

FINANCIAL MARKETS WHOLESALE TERMS AND CONDITIONS



BUSINESS

July 2019

The information in this booklet is designed as a brief overview only. You can obtain further information regarding the products contained in this document by contacting your Financial Markets Representative.

Whilst every care has been taken in producing the information contained in this document, it is not intended to contain the full details of our products and the terms that govern them. As it is published from time to time, it may also not reflect the latest market conditions or information and does not take into account your individual objectives, needs or financial situation. You should not rely solely on this document in acquiring the products described in it. Please make your own inquiries, carefully review any product agreements provided to you and contact your Financial Markets Representative with any issues or questions.

Financial markets transactions involve a risk of loss because of movements in exchange or interest rates or because of changes in the value of the underlying asset. We recommend you seek independent financial advice before entering into any such transactions. You should not enter into these transactions if you do not understand the risks. It is your responsibility to monitor your transactions.

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1. INTRODUCTION

1.1 ABOUT US

Bank of Queensland is a 140-year old organisation with branches in every Australian state and territory. Listed on the ASX and comprising of three business lines of Banking, Finance and Insurance, our goal is to be the real alternative in Australian financial services.

The Bank of Queensland difference is that most of our branches are run by Owner-Managers. So local people not only run our branches, they own them.

Our Owner-Managers live locally, know their customers well and are willing to go the extra mile to ensure that our customers always receive exceptional personal service.

In striving to achieve our objectives, Bank of Queensland undertakes to value and service our customers, look after our staff, reward our shareholders and partner with the community.

1.1.1 CREDIT RATING

The Bank's credit rating, effective 30 April 2019 is as follows:

RATING AGENCY	SHORT TERM	LONG TERM	OUTLOOK
Standard & Poor's	A2	BBB+	Stable
Fitch	F2	A -	Stable
Moody's Investor Service	P2	A3	Stable

1.1.2 PRODUCTS

Bank of Queensland Financial Markets has the capability and expertise to deliver a wide range of financial products and services encompassing the interest rate and foreign currency markets.

Specifically, Bank of Queensland Financial Markets issues the following products in foreign exchange and derivatives:

Foreign Exchange Contracts which include the following types of contracts:

- Spot Contracts;
- Forward Exchange Contracts;
- Swap Contracts; and
- Historic Rate Roll-overs.

Foreign Currency Account Facilities which includes:

- Foreign Currency Accounts; and
- Foreign Currency Deposits.

Forward Start Fixed Rate Loan Agreements.

Interest Rate Derivatives.

Foreign Exchange Options.

Further information on the products and services we provide is contained in section 2.

We encourage you to take the time to read this document and the other material provided to you. It has been produced to help you choose the right products or services for your needs. Please contact us if you want more information regarding the financial products and services we provide.

1.1.3 NEED TO KNOW MORE?

You can contact us at any time if you would like any further information or details of our current interest rates or exchange rates. Contact us by:

- Calling our Financial Markets Department on (07) 3212 3366 Monday to Friday 8.00a.m. to 5.30 p.m. AEST; or
- Calling our Treasury Operations Department on (07) 3212 3140 Monday to Friday 8.30a.m. to 5.00 p.m. AEST (in relation to transfers of funds and queries on Confirmations); or
 - E-mailing us at financial.markets@boq.com.au; or
 - Sending a facsimile to (07) 3212 3418; or
 - Writing to Treasury Operations Department, GPO Box 898, Brisbane QLD 4001.

2. OUR PRODUCTS

2.1 FOREIGN EXCHANGE CONTRACTS

2.1.1 REQUIREMENT TO HAVE A BANK OF QUEENSLAND BANK ACCOUNT

You may only enter into Foreign Exchange Contracts with us if you hold a Bank of Queensland Bank Account with us in

2.1.2 FOREIGN EXCHANGE SPOT CONTRACT

A Foreign Exchange Spot Contract is a contract for the sale or purchase of a foreign currency that has a settlement date within 2 business days from the deal date.

2.1.3 FORWARD EXCHANGE CONTRACT

A Forward Exchange Contract is a contract for the sale or purchase of foreign currency that has a settlement date of more than 2 business days from the deal date.

2.1.4 HISTORIC RATE ROLL-OVERS

A Historic Rate Roll-over involves the variation of an existing Foreign Exchange Contract to extend the settlement date. Any unrealized profit and loss on the existing Foreign Exchange Contract is effectively deferred. The extension of Foreign Exchange Contracts is at our sole and absolute discretion.

2.1.5 SWAP CONTRACT

A Swap Contract is a contract for the exchange of currency where there are two value dates (the near value date and the far value date). Under the Swap Contract, you exchange one currency for another on the near value date and then exchange them back again on the far value date.

