

You must pay us in full and using cleared funds for the amount of any telegraphic transfer transaction as well as any applicable service fees and charges either charged by the Bank or by other financial institutions (for example, the Bank's or the beneficiary financial institution's intermediary bank). The Bank will only process your payment once cleared funds are received. The Bank cannot be held liable for payment delays associated with not processing your transaction while waiting for funds to be cleared. For example, it may take 4 Business Days before a cheque can be cleared.

2.6 Cut-off Time

If you transfer funds in Australian Dollars (AUD) to the beneficiary's account in Australia, the transaction will normally be processed through the local clearing and settlement system (normally by Real Time Gross Settlement (RTGS)) which have applicable cut-off times. Therefore, if you would like your payment instructions to be processed on the same day, you must provide us with your payment instructions prior to 3.30pm (AEST) on any Business Day.

If you transfer funds overseas in AUD and would like the payment instructions to be processed by the Bank on the same day, you must place your payment instructions with us prior to 4.30pm (AEST) on any Business Day. Otherwise, your payment will be processed on the next Business Day.

However, if you would like to transfer funds in certain foreign

currencies, the local cut-off time for processing payment may vary. It is therefore important for you to contact the Bank to find out the relevant cut-off time if you would like the payment instructions to be processed on the same day.

Please note that, while the beneficiary of an outward telegraphic transfer generally receives payment within 3 Business Days after your payment instructions have been processed, it may take longer largely depending on the financial institution and the country to which funds are being sent.

2.7 Fees and Charges

Fees and charges may apply in relation to Telegraphic Transfers. For further details please refer to clause 17 of the Terms and Conditions and the Bank's Schedule of Fees and Charges.

3. Demand Drafts

3.1 What is a Demand Draft?

A demand draft is an instrument made out to your nominated beneficiary/payee in a specified single currency, which can be used to make payments in a foreign currency to a beneficiary/payee overseas. Therefore, as long as you have no time constraints, and you are looking for a cost effective way to send funds overseas, then you can choose to use a demand draft. Demand drafts are also a good alternative to carrying cash while travelling overseas.

3.2 What currencies are available?

Demand drafts are available in a wide range of currencies such as AUD, USD, HKD, SGD, EUR and JPY. Please contact any of the Bank's retail branches in Australia for a complete list of countries to which payments can be sent and the available currencies.

3.3 For how long is a demand draft valid?

Demand drafts are valid for 12 months from the issue date of the demand draft to the date when the value of the demand draft is credited to the payee's account or paid to the payee, during which the payee is able to present the demand draft for payment.

3.4 How does the demand draft work?

It is your responsibility to deliver the demand draft to the payee. You can choose to send the demand draft by post or by hand or by other ways that you consider most suitable for you.

Once the demand draft is received by the payee, the payee is able to present the demand draft for payment at any financial institution located in the same country as the paying bank, provided that the paying bank is satisfied with the authenticity of the demand draft and the identification of the payee. However:

- (1) If the payee's bank (where the payee presents the demand draft for payment) is the paying bank nominated in the demand draft, the payee will be able to receive payment immediately and have the choice of depositing the funds into the payee's own account or receiving payment by cash.
- (2) If the payee's bank (where the payee presents the demand draft for payment) is not the paying bank nominated in the demand draft, payment by the Bank against a demand draft is made following presentation of the demand draft by the payee's bank to the paying bank nominated in the demand draft and a period of clearance. This is known as payment on a collection basis and means that there is a delay between the date when the payee physically receives the demand draft and the date when the payee receives value for the demand draft. Clearance time may vary from country to country and from bank to bank. Therefore, the payee is unlikely to receive payment immediately after presentation.

You should inform the payee that there may be costs associated with the presentation of the demand draft and that the payee may have to pay for such costs. Costs may vary from country to country and from bank to bank. The Bank cannot provide you with information regarding the costs incurred from other financial institutions.

3.5 Account and Beneficiary Details

It is your responsibility to provide the Bank with accurate and complete information when purchasing a demand draft. Mandatory information that you must complete in order to purchase a demand

draft includes:

- (1) the payee's full name;
- (2) currency and amount of the demand draft;
- (3) full name of the paying bank; and
- (4) a SWIFT Bank Identifier Code (BIC), or SWIFT code, and/or BSB number of the paying bank.

