

Debit User Acknowledgement and Indemnity

Debit User acknowledgement and indemnity to BOQ for all debit files processed

To Bank of Queensland Limited ACN 009 656 740 ("Sponsor"), the Debit User hereby indemnifies and agrees to keep indemnified the Sponsor against all claims, demands, actions, suits and proceedings whatsoever that may be made or commenced against the Sponsor or any of its employees or agents, arising out of or in connection with the Debit User operating under the Bulk Electronic Clearing System ("BECS") using the Direct Debit System contained in Part 7 of the BECS Procedures ("the Procedures").

The Debit User agrees to comply with all the conditions, accountabilities and responsibilities ("the Conditions") required of a Debit User under the Procedures. Without limitation, those Conditions include the following obligations:

1. The Debit User must use the Direct Debit System solely for the purpose of arranging payment for the supply of goods or services by the Debit User to its customer ("Customer").
2. In respect of Customers who commence direct debit payments after 31 March 2000, the Debit User must:
 - a. obtain a valid and binding Direct Debit Request; and
 - b. enter into, and provide to that Customer in writing, a Service Agreement ("DDR Service Agreement") with that Customer.
3. In respect of existing Customers who have not received a DDR Service Agreement as at 31 March 2000, the Debit User:
 - a. agrees to apply, for the benefit of those Customers, the procedures and policies set out in the Debit User's standard DDR Service Agreement applicable at the relevant time; and
 - b. agrees to make available information on those procedures and policies to a Customer upon request.
4. Before printing or publishing a Direct Debit Request or any other information to be provided to Customers in relation to direct debits (including a DDR Service Agreement), the Debit User must provide those documents to the Sponsor for approval as to format, content and medium.
5. Each DDR Service Agreement must:
 - a. be identified as such on its face;
 - b. set out reasonable details (or, if such details are contained in the Direct Debit Request, refer the Customer to it) of the terms of the debit arrangements to apply between the Debit User and the Customer including, if applicable, the basis on which the Debit User will issue billing advices to the Customer;
 - c. provide for not less than 14 days' notice to the Customer if the Debit User proposes to vary any of the terms of those debit arrangements;
 - d. set out in reasonable detail the procedure available to the Customer to request deferment of, or alteration to, any of those arrangements;
 - e. set out in reasonable detail the procedure available to the Customer to stop any Debit Item or cancel a Direct Debit Request with the Debit User, and advise the Customer to direct all requests for such stops or cancellations to the Debit User in the first instance;
 - f. set out in reasonable detail the procedure available to the Customer to dispute any Debit Item with the Debit User and the dispute resolution process to apply between them, and advise the Customer that queries are to be directed to the Debit User in the first instance;
 - g. indicate:
 - i. that direct debiting through BECS may not be available on all accounts; and
 - ii. that the Customer is advised to check account details against a recent statement from the Customer's financial institution, and direct the Customer, if uncertain, to check with the Customer's financial institution before completing the Direct Debit Request.
 - h. state that it is the responsibility of the Customer to have sufficient clear funds available in the relevant account by the due date to permit the payment of Debit Items initiated in accordance with the relevant Direct Debit Request;
 - i. state its policy when the due date for payment falls on a day which is not a business day in the place of lodgement, and indicate that if the Customer is uncertain as to when the debit will be processed to the Customer's account, he or she should enquire direct of their financial institution;
 - j. state its policy when Debit Items are returned unpaid by the Customer's financial institution, including the application by the Debit User of any related fees; and
 - k. state its policy on the privacy to be accorded to the Customer's records and account details, while noting that the Sponsor may require such information to be provided in connection with a claim made on it relating to an alleged incorrect or wrongful debit.
6. The Debit User must only issue Debit Items strictly in accordance with the arrangements made between the Debit User and its Customer and must not lodge with the Sponsor any Debit Items not authorised by a current and valid Direct Debit Request.
7. The Debit User must notify Customers of any change in the terms of the debit arrangements agreed between them at least 14 days before the change is implemented.