2.1.6 SETTLEMENT INSTRUCTIONS

We are solely an Australian based bank, and therefore utilise the services of an international affiliate bank to facilitate the receipt and transfer of foreign currency on our behalf.

Our Foreign Exchange Contract settlement details can be obtained by contacting your Financial Markets Representative.

Whenever we are required to pay you AUD on settlement of a Foreign Exchange Contract, we will pay those funds to your Bank of Queensland Bank Account.

Fees may be payable if funds are transferred to you via SWIFT.

We do not make payments to you via cheque or cash. We will only make payments to you upon settlement of a Foreign Exchange Contract which you have with us electronically in accordance with the written or other instructions which you provide to us. These instructions must be in a form acceptable to us.

2.1.7 PAYMENTS TO US AT SETTLEMENT

All funds are required to be paid to us in clear funds upon settlement of your Foreign Exchange Contracts.

We will not accept payments to us by cheques drawn on other banks accounts or financial institutions or on accounts held with them.

2.1.8 CREDIT LIMITS

Foreign Exchange Contracts will require credit limits to be established prior to any contracts being entered into. Your Financial Markets Representative can discuss the process for the establishment of such limits.

2.1.9 GENERAL INFORMATION

Bank of Queensland offers Foreign Exchange Contracts in commonly traded currencies. Further information on available currencies can be obtained from your Financial Markets Representative.

Credit limits and separate master agreements are required to be entered into in respect of Foreign Exchange Contracts. The master agreement may take the form of an industry standard ISDA Master Agreement or a Bank of Queensland Master Agreement for Financial Markets Transactions. We will determine which agreement is appropriate.

Historic Rate Roll-overs also involve additional documentation which you will be required to sign before we will agree to extend your Foreign Exchange Contract. These processes and documentation can be discussed with your Financial Markets Representative.

2.2 FOREIGN CURRENCY ACCOUNT FACILITIES

2.2.1 REQUIREMENT TO HAVE A BANK OF QUEENSLAND BANK ACCOUNT

In order to establish a Foreign Currency Account Facility you must hold a Bank of Queensland Bank Account with us in the same name.

2.2.2 FOREIGN CURRENCY ACCOUNT

Foreign Currency Accounts are suitable for customers with regular cash flows in the applicable currency with a necessity for funds to be available on an at-call basis. A minimum balance of AUD50,000 equivalent applies. The account also has a tiered interest rate structure. Interest rates payable can change and may be zero, depending on underlying global interest rates for the relevant currency.

2.2.3 FOREIGN CURRENCY DEPOSIT

Foreign Currency Deposits are suitable for customers with surplus foreign currency to invest. A minimum investment amount of AUD100,000 equivalent applies.

Foreign Currency Deposits are fixed term, fixed rate deposits with a minimum term of 7 days and a maximum term of 1 year.

2.2.4 AVAILABLE CURRENCIES

Bank of Queensland offers Foreign Currency Account Facilities in commonly traded currencies. Further information on available currencies can be obtained from your Financial Markets Representative.

2.2.5 DEPOSITS TO YOUR FOREIGN CURRENCY ACCOUNT FACILITY

Deposits to your Foreign Currency Account Facility can be made by SWIFT or foreign currency cheque (subject to approval). You can also buy the foreign currency from Bank of Queensland Financial Markets.

We will provide you with our foreign exchange settlement details on a case by case basis.

Generally we will not accept foreign currency cheques or drafts to the credit of a foreign currency account or deposit. If in exceptional circumstances we accept a foreign cheque, we may elect to send the cheque for collection. Foreign currency cheques carry a credit exposure for the Bank and as a result, the Bank may elect to send the cheque to the drawee bank to be cleared and for the funds to be remitted to us before being credited to your facility. If the Bank elects to do this, you will be advised as to the likely timeframe for the clearance of the cheque.

Details of our fees and charges in relation to foreign currency cheques are set out in section 3.6.

Other financial institutions, including the institution that the cheque is drawn on and the overseas correspondent bank we use to arrange the clearance, may also charge you a fee in relation to foreign currency cheques. These fees and charges will be deducted from the amount of the cheque (in addition to any fees payable to us) before the remaining funds are credited to your facility. We do not accept responsibility for any fees or charges levied by other financial institutions or intermediaries involved in the process of clearing the cheques.

2.2.6 HOW INTEREST IS CALCULATED AND PAID

Details of interest rates payable to you in relation to Foreign Currency Account Facilities are:

- Printed on the Statements and Confirmations which we provide to you; or
- Available by contacting our Financial Markets Department on (07) 3212 3366.

We follow the relevant number of day's convention applicable for each currency when calculating the interest payable to you. Our Financial Markets Department will inform you of the conventions which apply in relation to any of our accepted foreign currencies upon request.

