

# Macquarie Bank Qantas Frequent Flyer Term Deposit

Application Booklet

Macquarie Bank Limited



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# Introductory information

This application booklet contains information about the key features and Terms and Conditions of the Macquarie Bank Qantas Frequent Flyer Term Deposit.

Please read this booklet carefully before deciding to open a Term Deposit.

The information in this booklet is current as at June 2009 and is subject to change.

## Macquarie Bank Qantas Frequent Flyer Term Deposit account

The Macquarie Bank Qantas Frequent Flyer Term Deposit is a term deposit account provided by Macquarie Bank Limited ("Macquarie Bank"). As a licensed Australian bank, Macquarie Bank is subject to supervision by the Australian Prudential Regulation Authority. Macquarie Bank also holds Australian Financial Services Licence No. 237502 and is subject to regulation by the Australian Securities and Investments Commission.

Qantas Airways Limited ABN 16 009 661 901 has given and not withdrawn its consent to be named in the Macquarie Bank Qantas Frequent Flyer Term Deposit but has not been involved in the preparation of this PIS, has not authorised or caused its issue, makes no representation as to its accuracy or completeness and accepts no responsibility for its form or content.

## Fees or charges


We do not charge any establishment or account keeping fees in relation to your Account. We charge fees for some additional services, as set out in the Terms and Conditions. Ask us if you require further information about these fees.

## Privacy

The privacy of your personal information is important. Any personal information collected will be handled in accordance with these Terms and Conditions and Macquarie Bank's privacy policy. A copy of that policy can be obtained by visiting our website at [www.macquarie.com.au/au/privacy\\_policy.htm](http://www.macquarie.com.au/au/privacy_policy.htm) or by requesting a copy from Macquarie Bank.

## How to contact us

If you have any queries about your Account, including currently available terms and interest rates, contact Macquarie Bank on:

 1800 184 876

 [www.macquarie.com.au/qff-term-deposit](http://www.macquarie.com.au/qff-term-deposit)

## Product Information at a glance

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■ **Minimum opening balance**  
\$10,000.00 (See Section 2.5)

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■ **Currency**  
Accounts are denominated in AUD only.  
(See Section 2.7)

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■ **Term**  
You can choose a term between 6 and 24 months. Other terms may be offered from time to time. Once the Account is opened, the amount, term and Interest Rate are fixed until maturity. (See Section 4.1)

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■ **Calculation and payment of interest**  
Interest is calculated at an Interest Rate which is fixed for the duration of your Term Deposit.

Interest is paid on maturity unless otherwise agreed.

Interest may be electronically credited to your Nominated Bank Account or deposited in your Account upon maturity. (See Section 4)

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■ **Options at maturity**  
On maturity, unless you instruct us otherwise (at least one day before the maturity date), your Term Deposit is automatically renewed for the same term and at the Interest Rate offered by us at that time. In the event that a Term Deposit is rolled over, it will be treated as a new deposit and earn Qantas Frequent Flyer points. (See Section 3.4)

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■ **Withdrawals**  
Funds may be withdrawn on maturity and will be electronically credited to your Nominated Bank Account by the end of the next business day.  
  
Cheque and third party payment requests are not available. (See Section 3.5)

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■ **Accessing funds before maturity**  
If you wish to withdraw funds from your Account before the agreed maturity date a fee will be charged. (See Sections 3.5 and 3.6)

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■ **How are my Qantas Frequent Flyer points calculated?**  
The amount of Qantas Frequent Flyer points earned is determined by the amount and the term of your Term Deposit. You can determine how many points you will receive for your Term Deposit by using our Reward Point Calculator on our website or by contacting us.

# Terms and Conditions

## 1. Interpretation

The following table defines and explains some terms used in this document.