Please note that the Bank cannot send payments to certain sanctioned countries or individuals and businesses prohibited under Australian law and other countries' laws.

3.6 Payment methods

For demand drafts, you can make payments in the following ways:

- **over-the-counter** at any of the Bank's retail branches in Australia by debiting from your account held with the Bank
- **funds transfer via fax or email instructions:** if the Bank has accepted your request to give instructions by fax or email (the acceptance of which is subject to the Bank's absolute discretion and only available in limited circumstances), you are able to purchase a demand draft by sending us a request via fax or email. Subject to the verification of the authorised signatory's signature, the Bank will deduct the amount of the demand draft together with any associated fees and charge from your selected accounts held with us in Australia. A funds transfer conducted in this way may require a foreign currency exchange in order to issue the demand draft. You can collect the demand draft from the Bank's branches or instruct us to send the draft to you. However, it is your responsible to pay the associated delivery costs and the Bank will not be liable for acting upon your instructions if the demand draft is lost or missing.

You must pay us in full and in cleared funds for the amount of the demand draft as well as any applicable service fees and charges either charged by the Bank or other financial institutions (for example, the Bank's or the paying bank's intermediary/correspondent bank). The Bank will only issue the demand draft once cleared funds are actually received. The Bank cannot be held liable for payment delays associated with not processing your transaction while waiting for funds to be cleared.

3.7 Fees and Charges

Fees and charges may apply in relation to Demand Drafts. For further details please refer to clause 17 of the Terms and Conditions and the Bank's Schedule of Fees and Charges.

Section 2: General Information

1. What are the significant benefits?

1.1 The significant benefits of telegraphic transfers

- Telegraphic transfers provide a fast, efficient and economical way of transferring funds to a specific company or person domestically or overseas;
- Telegraphic transfers can be made in many currencies. The availability of currencies is subject to change;
- When you request a telegraphic transfer in a foreign currency, the exchange rate is set at the time of request.

1.2 The significant benefits of demand drafts

- Demand drafts may be enclosed with letters or invoices and forwarded directly to the payee;
- In the event that the demand draft is lost or stolen, and after a stop payment has been confirmed by us, we will refund the money or issue a new demand draft to you;
- Demand drafts provide an economical way of transferring funds to a specific company or person overseas;
- Demand drafts can be made in many currencies. The availability of currencies is subject to change.

2. What are the key risks?

The products offered in this PDS are low risk products. The risks that these products may involve include:

2.1 The key risks of telegraphic transfers

- In the event of cancellation, any refund will be calculated at the current prevailing exchange rate on the date when you receive the refund which may cause a foreign exchange loss due to the

foreign currency fluctuation.

- There is a risk that payment may be delayed or become lost if incomplete or inaccurate payment instructions are provided. For example, the paying bank may be unable to contact the beneficiary due to incomplete details provided by you (the remitter). Further instructions would normally be sought from you by the Bank. If you are unable to instruct the Bank with further contact details of the beneficiary, the funds will be returned to the Bank so that they can be refunded to you.
- The Bank uses a range of correspondent financial institutions to enable payments to be effected. There is a risk that payments may be delayed by one or more of these institutions due to reasons outside our control.
- Depending on the fee arrangement with correspondent financial institutions that assist the Bank to process the payment, the amount of payment actually received by the beneficiary may not necessarily be the same as requested.
- For facsimile and/or email instructions, there is a risk of fraudulent facsimile instructions that can be made by someone who has access to your business details and the authorised signatories' specimen signatures. You should pay extra attention and care. We reserve the right to implement additional security checks at any time.

2.2 The key risks of demand drafts

- If you notify the Bank of a lost or stolen demand draft after it has been presented for payment, the Bank will be unable to stop payment on your demand draft and will not re-issue a new demand draft or refund any amount to you. Please ensure the safe keeping of the demand draft.
- When you purchase a demand draft in a foreign currency, the exchange rate is set at the time of purchase. Therefore, the payee of the demand draft may not obtain any benefit if there is a favourable movement in the exchange rate between the time when you purchase the demand draft and the time when the demand draft is presented for payment by the payee.