We calculate interest:

- From and including the day that funds are deposited to your facility, but excluding the day of withdrawal; and
- On the whole daily balance maintained in your facility (subject to the requirement for that balance to be above the applicable prescribed threshold in the case of Foreign Currency Accounts).

You can obtain details of the relevant interest rate thresholds which apply to Foreign Currency Accounts by contacting our Financial Markets Department on (07) 3212 3366.

We pay interest on a Foreign Currency Account on the first Bank Business Day of each calendar month. We pay interest on a Foreign Currency Deposit at the end of the term of the facility.

Interest is only paid to you in the following ways:

- In the case of Foreign Currency Accounts, added to the balance in your facility as at the first Bank Business Day of each month; and
- In the case of Foreign Currency Deposits, added to the principal amount and paid to you in accordance with your instructions at maturity.

Note: Interest rates on Foreign Currency Accounts may be zero.

2.2.7 WITHDRAWALS FROM YOUR FOREIGN CURRENCY ACCOUNT FACILITY

A minimum of thirty-one (31) days' notice must be given by you for a full or partial withdrawal of a Foreign Currency Deposit prior to the maturity date (unless financial hardship applies as assessed and agreed to by us). If you withdraw your money early on a Foreign Currency Deposit you may be required to pay us a break fee. We will notify you of the applicable break fee prior to you confirming your final decision to close your Foreign Currency Deposit. Upon request we will provide you with reasonable details of how any break fee was calculated.

Foreign Currency Accounts are at call accounts. However, your Financial Markets Representative must be contacted prior to 11:00 am AEST for same day withdrawals from a Foreign Currency Account.

We will make all payments to you in foreign currency in accordance with your instructions via SWIFT. Fees may be payable where funds are transferred to you via SWIFT.

We do not make payments via cheque or cash. We will only make payments to you electronically in accordance with your written or other instructions which you provide to us. These instructions must be in a form acceptable to us.

2.2.8 WHAT HAPPENS ON MATURITY OF FOREIGN CURRENCY DEPOSITS

On maturity of your Foreign Currency Deposit we will advise you of the funds you have deposited with us and the interest payable, as well as the new interest rates that are being offered for reinvestment. You may reinvest part or all of the funds for a term and rate accepted by you provided you still meet the eligibility criteria for Foreign Currency Deposits.

If you do not nominate a term, we will reinvest funds for the same term as the initial investment at the current interest rates at the time of reinvestment.

2.3 FORWARD START FIXED RATE LOAN AGREEMENTS

2.3.1 DESCRIPTION

Forward Start Fixed Rate Loan Agreements are available to customers who wish to obtain a fixed rate Commercial Rate Loan Facility with us some time in the future and who wish to fix in an interest rate prior to the future draw down date on that loan.

Forward Start Fixed Rate Loan Agreements are suitable for customers who are intending to borrow funds from us on a fixed rate basis at some time in the future, and who wish to acquire protection against unfavourable interest rate movements.

For further information regarding Forward Start Fixed Rate Loan Agreements you should refer to our Forward Start Fixed Rate Loan Agreements – Terms and Conditions.

2.3.2 CREDIT LIMITS

Forward Start Fixed Rate Loan Agreements will require credit limits to be established prior to any agreements being entered into. Your Financial Markets Representative can discuss the process for the establishment of such limits.

2.4 INTEREST RATE DERIVATIVES

2.4.1 INTEREST RATE SWAP

An Interest Rate Swap is a financial instrument which allows one party to manage their interest rate risk by swapping their floating (variable) interest payments for another party's fixed rate payments. The parties do not make separate and corresponding payments, rather a net payment is made in one direction or the other.

An Interest Rate Swap can be a useful interest rate management tool. For example, a borrower with a loan that is subject to movements in floating interest rates can enter into an Interest Rate Swap to fix their interest so they are no longer exposed to those movements.

Interest Rate Swaps can be tailored to your cash flow and underlying borrowings or investments by selecting appropriate Reset Dates and Payment Dates.

Although an Interest Rate Swap may help to manage your floating interest rate risk, it is a separate product and as such, it has its own risks and break costs separate to those of your loan product.

2.4.2 INTEREST RATE SWAPTIONS

An Interest Rate Swaption is an agreement between you (the buyer) and the Bank (the seller) to enter into an Interest Rate Swap at some agreed future point in time at a pre-defined fixed rate (known as the Fixed Rate) on the expiry of the Swaption.

The Interest Rate Swaption allows the buyer to either "exercise" the Swaption and enter into the Interest Rate Swap at the Swaption expiration date or let the Swaption expire. For this right, the buyer pays an amount known as a Premium. A Swaption can be used as an interest rate management tool by clients to manage their fixed rate or floating rate liabilities over a period of time so they are no longer exposed to changes in interest rates during the period.