Term	Meaning
Account	Your account in the Macquarie Bank Qantas Frequent Flyer Term Deposit Account.
AFSL	Australian Financial Services Licence.
AUD or \$	Australian Dollars.
Authorised Representative	A person that is authorised to operate your Account, which may include your financial adviser, if they have agreed.
Business Day	Any day excluding Saturday and Sunday that banks in NSW are open for normal business.
Confirmation	A written advice containing details such as the date, name, address, amount and type of transaction.
Interest Rate	The interest rate on your Account expressed as a percentage per annum (% p.a.).
Nominated Bank Account	An account with an Australian Financial Institution into which you have instructed us withdrawals from your Account are to be paid. The nominated account must be held in the same name as the name of the Account.
Program	The Qantas Frequent Flyer program.
Term Deposit	A deposit held at a financial institution that has a fixed term. Funds are subject to a rate of return, shown as a percentage per annum, which does not change for the term of the investment.

In addition, in this document:

“we”, “our”, “us” and “Macquarie Bank” means Macquarie Bank Limited, AFSL 237502;

“you”, “your” means the person in whose name the Account is held; and the plural includes the singular and vice versa.

“Qantas” means Qantas Airways Limited  
ABN 16 009 661 901

## 2. Account opening

- 2.1 To open an Account, the Macquarie Bank Qantas Frequent Flyer Term Deposit Account opening procedures must be completed by you or on your behalf. Contact Macquarie directly, if you have any queries.
- 2.2 You agree to provide us with any information, including information relating to your identity, we reasonably require to open an Account. Where you do not provide all the information required, we may be unable to open the Account. We will return your deposit to you in full without any interest, should we be unable to open your Account.
- 2.3 You agree to select a Nominated Bank Account into which withdrawals from your Account are to be paid and you must provide a copy of the deposit slip or statement of your Nominated Bank Account for account name verification. Cheque and third party payment requests are not available.

- 2.4 The Account will not be opened until the minimum initial deposit is received by us. Make your initial deposit of \$10,000 or more by either
  - mailing or bringing your cheque and application form into one of our offices, or
  - direct debit, by ticking the direct debit box on the application form and completing the Direct Debit form, or
  - You can send funds to us by cheque, which must be payable to “Macquarie Bank Limited – [Insert your name as referenced on the application form]”.

Funds transfer through phone or internet banking, by ticking the appropriate box on the application form or by electronically transferring funds to the following Account:

Bank: Macquarie Bank  
Branch: 182-222  
A/c: 300000817  
Payee: Macquarie Bank Limited  
Reference: [Insert your name as referenced on the application form]

Cash deposits will not be accepted.

Please do not transfer the funds before sending us your application.

- 2.5 Minimum initial deposit amount to establish an Account is \$10,000.00.
  - 2.6 Additional funds cannot be added to your Term Deposit before maturity. Additional deposits of \$10,000.00 or more will be accepted and appear as a separate Account. The Interest Rate for the additional deposits may differ to existing deposits you may already have.
  - 2.7 The only currency accepted for your Account is AUD.
  - 2.8 Your investment with us of at least the minimum initial deposit will constitute your acceptance of these Terms and Conditions.
  - 2.9 To be eligible to open a Macquarie Bank Qantas Frequent Flyer Term Deposit you must be an existing Qantas Frequent Flyer member and have a valid Qantas Frequent Flyer number. Qantas Frequent Flyer points can only be issued to one Qantas Frequent Flyer account. This account must belong to the Individual/s opening a Macquarie Bank Qantas Frequent Flyer Term Deposit Account.
- ## 3. Account transactions
- 3.1 Subject to clause 9.2, you authorise us to act on written, facsimile, electronic or verbal instructions which purport to be from you or an Authorised Representative.
  - 3.2 If the Account is held in the name of more than one person, you authorise us to act on the instruction of any one or more of those persons.

- 3.3 You agree that we can record telephone conversations we have with you or your Authorised Representative.
- 3.4 Upon maturity, we will repay or reinvest all or part of your deposit in accordance with instructions we have received. Where all or part of your deposit is to be repaid, we will electronically credit your Nominated Bank Account by the end of the next Business Day. Where we have not received any instructions at least one Business Day prior to maturity, we will automatically roll your deposit for the same term at the interest rate we are then offering for that term. Where the deposit is rolled over, the deposit will be treated as a new deposit and will earn more Qantas Frequent Flyer points.
- 3.5 If you wish to withdraw funds in your Account before the maturity date, this will be at our discretion and a fee will be charged to you.
- 3.6 Subject to the remainder of this clause, the fee for withdrawing funds from your Account before the designated maturity date will be based upon the timing of the withdrawal, the amount withdrawn and the interest accrued on that amount up to the time of the early withdrawal. The fee will be deducted from the principal sum.