3. How can you access further information relating to outward remittances?

Further information may be obtained from any branch of the Bank in Australia. Full contact details for the Bank are provided on the website www.bankofchina.com/au

4. Dispute Resolution Process

4.1 Do you have a complaint or query?

The Bank prides itself on the standards of service and fairness with which we treat you, our valued customer. However, if you feel we have fallen short of these ideals, these guidelines have been prepared to assist you to have your complaint dealt with speedily and effectively.

When responding to complaints, we will endeavour to provide reasons for the decision taken and adequately address the issues that were raised in the initial complaint. This is part of our effort to provide you with a higher quality of service and to help ensure our performance always meets your expectations.

4.2 Who is eligible for this service?

All of the Bank's customers may take advantage of the dispute resolution procedure described in this PDS. However, you should be aware that any reference of a complaint to the Financial Ombudsman Service is primarily limited to individuals and small businesses. A small business is defined as:

- a manufacturing business with less than 100 employees; or
- any other business with less than 20 employees.

4.3 How to make a complaint?

- If you wish to make a complaint to us, you can contact us on 1800 095 566 (Australia) or 61 2 8235 5888 (overseas). You should have all supporting documents or other evidence to support your grievance and consider how you would like the Bank to resolve the matter;
- If your complaint has not been resolved to your satisfaction within 24 hours, please contact us and ask to speak to the Manager of the Bank's Personal Banking Department. We

expect that the complaint should be dealt with within 5 working days of reference to the Manager, although best endeavours will be used to resolve the complaint within 24 hours. Allowance should be made for cases that require the Bank to contact overseas offices (e.g. international transactions) or other Banks;

- If your complaint still has not been resolved to your satisfaction within 5 working days, you are invited to contact the Bank's Complaint Coordinator on (02) 8235 5888;
- A response should be received within 7 working days;
- If the complaint remains unresolved 7 working days after reference to the Bank's Complaint Coordinator, you can complain to the Bank's external dispute resolution scheme, the Financial Ombudsman Service Australia.

The contact details of the Financial Ombudsman Service Australia are as follows:

Financial Ombudsman Service Limited

GPO BOX 3, MELBOURNE VIC 3001

Telephone: 1800 367 287 (free call), 9am to 5pm AEST/AEDT weekdays

Fax: (03) 9613 6399

Email: info@fos.org.au

Website: <http://www.fos.org.au>

5. Customer Information and Privacy

We may collect your personal information from third parties including your employer (to confirm income and employment details), your accountant/tax agent, mortgage brokers and public registers including those provided by the Australian Securities & Investments Commission or the Personal Property Securities Register or State or Territory land and property registers.

We collect personal information in order to: provide you with the products and services you request; provide you with customer support; monitor and evaluate our products and services; respond to your queries or requests for assistance; take measures to detect

and prevent fraud and financial loss; administer our customer relationships, services, products, systems and business functions; comply with our legal obligations, including our obligations under applicable anti-money laundering and counter-terrorism financing laws, or a court/tribunal order; develop and research our products and services; conduct appropriate checks for credit-worthiness; maintain and develop our information technology systems, including the testing and upgrading of these systems; and provide you with information relating to our products or services that we believe may be of interest to you.

If you do not provide us with your personal information, some or all of the following may happen: we may not be able to provide the requested products or services to you, either to the same standard or at all; we may not be able to provide you with information about products and services that you may want, including information about special promotions; or we may delay, block or refuse to make a payment or action an instruction relating to your account.

We may disclose your personal information to the following third parties: our related bodies corporate within the Bank of China group; credit providers, referees or persons with whom you transact; other financial institutions; our local Australian clearing agent bank; to government or regulatory bodies or to law enforcement agencies with appropriate authority; to our professional advisers including lawyers and auditors, consultants; to your duly authorised representatives; and our service providers. See our Privacy Policy for further details.

In certain circumstances we may be required to collect your name, address, date of birth, and other verification information and verifying documents under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).

Our Privacy Policy, available at www.bankofchina.com/au or from us on request, contains information about how you may access and correct the personal information that we hold about you, and how to lodge a complaint relating to our treatment of your personal information, and how we will deal with the complaint.