2.4.3 INTEREST RATE CAP

An Interest Rate Cap is a risk management tool that provides protection against rising interest rates, while maintaining the ability to participate in favorable downward movements in interest rates. An Interest Rate Cap is an agreement between you (the buyer) and the Bank (the seller) to cap the maximum interest rate you will pay even if the floating rate benchmark (such as BBSW) moves above the agreed level (the Cap Rate). For this right, you pay the seller a Premium.

You can tailor an Interest Rate Cap by selecting from a range of reset dates, maturity dates, Cap Rates and notional values over the term.

2.4.4 INTEREST RATE COLLAR

An Interest Rate Collar is an agreement between you (the buyer) and the Bank (the seller) that protects you against increases in interest rates beyond a predetermined level known as the Cap Rate, while still allowing you to take advantage of falling interest rates down to a pre-determined level, known as the Floor Rate.

The Cap Rate is the highest base interest rate that you will be exposed to. Conversely, the Floor Rate is the lowest possible base interest rate available to you. The Interest Rate Collar can be exercised at either the Cap Rate or the Floor Rate, on one, or a series of rollovers or designated maturity dates under the agreed term. In return, the buyer may pay the seller a Premium unless otherwise agreed. Where there is a Premium, it can be paid upfront or periodically over the series of reset dates.

2.4.5 INTEREST RATE PARTICIPATOR

An Interest Rate Participator combines both an Interest Rate Swap and an Interest Rate Cap. A certain portion of the notional amount is fixed via an Interest Rate Swap and the remaining portion, determined by the chosen participation ratio, is capped at the same level (the Strike Rate) using an Interest Rate Cap.

As a result the Interest Rate Participator protects against higher rates above the Strike Rate, however if the Floating Rate benchmark (eg BBSW) falls below the agreed Strike Rate on a reset date, you will be able to participate in lower rates for the notional amount determined by the participation ratio, for that period.

2.4.6 CREDIT LIMITS

Interest Rate Derivatives will require credit limits to be established prior to any agreements being entered into. Your Financial Markets Representative can discuss the process for the establishment of such limits.

2.4.7 GENERAL INFORMATION

Credit limits and a separate master agreement are required to be entered into in respect of Interest Rate Derivatives. The master agreement may take the form of an industry standard ISDA Master Agreement or any other form of agreement which we agree.

2.5 FOREIGN EXCHANGE OPTIONS

2.5.1 DESCRIPTION

A Foreign Exchange Option (FX Option) is an agreement between the buyer and the seller of the option. The buyer obtains the right, but not the obligation, to buy an agreed amount of one currency with another nominated currency at a pre-set price (the strike price), on an agreed future date (the expiration date). The strike price of the FX Option, the expiration date, the currencies and amount may be nominated by you and accepted by us. Further information on available currencies can be obtained from your Financial Markets Representative.

We only offer European FX Options. A European FX Option can only be exercised on a specific date in the future, referred to as the expiration date. Settlement takes place two Bank Business Days after exercise (the value date).

In return for the FX Option, the buyer pays the seller a premium. This premium is non-refundable, although in the case where you have purchased the FX Option from us, we will quote a price to repurchase the FX Option at any time up until the expiry date. If the quote to repurchase the FX Option is acceptable to you, we will pay the quoted amount to you and the FX Option will be cancelled.

2.5.2 CREDIT LIMITS

Where we buy an FX Option from you, a credit limit will be required to be established prior to any agreements being entered into. Your Financial Markets Representative can discuss the process for the establishment of such limits.

2.5.3 GENERAL INFORMATION

Credit limits and separate master agreements are required to be entered into in respect of FX Options. The master agreement may take the form of an industry standard ISDA Master Agreement or a Bank of Queensland Master Agreement for Financial Markets Transactions. We will determine which agreement is appropriate.

3. TRANSACTING WITH US

3.1 WHOLESALE COUNTERPARTY ESTABLISHMENT PROCEDURES

In order to become a wholesale counterparty of Bank of Queensland Financial Markets, you will need to sign one of the following;

- A Master Agreement for Financial Markets Transactions; or
- ISDA Master Agreement,

We will determine which agreement is appropriate.

These agreements, among other things:

- Authorise us to deal with you in the applicable products;
- Confirm the products and services you wish to transact in and the name in which you will transact;
- Confirms your details including your address, citizenship, your contact numbers and your e-mail address;
- Confirms the details of your Authorised Dealers including their name and position or relationship to you and each of their original signatures;
- Confirms the details of your Authorised Signatories including their name, position or relationship to you and each of their original signatures;
- Confirms any other name by which you or any Authorised Dealers or Authorised Signatories may be known (such as maiden name); and
- Provides details of your Bank of Queensland Bank Account for settlement purposes.