Timing of withdrawal	Fee payable
During the first third of the term	The equivalent of 70% of the interest earned to date.
During the second third of the term	The equivalent of 40% of the interest earned to date.
During the final third of the term	The equivalent of 20% of the interest earned to date.

You will also incur a charge to reflect the Qantas Frequent Flyer points you have already received in relation to the residual term of your deposit. This charge is calculated by applying a 0.275% to the amount of your deposit multiplied by the remaining term of your deposit. Using the example of a \$100,000 Term Deposit invested at 5% for a term of 365 days, the break fee charged will be as follows:

- If you break the Term Deposit 100 days into the term, the break fee is \$958.90.  
 $= \$100,000 \times 5\% \times (100/365) \times 70\%$   
 $= \$958.90$
- The additional fee to cover the cost of the Qantas Frequent Flyer points you have already received is \$199.66  
 $= \$100,000 \times (265/365) \times 0.275\%$   
 $= \$199.66$

The example above is indicative only and uses rates and figures selected by us to demonstrate how the

product works. Actual rates vary from time to time. In all cases, a minimum fee of \$100.00 applies.

- 3.7 We will send you a Confirmation of your investment details when you open your Account and on maturity or early withdrawal. The Confirmation will be conclusive evidence of the transactions made on your Account, unless you advise us otherwise within seven days of the date of the Confirmation. If you advise us of any incorrect information, we will investigate and attempt to resolve the disputed information.
- 3.8 We will not issue you with a statement of account.

#### 4. Term and interest

- 4.1 The available terms for Term Deposits range between 6 and 24 months. Other terms may be offered from time to time. The term for your Account is stated in the Confirmation we send you.
- 4.2 The Interest Rate that will apply to your Account will be the prevailing rate at the time we invest your funds. In all cases, the Interest Rate applying to your Account is stated in the Confirmation we send you following Account opening or rollover.
- 4.3 Interest is paid on maturity of your Account unless otherwise agreed between you and us. Your Nominated Bank Account must be held in the same name as your Macquarie Bank Qantas Frequent Flyer Term Deposit to receive this interest.
- 4.4 Interest is calculated on the daily balance of your Account at the agreed interest rate for Term Deposits. The interest rate will remain fixed for the term selected at the time of your investment or rollover.
- 4.5 Interest may be electronically credited to your Nominated Bank Account or reinvested to your Account upon maturity.

#### 5. Fees and charges

- 5.1 We charge the following fees for the following services provided in connection with your Account:

Local real time payments	\$15.00 per transaction
Dishonoured cheque deposits	\$15.00 per transaction
Bank audit certificate	\$40.00 per certificate

Any fees charged will be debited to your Account and will be outlined on the Confirmation we send you upon maturity or early withdrawal.

We may deduct from your Account any government charges or taxes which are introduced or become applicable to your Account after commencement of your Term Deposit.

5.2 We may from time to time change these fees or charges, introduce new fees or charges or change the way fees or charges are calculated or debited to your Account. Any failure by us to charge a fee will not constitute a waiver of that fee or the right to charge that fee in the future.

## **6. Authorised Representative**

6.1 You may ask us, in writing, to allow an Authorised Representative to operate or access your Account. The Authorised Representative will need to provide proof of identification documents as set out in Section 8 of the Application Form.

6.2 These Terms and Conditions apply to the Authorised Representative in the same way that they apply to you. You should ensure that the Authorised Representative has read these Terms and Conditions and complies with them. If the Authorised Representative does not comply with these Terms and Conditions, you will be held liable.

6.3 We cannot accept amendments to your Account details from an Authorised Representative.

6.4 Subject to clause 6.3 and 9.2 we may act on electronic or verbal instructions which purport to be from the Authorised Representative to your Account.

