

This document should be read in conjunction with :

- Savings Account Schedule of Access, Fees and Charges

Together these two documents comprise Police & Nurses' Product Disclosure Statement (PDS) for Personal Cheque Facility. Copies of these documents are available at Police & Nurses locations, on our web site at www.pncs.com.au or by calling 13 25 77.

The information provided in this document is not financial product advice and has been prepared without taking into account your specific personal circumstances. You should read the whole of this document and consider all the information in light of your own personal circumstances before deciding to obtain any of the products offered.

Terms & Conditions

- A personal cheque facility is available on some of the Society's savings accounts.
 - A minimum account balance of \$350 is required for a personal cheque facility to be established.
 - Cheque facilities are not available if you are under 18 years of age.
 - The relevant provisions of the Credit Union Code of Practice apply to this service.
1. Immediately the Society accepts this application, you, the member, acknowledge that you have appointed both the Society and the Credit Union Services Corporation (Australia) Limited as your agent and that you have authorised each of them to:
 - a) Conduct accounts ('the Bank Account') with a Bank ('the Bank') to enable you to draw cheques for payment of goods and services out of the funds in your Society account in accordance with these terms and conditions, and
 - b) Transfer funds to the Bank Account from your Society account to pay the amount of cheques or payment order ('a cheque') that you or your Authorised Signatories have signed and to pay the value of all costs, taxes, or charges made by the Society or the Bank.
 2. If the amount of any cheque presented for payment to the Bank exceeds the Available Balance (as defined in 3 below) in the Society Account at the time the cheque is presented, the Society may instruct the Bank to refuse to pay the cheque. In such an event, the Society will advise you in writing, by ordinary prepaid post, as soon as is practicable, but will incur no liability for failure to do so. Where the Society refuses to pay a cheque in accordance with this condition, or in accordance with any other provision, the Society may, at its absolute discretion, debit to the Society account any costs incurred through such refusal, and such costs shall constitute a debt from the member to the Society. The current cost for each cheque dishonoured is detailed in the Society's Savings Account Schedule of Fees and Charges.
 3. The 'Available Balance' includes any funds lodged in the Society account, any unused overdraft or other agreed credit facility made available for the Society account. The Available Balance does not include deposits received but uncleared in accordance with the policy of the Society, nor does it include interest accrued but not credited nor deposits in transit.
 4. In signing this application you have acknowledged that the Society is only required to instruct the Bank to stop payment on any cheque when the Society standard stop payment notice has been correctly completed, signed and delivered to the Society.
 5. In the event that a correctly authorised and presented cheque exceeds the Available Balance of the Society account, the Society is authorised, (but it is under no obligation so to do), to transfer, to that account from any other account or accounts held with the Society in the name(s) of the member, sufficient funds within the Available Balance of such other account or accounts to allow payment of the cheque. The Society may, at its absolute discretion, debit a fee, as determined by the Society from time to time, to the Society account for each and every such transfer, and such fee shall constitute a debt from the member to the Society. Notwithstanding this condition, the Society shall be held harmless from any claim whatsoever from the member or any other person or organisation, should the Society fail to refuse to make such a transfer.
 6. If the Society, for any reason and without reference to you, pays a correctly authorised and presented cheque that exceeds your Available Balance with the Society then you shall incur a debt to the Society of the amount by which the cheque exceeds the Available Balance. In such circumstances the debt shall be repayable by you immediately upon the written demand of the Society. If you fail to repay such a debt then you shall be required to pay all costs and expenses whatsoever incurred by the Society in collection of that debt.
 7. In consideration of the services provided by the Society in accordance with the cheque facility, you will pay such charges as shall be determined by the Society from time to time in relation to all transactions and to all cheques drawn on, or deposits made to, the Bank pursuant to the cheque facility. The current cost for a cheque book is in accordance with the Society's Savings Account Schedule of Access, Fees and Charges.
 8. You hereby agree that the rights and liabilities of the Society in relation to its member cheque facility shall be as if the Society were a bank and collecting bank as defined by, or a banker as referred to, in the Cheques and Payments Orders Act 1986 and any amendment thereof or substitution therefore.
 9. In this Application and its Terms and Conditions, the expression, 'the member' includes both the prime member and, where applicable, the joint member jointly and severally.

General Descriptive Information

This section contains information for Police & Nurses Credit Society Limited (the Society) members that is designed to increase your knowledge about a Personal Cheque Facility. It deals with some aspects of the Society's products and procedures and some parts of the Credit Union Code of Practice. This is not a complete statement of the relevant law or practice.

How long does it take to clear a cheque?

When a cheque is deposited to an account at the Society, funds cannot be withdrawn until proceeds have been made available.

Funds will be made available as follows:

- A cheque drawn on a branch of a financial institution in Western Australia – four working days.
- A cheque drawn on a branch of a financial institution in any other state or territory of Australia – four working days.
- A cheque drawn on an overseas financial institution – thirty working days.
- When a cheque is deposited after 3pm any day of the week or on a Saturday, it will take five working days to clear.
- If there is a Public Holiday in the state where the cheque is payable, allow six working days before funds are available.

Note that, there may be a 24 hour extension on the above clearance periods due to the paying bank's checking procedures.

During this period, you will NOT be able to withdraw any of the proceeds of that cheque.

However, there are some exceptions which allow you immediate access to the proceeds of the cheque. Please check with the Society as to these circumstances.

Also, when depositing the cheque, you can ask the Society for a special clearance on the cheque. The Society will tell you how long it will take to specially clear and the amount of any special clearance fee.

The Society will not cash personal cheques of the payee if they are not a member of the Society.

What is the effect of crossing a cheque?

If you cross a cheque, you are telling a financial institution that the cheque must be paid into an account with a financial institution and not cashed. Crossing a cheque means drawing two lines clearly across the face of the cheque.

'Not negotiable' and 'Account payee only' cheques

The words 'not negotiable' between two parallel lines across the face of a cheque help to protect the true owner of a lost or stolen cheque.

If you write 'Account payee only' on a cheque you are directing the financial institution collecting the cheque to only pay the cheque into the account of the person named on the cheque. These words do not prevent the transfer of a cheque however may give you better protection against theft or fraud.

Deleting 'or bearer' on the cheque

Your pre-printed cheque forms have the words 'or bearer' after the space where you write the name of the person to whom you are paying the cheque. The cheque is a 'bearer' cheque.

If you cross out the words 'or bearer' and do not add the words 'or order', the cheque is still a bearer cheque.

You can give yourself more protection against theft or fraud by crossing out the words 'or bearer' and adding the words 'or order'.

How do I stop payment on a cheque?

You can stop payment on a cheque by:

- phoning the Society with sufficient particulars to identify the cheque and completing the Society's stop payment form;
- writing to the Society with particulars to identify the cheque.

You must, of course, do this before the Society has paid the cheque.

What do I do to reduce the risk of forgery?

When filling in a cheque:

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

When can the Society dishonour or not pay my cheque?

The Society can dishonour your cheque or not pay on it if:

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