We may disclose personal information overseas to our overseas related bodies corporate and service providers. It is not practicable for us to list every country in which such recipients are located but it is likely that such countries where we will disclose information to our

related companies or branches will include Bahrain, Belgium, Cambodia, China, Dubai, France, Germany, Hong Kong, Hungary, Indonesia, Italy, Japan, Korea, Luxembourg, Macau, Malaysia, Mongolia, Netherlands, Philippines, Poland, Republic of Kazakhstan, Russia, Singapore, Sweden, Taiwan, Thailand, United Arab Emirates, UK, USA and Vietnam. Our third party service providers may be located in British Virgin Islands, Cayman Islands, China, Hong Kong and New Zealand. We may notify you of other countries from time to time (including at the time of collecting your information). In the course of a multi-jurisdictional transaction we may also disclose your personal information to our lawyers located in relevant jurisdictions.

You may contact us about privacy by writing to: Compliance Officer, Legal and Compliance, Bank of China Ltd, 39-41 York Street, SYDNEY, NSW 2000. Or by telephone on: 1-800-092-009 (toll-free) or +61 2 8235 5810 between 9:00am and 5:00pm Monday to Friday AEDT (not available on NSW public holidays).

6. Notice Provisions*

Type of Change	Method of Notification	Time Frame
Any material changes to the information in this PDS and Terms and Conditions	Website , written notice (including email) or advertisement in a prominent newspaper circulating nationally	At least 30 days before the change takes effect
Changes of fees and charges	Website , written notice (including email) or advertisement in a prominent newspaper circulating nationally	At least 30 days before the change takes effect
Introduction of a fee or charge	Website , written notice (including email) or advertisement in a prominent newspaper circulating nationally	At least 30 days before the change takes effect
All other changes	Website, written notice (including email) or advertisement in a prominent newspaper circulating nationally	No later than the day the change takes effect

Please see clause 11 of the Terms and Conditions for further details.

By applying for a product, you consent to receive notice of changes to this PDS via our website, in writing (including email) or in an advertisement in a prominent newspaper circulating nationally. You may elect to receive notice of changes to the PDS solely in writing (other than by email) by contacting us at any time at no additional cost.

*See clause 11 of the Terms and Conditions for further details.

Section 3: Terms and Conditions

Terms used in these terms and conditions are defined in the “Definition” section of this document (see clause 20 of the Terms and Conditions). The Terms and Conditions govern the use of the outward remittances products with us. If your application to apply for a telegraphic transfer or a demand draft has been accepted, then you have agreed to be bound by these Terms and Conditions and other sections of the PDS.

It is important that you read these Terms and Conditions carefully and understand them fully. Please let us know if you have any questions.

1. Eligibility and Verification of Identity

To be eligible to apply for an outward remittance, you must be an existing customer of the Bank.

You (or the account's authorised signatories) must satisfy the Bank's identification requirements when requesting an outward remittance. Acceptance of your application for outward remittances will be subject to the Bank's discretion.

2. Conversion of Foreign Exchange

When you request a telegraphic transfer or a demand draft in a foreign currency, a foreign exchange transaction may be involved. The Bank shall be entitled to effect a currency conversion at the Bank's own prevailing telegraphic transfer selling rate at the time of request for the outward remittance.

Once the foreign exchange transaction has been agreed and executed, the transaction cannot be cancelled. If you want to cancel the remittances conducted via telegraphic transfer or demand draft (provided that the Bank agrees to such cancellation at its discretion), foreign exchange transactions may be executed to convert the foreign currency back to the currency of the initial transaction and such foreign currency conversion will be conducted by using the Bank's prevailing telegraphic transfer buying rate at the time of cancellation. This exchange rate will likely be different from the rate applying at the time the remittance amount was originally converted and may result in some foreign exchange loss to you. You agree to be responsible for any loss or costs or expenses associated with your requested cancellation.

3. Payment Instructions

You (as the remitter) must provide the Bank with the correct and complete required information and details when sending a telegraphic transfer or purchasing a demand draft to ensure that payment will not be delayed or incorrectly made by the paying bank. The Bank will not be responsible for any delay in receipt of funds by the payee or any related matters if you do not provide the Bank with correct and complete information.