6.5 The authority of the Authorised Representative can only be revoked by notifying us in writing. We may cancel the authority of the Authorised Representative at any time if we receive written notice of the death, bankruptcy, or mental illness of either you or the Authorised Representative.

6.6 You consent to us giving the Authorised Representative information about your Account.

6.7 When the Authorised Representative instructs us to carry out an action, or conduct a transaction, we will act on the instructions of that person. We are not required to make any inquiries in relation to any instructions received from the Authorised Representative in relation to the operation of your Account. We are not liable for any loss or damage caused to you by the Authorised Representative operating or accessing your Account.

## **7. Account operation**

7.1 You agree that we may delay 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 if it does so.

7.2 We may also place a block on your Account in the following circumstances and you will not be able to access or transact on your Account until the block is lifted:

- we have received return mail because you have not advised us of a change of address;
- if you cannot provide us with your mandatory security details;
- we become aware of an Account holder being deceased;
- where the Account is a joint Account, we become aware of an actual or potential dispute over beneficial ownership of the funds;
- where the Account is a trustee or partnership Account, we become aware that the trustee has been removed or the partnership has dissolved;
- we are required to do so by court order or otherwise by law; or
- your Account has not been transacted on for a period of 2 years.

## **8. Variations**

8.1 We may change these Terms and Conditions at our absolute discretion at any time. If any law regulates that change, we will only make the change to the extent permitted by, and necessary to give effect to the requirements of, that law.

8.2 Where we introduce a fee or charge or vary the method by which interest is calculated or the frequency with which it is debited or credited, you will receive written notice within 30 days before the change takes effect.

8.3 You agree that we can give notice of other variations to these Terms and Conditions (including the introduction of a government charge) or any material changes to, or any significant event that affects any of the matters specified in this document, in writing, electronically, by an advertisement in a major daily newspaper or in any other way permitted by law.

## **9. Changes to your details**

9.1 You must notify us promptly in writing of any changes to your Account details, including any changes to your name, address, bank Account details, or the details of your Authorised Representative. You

will be liable for any errors or losses arising from your failure to inform us of any changes to your Account details. Forms for changing your address or your Nominated Bank Account are available from Macquarie on 1800 184 876.

9.2 We cannot accept fax instructions for changes to your Account details.

## 10. Privacy

10.1 You consent to our using and disclosing your personal information for the following purposes:

- a. processing this application and administering your Account; and
- b. communicating with you about our other products or services which we believe may interest you, unless you tell us not to.

10.2 You consent to our disclosing your personal information to:

- a. other companies in the Macquarie Group, including for marketing and customer identification purposes;
- b. external service providers, who provide services in connection with the Macquarie Group's products and services, including suppliers of administrative services (for example, mailing houses);
- c. Authorised Representatives, if any;
- d. a party where we believe, in good faith, that the law requires or permits it to do so, such as a governmental agency or regulatory authority, or where you consent to the disclosure; and
- e. any party proposing to acquire, or acquire an interest in, our business.

10.3 You acknowledge that:

- a. we cannot compel you to provide us with the personal information requested in the application form. However, without this information, we may not be able to process your application or provide you with an appropriate level of service; and
- b. you may request access to your personal information we hold by contacting us.

## 11. Taxation

11.1 You can decide whether or not to give us your Tax File Number (TFN) when you open your Account with us. However, if you choose not to, we are required by law to withhold tax at the highest marginal rate plus Medicare levy and forward the amount to the Australian Taxation Office (ATO). If you tell us your TFN, we are required by law to pass it on to the ATO. Otherwise, your TFN will be kept confidential.

11.2 If you are a non-resident of Australia for taxation purposes, you must provide us with your overseas residential address. There will be withholding tax (currently 10%, but subject to change by the Australian Government) payable on the interest you earn on your Account where you are a non-resident of Australia.