By signing one of these agreements, you agree to the terms and conditions contained in this document. If there is any inconsistency between one of those agreements and this document, the agreement will take precedence. Descriptions of products in this document may be indicative or a summary only. If applicable, you should refer to any agreement between us for full details of how a product works and the terms and conditions of that product.

If you are a company, trust, body corporate, firm, partnership or association, you will also need to provide us with copies of the documents referred to in the relevant agreement.

3.2 TAX FILE NUMBERS (TFN)

We are authorised to request your TFN under the *Taxation Administration Act 1953* (Cth). It is not compulsory for you to give us your TFN and declining to provide us your TFN is not an offence. However, if you choose not to, we must deduct withholding tax at rates up to the highest marginal tax rate, plus the Medicare Levy, from any interest that you earn.

We are required to report details of interest income earned, withholding tax deducted and TFNs quoted to the Australian Taxation Office. *The Privacy Act 1988* (Cth) imposes strict obligations on what we can do with your TFN. We will keep your TFN confidential.

3.3 GIVING US INSTRUCTIONS

The terms of a transaction are agreed at the time of dealing.

We will deal with you in the applicable products where you give us instructions in writing or another form acceptable to us (for example, by phone).

Once we reach an agreement both you and the Bank are bound by the agreed terms.

The confirmation we provide to you (see "Confirmation and Statements") evidences the transaction entered into with the Bank, unless the contrary is shown.

3.4 AUTHORISED DEALERS AND AUTHORISED SIGNATORIES

If you transact with us in relation to Foreign Exchange Contracts, Foreign Currency Account Facilities, Interest Rate Swaps and FX Options, you can nominate a person to act as an Authorised Signatory or an Authorised Dealer (or both).

If you transact with us in relation to Forward Start Fixed Rate Loan Agreements you can nominate a person to act as an Authorised Dealer only.

Where you are a natural person, you will have the same powers as both your Authorised Signatory(s) and/ or Authorised Dealer(s). Where you are a body corporate, you will have the same powers as your Authorised Signatory only and will need to nominate a natural person as your Authorised Dealer (where applicable).

Authorised Dealers can do the following on your behalf by providing us with telephone instructions:

- Enter into and amend transactions, including deposits, withdrawals, sales and purchases of securities, foreign exchange and derivative transactions;
- Authorise us to make payments to you in accordance with your Standard Settlement Instructions; and
- Request any information from us about existing or historical transactions.

Authorised Signatories can do the following on your behalf by providing us with instructions in writing or another form acceptable to us:

- Confirm transactions;
- Alter your details including, but not limited to, your Standard Settlement Instructions;
- Sign any documents or provide us with any instructions which are required to be provided in writing;
- Request any information from us about existing or historical transactions;
- Open new Foreign Currency Account Facilities in your name;
- Close your Foreign Currency Account Facilities;
- Make additional deposits to, withdraw funds from, reinvest funds upon maturity of and authorise us to make payments from your Foreign Currency Account Facility; and
- Authorise us to debit funds from your Foreign Currency Account Facility upon settlement of a Foreign Exchange Contract with us.

The Authorised Signatories who you nominate in relation to your Foreign Currency Account Facilities, Foreign Exchange Contracts, Interest Rate Derivatives or Foreign Currency Options must be the same persons as you have authorised to operate your Bank of Queensland Bank Account as set out in your Account Authority. If you change the persons who you have authorised to operate your Bank of Queensland Bank Account by signing a new Account Authority, you will need to provide us with a new Authorised Dealers/ Signatures Addendum to the Master Agreement for Financial Markets Transactions, a new Financial Markets Dealing Authority or otherwise in writing in a form approved by us.

You can cancel an Authorised Dealer's or an Authorised Signatory's authority at any time by providing us with a new Authorised Dealers /Signatures Addendum to the Master Agreement for Financial Markets Transactions, a new Financial Markets Dealing Authority or otherwise in writing in a form approved by us. However, you will be responsible for any transactions made prior to the authority being cancelled and/or you notifying us of the cancellation.

We also reserve the right to cancel an Authorised Dealer's or an Authorised Signatory's authority to operate a Foreign Currency Deposit or Foreign Currency Account Facility but are not obliged to do so. We may cancel the authority without notice to you, but will usually only do so where the Authorised Dealer's or Authorised Signatory's identity or authority does not meet our requirements or we reasonably believe their authority is a risk to you or us or is or may result in a breach of law or regulation.

3.5 CONFIRMATIONS AND STATEMENTS

We will send you a written Confirmation either by mail, facsimile, e mail or by other electronic means at our discretion in relation to the following:

- New transactions;
- Amendments to existing transactions;
- Cancellation of transactions;
- Closure of Foreign Account Deposit Facilities or Foreign Currency Account Facilities;
- Extensions of Foreign Exchange Contracts; or
- FX Option expiries.