4. Payment for the Outward Remittance

Please refer to paragraphs 2.2 and 3.2 of Section 1 of this booklet for details regarding the payment methods for telegraphic transfers and demand drafts.

5. Currency Requirements

Different regulatory requirements apply depending upon the currency you need to send and the country to which are you sending it. It is your responsibility to know and understand the regulatory requirements of these jurisdictions prior to sending payments to these places. Many countries (including but not limited to China) have specific requirements when sending funds to their country. For example, a country may impose a maximum limit on how much an individual beneficiary may receive during each calendar year. It is important that you understand what additional details some of these countries request as part of the payment instructions to ensure a successful delivery. You will have to comply with any relevant regulatory requirements both in the country where the payment is processed and where the payment is received. If your remittance is delayed or rejected and the payment returned due to such foreign currency restrictions applicable to the relevant transaction, the Bank is not responsible for any delay or rejection or return of payments as a result of insufficient regulatory information being included on your payment instructions.

Please note that some countries require the Bank to provide documentation supporting the nature and reason for the payment. Therefore, the Bank will request such information from you at any time.

6. Cancellation of Outward Remittances

You may only cancel or amend a telegraphic transfer or a demand draft if the Bank agrees to do so at its absolute discretion.

6.1 Telegraphic transfers

If incomplete or inaccurate payment instructions of telegraphic transfers are provided, you must immediately notify the Bank branch from which you conducted your telegraphic transfers so the Bank can cancel the payment. Then the Bank will refund you the

transaction amount (provided that the payment has not been processed at the time of your request for cancellation). There are applicable fees associated with cancellation of telegraphic transfers. Please refer to the Bank's Schedule of Fees and Charges for details.

6.2 Demand drafts

In the event your demand draft is lost or stolen or used without your permission, you must immediately notify the Bank branch from which you purchased your demand draft so that the paying bank can be notified and a stop payment instruction can be arranged. Upon notification and verification by the Bank that your demand draft has not been presented for payment, a stop payment instruction on the demand draft can be issued and the Bank will either issue you with a new demand draft as a replacement or pay to you the face value of the demand draft. There are applicable fees associated with stopping and re-issuing a demand draft. Please refer to the Bank's Schedule of Fees and Charges for details.

If you (the remitter) do not need the demand draft, you can request the cancellation of the demand draft at the Bank branch from which you purchased your demand draft. In this situation, you must present and return the original demand draft to the Bank. Please note that only the remitter has the right to cancel the original demand draft. The Bank will not accept a cancellation request from the payee. There are applicable fees associated with cancelling an original demand draft. Please refer to the Bank's Schedule of Fees and Charges for details.

Your demand draft is valuable and you are responsible for its safe-keeping. Please note that you will not be able to stop a payment if it has been presented for payment.

7. Return of Payments

Occasionally the correspondent bank or the paying bank may notify the Bank that, due to incomplete or inaccurate payment instructions, they could not process the payment and want to seek further instructions from the Bank. If this happens, the Bank will contact you and seek further instructions from you. You may instruct the Bank to either amend your payment instructions by providing the correct or additional information requested from the correspondent bank or the paying bank in order to proceed with the payment, or instruct the

Bank to request a refund from the correspondent bank or the paying bank.

Where the beneficiary/payee refuses to accept the money or where the correspondent bank or the paying bank does not have sufficient information to identify the beneficiary/payee, telegraphic transfers may be returned by the correspondent bank or the paying bank without any prior notice to us. If this happens, the Bank will notify you and refund you with the telegraphic transfer amount (less any associated fees and costs charged by the Bank or the correspondent bank or the paying bank) to your account with us.

Please note that the relevant fees and charges in the Bank's Schedule of Fees and Charges are subject to the terms and conditions by the correspondent bank or the paying bank (including any associated fees and costs imposed by them).

8. Use of Correspondent Banks

The Bank or the paying bank may, in certain circumstances or depending on your instructions, need to use correspondent banks in order to process the payment. These correspondent banks may charge commissions, fees and other charges for processing the payment to the beneficiary's account in addition to the applicable fees and charges levied by the Bank. Unless other arrangements are in place with the correspondent banks, those commissions, fees and charges (including those incurred outside Australia) levied by correspondent banks will normally either be deducted by the correspondent bank from the funds paid to the beneficiary or passed onto the Bank.