## 12. Anti-Money Laundering and Counter-Terrorism Financing Act 2006

- (a) You must not knowingly do anything to put Macquarie Bank in breach of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, rules and other subordinate instruments (AML/CTF Laws). You agree to notify Macquarie Bank if you are aware of anything that would put Macquarie in breach of AML/CTF Laws.
- (b) If requested, you agree to provide additional information and assistance and comply with all reasonable requests to facilitate Macquarie Bank's compliance with AML/CTF Laws in Australia or an equivalent overseas jurisdiction.
- (c) You represent and warrant that you are not aware and have no reason to suspect that:
  - the money used to fund the investment is derived from or related to money laundering, terrorism financing or similar activities (Illegal Activities); and
  - proceeds of investments made in connection with this product will fund Illegal Activities.
- (d) Macquarie Bank is subject to AML/CTF Laws. In making an application pursuant to these terms and conditions, you consent to us disclosing in connection with AML/CTF Laws any of your Personal Information (as defined in the Privacy Act 1988 (Cth)) we have.
- (e) In certain circumstances we may be obliged to freeze or block an Account where it is used in connection with Illegal Activities or suspected Illegal Activities. Freezing or blocking can arise as a result of the Account monitoring that is required by AML/CTF Laws. If this occurs, we are not liable to you for any consequences or losses whatsoever and you agree to indemnify us if we are found liable to a third party in connection with the freezing or blocking of your Account.
- (f) Macquarie Bank retains the right not to provide services/ issue products to any applicant that Macquarie Bank decides, in their sole discretion, that they do not wish to supply.

## 13. Limitation of liability

13.1 We are not obliged to enquire into the circumstances of any instructions, including but not limited to instructions given by email, facsimile and telephone, that you, or your Authorised Representative gives in relation to the

conduct of your Account and, to the extent permissible by law, we are not liable for any loss or damage you or anyone else suffer due to our acting on those instructions in good faith, unless it is proved that we were negligent. You agree to indemnify us against any loss, damages, costs, claims, expenses or other actions which may be suffered by or brought against us as a consequence of us acting on any instructions (including email and facsimile instructions) received from you or from anyone else you have authorised to give those instructions on your behalf.

13.2 If we do not exercise a right or remedy fully or at a given time, we can still exercise it later.

#### 14. Notices

14.1 Notices and other communications for us may be:

- a. given to us in writing; or
- b. given by any other means permitted by law, and sent to the address details given at the start of this document or as subsequently notified by us.

14.2 Subject to the requirements of any law, notices and communications for you may be:

- a. given to you personally or left at:
  - i. any address specified by you;
  - ii. (if you are an individual) your residential or business address last known to us;
  - iii. (if you are a body corporate) your registered office; or
- b. sent by prepaid post to any of these places; or
- c. sent by facsimile to your residential or business facsimile number last known to us; or
- d. given electronically; or
- e. given by any other means permitted by law.

14.3 Notices and other communications will be deemed to be given, served or made:

- a. (in the case of delivery by hand) on delivery;
- b. (in the case of prepaid post) on the second Business Day after the date of posting; and
- c. (in the case of facsimile) on receipt of a transmission report confirming successful transmission.

#### 15. General

15.1 You agree to provide all information to us that 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 any other country. You declare and undertake to us that the payment of monies in

accordance with your instructions by us will not breach any laws in Australia or any other country.

15.2 Part or all of any provision of these Terms and Conditions that is illegal or unenforceable will be severed from these Terms and Conditions and the remaining provisions of these Terms and Conditions will continue in force.

15.3 We may assign or otherwise deal with our rights under these Terms and Conditions in any way we consider appropriate. You agree that we may disclose any information or documents that we consider desirable to help us exercise this right. You also agree that we may disclose information or documents at any time to a person to whom we assign our rights under these Terms and Conditions.

15.4 Where you are an individual, your Account is subject to the relevant provisions of the Code of Banking Practice (1993 version).

15.5 You may obtain from Macquarie's website, or by calling Macquarie, general information on:

- account opening procedures;
- our confidentiality obligations;
- dispute handling procedures;
- combining accounts;
- bank cheques;
- cheques and cheque clearing;
- the advisability of informing us promptly when you are in financial difficulty;
- the advisability of reading these Terms and Conditions; and
- current interest rates, fees and charges.