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8. The Debit User must inform the Sponsor immediately of any significant changes in arrangements made in relation to the issue of Debit Items, any proposed change to the Debit User's name and any proposed change in the shareholding or ownership of the Debit User.
9. The Debit User acknowledges and agrees that Customers are entitled to cancel or suspend Direct Debit Requests addressed by those Customers to those Debit Users by notice to the Customers Financial Institution.
10. The Debit User must act promptly in accordance with any instruction by a Customer to cancel or suspend a Direct Debit Request or to stop or defer individual Debit Items from time to time, vary a Direct Debit Request in accordance with a verified Switch of Financial Institution and Account Details or vary a Direct Debit Request in accordance with a Notice of Redirection of a Direct Entry Item.
11. The Debit User must promptly verify (by signature comparison or other means) a Switch of Financial Institution and Account details prior to processing. If there is any doubt as to the customer's authorisation, then the Debit User must contact the Customer to verify.
12. The Debit User must investigate and deal promptly and in good faith with any query, claim or complaint related to alleged incorrect or wrongful debits that is received from the Sponsor, assist the Sponsor to deal with all such queries, claims or complaints and respond to the Sponsor within 3 business days, by either:
 - a. accepting the claim and authorising the Sponsor to debit the Debit User's bank account (nominated by the Debit User for this purpose) for the disputed amount; or
 - b. disputing the claim and providing the Sponsor with full particulars of reasons for disputing the claim, which must include evidence of its authority to debit. If the Debit User is unable to provide satisfactory evidence to the Sponsor of its authority to debit the disputed amount, the Sponsor will have the right to automatically debit the Debit User's nominated bank account for the disputed amount plus any costs incurred by the Sponsor in disputing the claim.
13. Where the Debit User disputes a claim in relation to a disputed amount, and either the Sponsor reasonably believes the claim by the Customer is justified, or the claim is resolved, settled or determined in accordance with the Procedures in favour of the Customer, the Sponsor will have the right to automatically debit the Debit User's nominated bank account for the disputed amount plus any costs incurred by the Sponsor in disputing the claim.
14. The Debit User acknowledges that it is the Debit User's responsibility to ensure that correct account information appears on any Direct Debit Request given to it by a Customer. If account information is incorrect, the Sponsor may be liable to other financial institutions participating in the Direct Debit System in circumstances where the Debit User has initiated debits in reliance on that incorrect information. Where the Sponsor is liable to indemnify other financial institutions in accordance with the Procedures, the Debit User will be required to indemnify the Sponsor to the same extent, in accordance with this Indemnity.
15. The Debit User will ensure that its User Identification Number (to be issued to it by the Sponsor) will appear on each Direct Debit Request, and all correspondence to a Customer which the Debit User initiates.
16. The Debit User must retain all Direct Debit Requests, Switch of Financial Institution and Account Details, Notices of Redirection of a Direct Entry item and instructions from Customers (whether received directly from a Customer or their Financial Institution) to cancel or suspend a Direct Debit Request given to the Debit User in writing for a period of 7 years from the date of the last debit made under the relevant Direct Debit Request, and produce these on request by the Sponsor or the Customer's financial institution as specified in the Direct Debit Request.
17. The Debit User acknowledges and agrees, for the benefit of Australian Payments Clearing Association Limited ACN 055 136 519 ("the Company"), that the Debit User may use a logo approved by the Company on its form of Direct Debit Request and related material, but that this right is contingent on the Debit User continuing to act in the capacity of a Debit User in BECS and to comply fully with its obligations in that capacity. The Debit User's entitlement to use that logo will cease immediately if the Debit User's access to BECS is withdrawn by the Sponsor, or the Debit User otherwise ceases to be a Debit User in BECS. The Debit User acknowledges that any use of the logo after its entitlement ceases in accordance with this paragraph will be an infringement of the Company's rights in that mark.
18. The Sponsor reserves the right to vary these conditions at any time by notice in writing to the Debit User. The varied conditions will take effect from the first use by the Debit User of the Direct Debit System following its receipt of the notice by the Sponsor. Any use of the Direct Debit System after receipt of the notice will be deemed to indicate the Debit User's agreement to the variation.
19. The Sponsor may, in its absolute discretion, withdraw the Debit User's access to the Direct Debit System and terminate the arrangements with the Debit User, by notice in writing. The Sponsor may also, in its absolute discretion, terminate the Debit User's right to lodge particular Debit Items.

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CUSTOMER AUTHORITY

I/we hereby:

Apply to become a Debit User in the Bulk Electronic Clearing System (BECS) from time to time operated by the Participating Members (which include the Sponsor"), upon the terms and conditions supplied with this application form by the User FI.

Acknowledge that the Sponsor is at liberty to accept or decline this Application. If the Application is accepted by the Sponsor and any financial institution thereafter accepts and acts on instructions given by the Debit User in connection with BECS by use of that financial institution's BSB number, the Debit User AGREES that it shall comply with all the obligations of a Debit User of BECS as advised by the Sponsor and any amendment, modification or replacement from time to time issued by the Sponsor or by any other Participating Member or Appointor which may become the Sponsor in respect of the Debit User.

Confirm that alteration to the amount of the debit (except as previously agreed with the customer) will not be made without prior notice being given to the customer.

This Indemnity is a continuing indemnity and will apply to any Debit Items issued by the Debit User at any time prior to the arrangements between the Sponsor and the Debit User coming to an end.

Authorised Users can conduct Payments File Upload Facility transactions through the Bank's Internet Banking service on my/our behalf.

I/we understand that when I/we use the Payments File Upload Facility via the Internet Banking service that I/we will be bound by the terms and conditions of use contained in the Electronic Banking Terms and Conditions.

My/our acceptance of and agreement to the terms and condition of use will be indicated by my/our use of the service.

Dated this _____ day of _____ in the year _____

Authorised Signatories

Signature _____ Signature

Name in Full _____ Name in Full

If signing on behalf of a company

Signature _____ Position

Name in Full _____

In the presence of

Signature _____

Name in Full _____