Where the deduction is made from the funds paid to the beneficiary, the beneficiary will receive less than the payment amount specified in your payment instructions. If those commissions, fees and charges are passed onto the Bank, it is your responsibility to reimburse the Bank for them.

The Bank may terminate the use of a correspondent bank to process the payment. If this happens, the Bank may not be able to process a payment instruction on your behalf. The Bank will notify you as soon as possible if we cannot process your payment. You acknowledge and agree that the Bank will not be liable to you or the beneficiary/payee for any cost, loss or liabilities incurred by you or the beneficiary/payee due to the Bank not being able to process

your payment caused by the termination of a correspondent bank.

9. Fax and Email Indemnity

The Bank may accept instructions from you by fax or email to request outward remittances services if you have entered into an agreement to this effect with the Bank. The acceptance of instructions from you by fax or email will be subject to the Bank's absolute discretion.

You authorise us to rely upon and act on your behalf in accordance with any fax or email instructions. However:

- (1) in the case of fax instructions, the instructions must be signed by the authorised signatories and the signatures must appear reasonably similar to the specimen signature of your authorised signatories; and
- (2) in the case of email instructions, the instructions must attach a scanned copy of your written instructions signed by your authorised signatories. We will not be held liable for any losses or damages if we acted upon your instructions in good faith.

We reserve the right, at our discretion, to request additional identification information or information relating to any transaction or to decline to carry out any transaction and we shall not be liable to you for any loss or damages arising from requesting more information from you or non-completion of any transaction.

It is your responsibility to notify us in writing of any changes in relation to your authorised signatories and to provide us with the specimen signature if an authorised signatory is to be added to your account.

10. Delayed Payment

The Bank is unable to guarantee receipt of the funds by the beneficiary/payee within the normal clearing process timeframe as the transaction may be delayed by factors outside of our control, such as inaccurate payment instructions. The normal timeframes are provided by way of indication only.

The Bank may contact you to confirm your instructions or identity and may ask you to undertake further actions (such as an

identification check). If the Bank is unable to confirm your instructions or your identity to its satisfaction, the Bank may decide in its absolute discretion to delay, block or refuse to make payment and in doing so will not be held responsible to you or the beneficiary/payee for any costs, losses or damages caused.

You agree that the Bank is merely providing a facility for making payments or fund transfers and the Bank is not associated with or part of the underlying transaction (if any) between you and the beneficiary/payee. You agree and confirm that in the event of any dispute with the designated beneficiary/payee, you shall not be entitled to make the Bank a party to the dispute.

11. Changing these Terms and Conditions

We may from time to time change any of these Terms and Conditions. For example, we may:

- Add, change or remove fees or charges;
- Add, change or remove concessions or benefits; or
- Adopt or implement any legal requirement, decision, recommendation, regulatory guidance or standard of any court, tribunal, ombudsman service or regulator.

We will notify you via our website, in writing (including email) or by advertisement in a prominent newspaper circulating nationally at least 30 days before we introduce or increase a new fee or charge or make a material change to these Terms and Conditions. For other changes to these Terms and Conditions, we will notify you via our website, in writing (including email) or by advertisement in a prominent newspaper circulating nationally no later than when the change takes effect. If you are not happy with any changes, you may choose to close your accounts held with the Bank in accordance with these Terms and Conditions.

By applying for a product, you consent to receive notice of changes to this PDS via our website, in writing (including email) or in an advertisement in a prominent newspaper circulating nationally. You may elect to receive notice of changes to the PDS solely in writing (other than by email) at any time by contacting us at no additional cost.

12. Consumer Protection

This service when supplied to you as a consumer comes with a non-excludable warranty or consumer guarantee under consumer protection laws that it will be carried out with due care and skill and be reasonably fit for the intended purpose (amongst other consumer guarantees). If we breach any of those warranties, you may be entitled to compensation. When you are not a consumer under consumer protection laws, our liability for loss or damage is limited to re-supplying the service to you or paying the costs of having the service resupplied to you. When you are a consumer under consumer protection laws, our liability is limited in this way only to the extent permitted by those laws.