4. GENERAL INFORMATION

4.1 WHEN WE CAN OPERATE ON YOUR FOREIGN CURRENCY ACCOUNT FACILITY

In certain circumstances, we can operate on your Foreign Currency Account Facility. For example, we can:

- Make drawings on your facility to pay ourselves any fees and charges;
- Correct mistakes on your facility;
- Reinvest funds on your behalf for the same term at the applicable rate if you do not provide us with instructions on maturity of any fixed term facility; and
- Do such acts and things we are empowered to do by law, without any notice to you.

We may also close your facility upon giving you reasonable notice.

4.2 COVERING US FOR LOSS

To the fullest extent permitted by law, you agree that if we suffer or sustain any direct loss, claim, demand or damage directly or indirectly because of:

- Any use or misuse of a product or service we provide;
- Any use or misuse of our facsimile instruction service; or
- Any breach of the terms and conditions in this document,

by you or any of your Authorised Dealers or Authorised Signatories or someone purporting to be you or any of your Authorised Dealers or Authorised Signatories or because of any Authorised Dealer or Authorised Signatory acting outside the scope of their authority, you will save the Bank harmless and pay us the amount of that loss, claim, demand or damage on demand, including all legal costs on a full indemnity basis, even after your facility is closed or your contract or transaction is at an end. This indemnity does not apply to any loss, claim, demand or damage to the extent it results from the gross negligence, wilful misconduct or fraud of the Bank or its employees or agents.

In addition, you, an Authorised Signatory or an Authorised Dealer will, if requested, provide to the Bank an additional indemnity in a form acceptable to the Bank, before the Bank acts on your instructions.

4.3 CUSTOMER INTEGRITY

We believe that you will deal with us honestly and in good faith. If we suffer loss because you do not deal with us honestly or in good faith, we will take steps to recover that loss. We must do that in the interests of our other customers and shareholders. In some cases, and where permitted by law, we will take those steps without notice.

4.4 OTHER INFORMATION WE MAY REQUIRE FROM YOU

You and any Authorised Signatories and/or Authorised Dealers must provide any further identification and other details we or the law may require from time to time. This further information may be used to establish your, an Authorised Signatory's, an Authorised Dealer's or any other person's identity before we open your facility, sell a product to you and/or act on any instructions. This further information may include (but will not be limited to) personal information or any secret code relevant to the product or facility. You agree that we are not obliged to obtain such identification and other details before acting on any or all instructions.

Where you have directed a third party to make a payment to us, we may require you and/or the third party to provide sufficient information and identification documentation in relation to the third party to meet our security, identification or other lawful requirements.

4.5 ANTI-MONEY LAUNDERING, COUNTER-TERRORISM AND ECONOMIC AND TRADE SANCTIONS

We can delay, block or refuse to make a payment if we believe on reasonable grounds that making a payment may breach any law in Australia or any other country, and we will incur no liability to you in this regard.

You must provide all information to us which we reasonably require to comply with any laws in Australia or any other country. You agree that we may disclose information which you provide to us where required by any laws in Australia or in any other country.

We reserve the right not to provide you with a product or service in certain circumstances. For example, we may refuse to do so where we do not believe you, any Authorised Dealer or Authorised Signatory meet our security, identification and/or other lawful requirements, or we have satisfied ourselves that there are other valid commercial reasons for doing so.

Unless you have disclosed that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf in dealing with us.

You declare and undertake to us that the payment of money or any transactions performed in accordance with your instructions by us does not and will not breach any laws in Australia or in any other country.

4.6 FATCA REPORTING OBLIGATIONS

We are required by local and international laws to identify and provide information on certain US persons in order to meet account information reporting requirements. Foreign Account Tax Compliance Act (FATCA) legislation affects personal and non-personal customers with links to the US.

If you or where you are a non-personal customer, any office bearer (i.e. director of a company, partner in a partnership, trustee of a trust, chairman, secretary or treasurer of an association or co-operative) of the entity and/or any individual who holds an interest in the entity of more than 25% (Controlling Person), has FATCA US indicators, then FATCA may impact on your account and the account details may need to be reported to the Australian Taxation Office which will submit the information to the US Internal Revenue Service on an annual basis.

If you or any Controlling Person meet certain FATCA US indicators (based on application information), you/ they will be required to “self-certify” your/their status for FATCA purposes. Information about the account will be reported to the Australian Taxation Office if we determine that the account meets the relevant FATCA US indicators on the basis of the self-certification information.

If information in your application suggests that you may meet the FATCA US indicators, we will provide you with a Self-Certification Information Guide which helps you to navigate through the self-certification process.