#### 16. Direct Debit Request Service Agreement (DDR Service Agreement)

- a. This clause 16 applies only if you provided a Nominated Bank Account in the application form from which you authorise us to directly debit amounts.
- b. Under this DDR Service Agreement, you authorise us to debit your Nominated Bank Account, through the Bulk Electronic Clearing System (BECS), with any amounts which we may debit or charge you under the Service.
- c. You confirm that we are entitled to rely on this authorisation until we receive written notice from you to the contrary.
  - a. You are solely responsible for ensuring that there are sufficient cleared funds available in your Nominated Bank Account to honour any direct debit request we make on your behalf.
  - b. The financial institution holding your Nominated Bank Account may, in its absolute discretion, decide

the order of priority of payment by it of any money pursuant to this DDR Service Agreement and may, by notice in writing to you, terminate your direct debit for any reason whatsoever.

- c. You can modify, defer or stop your use of this direct debit service at any time by giving us notice in writing. Your request will normally be processed within seven days of receiving your properly completed request. Any request to stop this direct debit service may also be directed to the financial institution holding your Nominated Bank Account.
- d. We may vary any of the terms of these direct debit arrangements, by fourteen days notice in writing to you.
- e. We will ordinarily cease to request a direct debit where our request has been rejected by the financial institution which holds your Nominated Bank Account on three consecutive attempts, due to insufficient funds in your Account. If this occurs, we will notify you.
- f. If you believe that there has been an error in debiting your Account, you should notify us directly and confirm in writing as soon as possible, to assist us to resolve your query more quickly.

If we conclude, as a result of our investigations, that your Nominated Bank Account has been incorrectly debited, we will respond to your query by arranging for your financial institution to adjust your Account accordingly (including interest and charges). We will also notify you in writing of the amount by which your Nominated Bank Account has been adjusted.

If we conclude, as a result of our investigations, that your Nominated Bank Account had been correctly debited, we will provide you with reasons and any evidence for this finding.

You should direct any queries you have about a debit under this DDR Service Agreement to us, in the first instance, so that we can attempt to resolve the matter between you and us. You can also contact the financial institution holding your Nominated Bank Account concerning any disputed debit.

- g. We will treat your direct debit request records and Account details as confidential, except where we need to pass on those details to your sponsor bank in BECS, to assist with the checking of any incorrect or wrongful debits to your Account.

## 17. Qantas Airways Limited

- 17.1 Specifically, we will not be liable in any way in relation to any variations on the rules or terms and conditions of the Program or the availability of, or redemption of points towards, rewards under the Program or any air travel, that may be undertaken as a result of participation in the Program

17.2 You further agree that any air travel that is undertaken as a result of participation in the Program is subject to the General Conditions of Carriage of the relevant carrier as amended from time to time.

17.3 Qantas Frequent Flyer may vary any of the rules or terms and conditions of the Program from time to time or terminate the Program at any time. Membership of the Program and Points awarded under the Program are both subject to the terms and conditions of the Program and no liability is assumed by us in relation to your membership of the Program.

17.4 The Account is provided and supplied by us. Qantas is not liable in any way in relation to the provision or supply of the Account.

17.5 Qantas Frequent Flyer points earned will be based upon the amount and term of the Account on the date funds are received and the Term Deposit is opened.

17.6 You authorise Qantas and Macquarie Bank to provide the following information to each other from time to time: your name and address; email address; Qantas Frequent Flyer number; the date of the deposit; the amount and term of the deposit; the interest rate and the interest paid (the 'Information').

17.7 You understand and agree that Qantas may use the Information for the purposes of providing services, including the awarding of Qantas Frequent Flyer points to you and for the improvement of Qantas customer service, including by means of research, marketing, product development and planning.

17.8 Qantas may disclose the Information to any person (including agents and contractors) for the purposes outlined in Clause 17.7 and for the purpose of the third party providing services to Qantas in connection with the administration of its Program and in the marketing of its products or services or the products or services of its partners.

17.9 You can request access to the information we or Qantas have about you at any time.

## 18. Qantas Commission

We pay Qantas an amount of commission based on your daily Account balance. This Commission is paid at no extra cost to you. We reserve the right to decide whether we will make these payments. We may also supply Qantas with information about your Account, in accordance with the Account terms and conditions, unless you instruct us not to do so.