13. Liabilities

To the extent permitted by law, we will not be liable to you for any loss due to:

- any instructions given by you not being sufficiently clear;
- any failure by you to provide correct information;
- any failure by you to meet any legislative requirements that may be imposed in respect of outward remittances;
- any failure due to events outside our reasonable control;
- any systems failure or industrial dispute;
- any indirect, special or consequential losses;
- our taking any action required by any government, federal or state law or regulation or court order; or
- anything specifically excluded or limited elsewhere in this PDS.

14. Indemnity

To the extent permitted by law, you agree to indemnify us against any claim, action, demand, loss, damage, cost, expense, or liability incurred by or threatened against us as a direct or indirect result of or in connection with any telegraphic transfers and/or demand drafts including but without limitation if we act on or fail to act on any instruction (by fax or email) issued by you except to the extent caused by our gross negligent, fraud or wilful misconduct.

15. Third Parties Rights

We may assign any of our rights under this agreement to any other interested person or business. We will ensure that you will be able to exercise the same rights as against the assignee as you could against us under these Terms and Conditions. We will give you notice after any assignment by us. The rights granted to you under this agreement are personal to you and are incapable of being transferred except with our consent. You must not assign your rights under this agreement without our consent.

16. Anti-Money Laundering Requirements

We are subject to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth), and related laws and regulations (**AML/CTF Laws**). You must not knowingly put us in breach of any AML/CTF Laws.

We may delay, block or refuse to process any transaction or application:

- where we have reasonable grounds to believe that allowing the transaction to occur may breach any laws or regulations in any country, including the AML/CTF Laws in Australia; or
- where we suspect that a transaction involves any person (natural, corporate or governmental) that is sanctioned or connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by Australia or any other country; or
- where we suspect that the funds involved in the transaction may directly or indirectly be applied for the purposes of crime or unlawful conduct.

If any transaction is delayed, blocked or refused for any of the above reasons, we are not liable to you for, and you indemnify us against, any and all loss incurred by you or any other person arising out of such delay, block or refusal of a transaction or application.

From time to time, we may require additional information from you to assist us in meeting our obligations under the AML/CTF Laws and other applicable laws. For example, we may require further proof of your identification. We may disclose information we have collected or obtained in connection with you, your accounts or products and

relevant transactions to regulatory bodies, government and law enforcement agencies, other financial institutions or external service providers including those we may use for electronic verification of your identity. You understand that we may be prohibited from advising you that such a disclosure has been made.

17. Fees and Charges

The Bank may charge you fees for outward remittance transactions, the amount and nature of which are detailed in the Bank's Schedule of Fees and Charges. You can obtain a copy of the Schedule of Fees and Charges from any one of the Bank's retail branches in Australia or from our website for no charge.

Many correspondent banks and paying banks impose processing fees when handling telegraphic transfers and demand drafts. These fees are set by the correspondent banks and paying banks and vary from bank to bank and country to country.

18. Taxation Information

There is no specific taxation information related to outward remittances. If you have any tax questions, these should be referred to your accountant.

19. Governing law

This PDS is governed by and will be construed according to the laws of the State of New South Wales.

20. Definitions

We, us or our or the Bank means Bank of China (Australia) Limited ABN 28 110 077 622 AFSL 287322.

Business Day means a day (other than a Saturday or Sunday or bank holiday or public holiday) on which banks are open for general business in the State or Territory of Australia in which the relevant product was issued.

Bank's Internet Banking PDS and Terms and Conditions includes the Personal Internet Banking Combined Financial Services Guide and Product Disclosure Statement, Personal Internet Banking Terms and Conditions, Bank of China (Australia)

Limited Business Internet Banking Combined Financial Services Guide and Product Disclosure Statement and Bank of China (Australia) Limited Business Internet Banking Terms and Conditions, which are subject to change from time to time. You can obtain the current version of these documents on the Bank's website at any time or in the Bank's retail branches in Australia during normal business hours.

Customer(s), you or your means a customer who holds account(s) with the Bank, and where relevant or the context allows, also means the customer's authorised signatory(s).