Unless you notify us that you and/or any Controlling Person are a US citizen or US tax resident as specified above, transacting in the applicable product/s constitutes certification that you and/or any Controlling Person are not a US citizen or US tax resident.

If at any time after providing you with the applicable product/s, information in our possession suggests that you and/or any Controlling Person may be a US citizen or US tax resident, you may be contacted to provide further information on your US tax status and/or the US tax status of any Controlling Person. Failure to respond may lead to certain reporting requirements applying to the transaction, facility or account.

4.7 RECORDING TELEPHONE CALLS

Please note that all telephone calls made to our Financial Markets Department and our Treasury and International Operations Department may be recorded. We do this to make sure that we have complete records of the details of all transactions. Recorded telephone conversations may be reviewed in the case of a dispute.

As a condition of us providing you with the products and services contained in this document, you consent to our recording of any telephone conversation you may have with us and our use of this record to evidence the matters contained within it.

You will need to tell us if you do not wish to be recorded. However, we will not enter into a transaction over the telephone unless it is recorded.

4.8 CHANGING YOUR DETAILS

If you change your details, you may need to supply us with a new Master Agreement for Financial Markets Transactions, a new ISDA Master Agreement, a new Authorised Dealers / Authorised Signatories Addendum or a new Financial Markets Dealing Authority, depending on the circumstances or provide instructions in writing to us in a form acceptable to us.

4.9 PRIVACY AND CONFIDENTIALITY

You may ask for a copy of our Privacy Policy at any time. Our Privacy Policy sets out how we deal with any personal information that we hold about you.

The “Privacy Notification and Consent Form” you receive when you open your Bank of Queensland Bank Account provides you with more information about how we use your personal information. Unless you tell us otherwise, you are taken to have consented to us dealing with your personal information in accordance with our Privacy Policy.

4.10 IF YOU GET INTO FINANCIAL DIFFICULTY

We strongly advise you to tell us immediately if you are in financial difficulty. We will try to help you, provided that any action we take would be fair and reasonable in the interests of you, our other customers and shareholders.

4.11 IF YOU HAVE A PROBLEM OR DISPUTE

4.11.1 Our Service Commitment

At Bank of Queensland we are committed to providing our customers with innovative banking solutions and the best customer service experience.

If at any time our service does not meet your expectations we would like you to let us know. Resolution of problems is a priority to us.

4.11.2 How to contact us?

There are a number of ways to contact us:

- i Contact our Financial Markets Department. Our Financial Markets Department staff are always willing to listen to your suggestions about our Financial Markets products and services and they will do their best to address any concerns immediately.
- ii Our Customer Contact Centre can be contacted on 1300 55 72 72 from 7.00 a.m. to 7.00 p.m., Monday to Saturday.
- iii **Contact our Customer Relations Department via:**
E-mail: customer.relations@boq.com.au
Telephone: 1800 663 080
Fax: (07) 3212 3286
Mail: Customer Relations
Reply Paid 2258, Brisbane QLD 4001

4.11.3 How will your complaint be handled?

If we cannot solve your problem on the spot, we will let you know within 48 hours who is handling your complaint and how long it is likely to take for it to be resolved.

We aim to resolve all complaints within 5 working days. If this is not possible we will keep you informed on our progress.

Please note (where applicable) we comply with the E-Payments Code complaint investigation and resolution procedures in connection with Electronic Transactions to which the E-Payments Code applies.

If your complaint cannot be resolved promptly, Bank of Queensland Customer Relations Department will take responsibility and work with you to resolve the matter.

4.11.4 What to do if you feel your complaint has not been resolved

If your complaint is not resolved to your satisfaction, you can ask to have a further review by our Customer Advocate. The Advocate's role is to represent your interests within Bank of Queensland and to help ensure you have the best possible experience. Our Customer Advocate can be contacted on (07) 3212 3206.

If you remain dissatisfied with the outcome and you would like an independent review of the complaint and the result, you can refer your complaint to:

Australian Financial Complaints Authority (AFCA)
GPO Box 3, Melbourne VIC 3001
Telephone: 1800 931 678
Website: www.afca.org.au

Australian Securities & Investments Commission (ASIC) also has an information line: 1300 300 630. You can use this number to make a complaint and obtain further information about your rights.

For further information on solving problems and disputes please ask at any Bank of Queensland branch for our "We would like to know" brochure.

4.12 REGULATORY CODES

As part of our commitment to customer service, we have adopted the Banking Code of Practice and the E-Payments Code. These are codes of conduct which aim to foster good relations between banks and customers, and to promote good banking practice.

We will comply with the Banking Code of Practice and the E-Payments Code where they apply to services we provide to you.

Banking Code of Practice

The Banking Code of Practice applies to banking services provided to customers who are "individuals" or "small businesses" as defined in it.

E-Payments Code

We will comply with the E-Payments Code, where it applies to the banking services we provide to you. This code governs all electronic funds transfer transactions, which you carry out through any Electronic Equipment or services we provide to you.

Our liability for losses arising from unauthorised transactions and system or equipment malfunction will be governed by Chapter C of the E-Payments Code.

Other subscribers to the E-Payments Code may impose limits on transactions.

Chapter C of the E-Payments Code sets out your liability for unauthorised transactions in connection with transactions governed by the E-Payments Code. Chapter C of the E-Payments Code will prevail to the extent of any inconsistency with these terms.

4.13 CHANGES TO THESE TERMS AND CONDITIONS

We can change these terms and conditions, add new products or stop existing products at any time.

The types of changes that we can make include:

- making changes required to comply with any law or guidance or requirement of a regulator, or a decision of a court or other dispute resolution process;
- changing interest rates, exchange rates and the way we calculate interest. This includes increasing, decreasing, renaming or substituting rates. However, we cannot change an interest rate during a fixed rate period;
- changing fees and charges. This includes changing the amount of fees and charges and introducing or removing them.

We can also make a change to these terms and conditions if:

- we reasonably consider you will benefit from it;
- it is administrative or minor or corrects a mistake or omission;
- it reflects changes to our business or systems;
- it is made for security reasons; or
- the change is reasonably made on a product or like customer basis (for example, to reflect current industry or market products or conditions).

We will tell you of changes to this document in accordance with the law and any code to which we subscribe.

Generally, we will tell you about changes as soon as reasonably possible (which may be before or after the change is made) or, where the change is unfavourable to you, by providing you with 30 days' notice. However, if we change an interest rate, we will tell you no later than the date of the change, unless we are not able to because the interest rate is calculated according to a money market rate or some other external rate, or a rate otherwise designated as a variable rate. Where there is a change to, or introduction of, a government fee or charge, we will tell you reasonably promptly after the government notifies us (however, we do not have to tell you if the government publicises the change to or introduction of the fee or charge). We may also give you a shorter notice period (or no notice) where we believe doing so is necessary for us to avoid, or to reduce, a material increase in our credit risk or our loss.

We will notify you of any other change to the banking services we provide to you by writing to you before the change takes effect, placing a notice in a major daily newspaper or placing a notice on or with Statements or Confirmations or other material we send to you, or in any other way that meets our obligations under a law or code.

If we are required to notify you in writing of any changes, we will send the notice to the last mailing address recorded by us.

For a joint facility, we will only send one notice to the last mailing address.

If there are enough changes to this document to warrant doing so, we will consolidate them in a single publication.

4.14 WARNING

Financial markets transactions involve a risk of loss because of movements in exchange or interest rates or because of changes in the value of the underlying asset. We recommend you seek independent financial advice before entering into any such transactions. You should not enter into these transactions if you do not understand the risks. It is your responsibility to monitor your transactions.

4.15 CONTACT DETAILS

This document is designed to be a brief overview of the products and services offered by Bank of Queensland Financial Markets.

As Bank of Queensland continues to grow in size and market share our range of products will continue to expand based on customer need and demand.

For further information regarding our full range of financial products and services, or if you have any questions, please contact the Financial Markets Department on (07) 3212 3366, Monday to Friday 8.00 a.m. to 5.30 p.m. AEST or email the Financial Markets Department on financial.markets@boq.com.au.

5. INTERPRETATION

In this document, the following terms shall have the following meanings:

Account Authority means the account authority which you sign when you open your Bank of Queensland Bank Account.

AEST means Australian Eastern Standard Time.

Bank is Bank of Queensland Limited ABN 32 009 656 740.

Bank Business Day is any day on which the Bank is open for business.

Bank of Queensland Bank Account means the Transaction Account which is held in your name with us as nominated by you in your Standard Settlement Instructions.

Confirmation means a written advice from us that is confirmation of your transaction. It will contain details such as the date of the transaction, the names of both you and us, a description of the transaction and the amount paid or payable in relation to the transaction including, but not limited to, any taxes or duties.

Statement means the written advice setting out the details of all transactions on your facility since your last statement.

Transaction Account has the same meaning as set out in our Business Transaction and Investment Accounts Terms and Conditions, Deposit Products Terms and Conditions, Business Lending Supplementary Terms and Conditions and may also include a Line of Credit Facility or an Overdraft Facility.

we, our and **us** are each a reference to Bank of Queensland Limited ABN 32 009 656 740, its successors and assigns, and any of its officers, agents, staff and authorised representatives acting on its authority.

AFSL No. 244616

Bank of Queensland Limited ABN 32 009 656 740 (BOQ).

